



Jewett-Cameron Reports Fiscal 2025 Third Quarter Operational and Financial Results

NORTH PLAINS, Ore., July 14, 2025 (GLOBE NEWSWIRE) -- Jewett-Cameron Trading Company Ltd. (Nasdaq: JCTC), a company committed to innovative products that enrich outdoor spaces, today announced operational and financial results for the fiscal 2025 third quarter ended May 31, 2025.

Recent Operational Highlights

- Total revenue decreased 21% in Q3 2025 compared to Q3 2024 as uncertainty regarding tariffs impacted customer purchasing patterns and the Company experienced an interruption in its ability to fulfill certain wood lumber purchases during the quarter.
- The tariff impact from retail customer purchasing patterns was somewhat mitigated by the Company's roll out of Lifetime Steel Posts® ("LTP") displays which drove 85% growth in LTP product sales compared to Q3 2024.
- Increased the number of LTP displays placed through May 2025 by approximately 88% compared to the end of November 2024 and by 21% since the end of February 2025. Today, over 422 displays have been installed at The Home Depot and Lowe's stores allowing the Company's products to be highly visible and easily accessible for professionals and do-it-yourselfers.

Tariff Impact, Response and Cost Optimization Initiatives

Tariff Impact

Tariffs on Chinese goods were originally subject to a 25% tariff implemented in 2019. Additional China specific tariffs were added in February, March, and April 2025, with further increases announced in May 2025. The diversification of the Company's suppliers to additional countries beyond China allowed it to initially mitigate some of the recent tariff increases as those new suppliers outside of China were primarily subject only to the universal 10% baseline tariff rate as a floor. However, some nations, including those of some of our alternative suppliers, have been notified of possible country specific tariffs, subject to further negotiation. Steel and aluminum imports were originally assigned a global 25% tariff rate. Subsequently, that rate was doubled to 50% as of June 4, 2025, just five days after it was announced on May 30, 2025, leaving importers with no time to plan or adjust import shipments.

As a result of these wide and unpredictable new rates, and threats of further significant increases, many retailers have deferred purchases of imported metal products until further clarity on prices is available. Further, the rapid and volatile changes to rates, product components impacted, and which countries are affected, have caused immense turmoil in the Company's markets, including stressing key logistics lines and increasing costs. This has resulted in significantly higher pricing and uncertainty in deliveries to customers, which have had a negative impact on our results of operations for the most recent fiscal quarter and is expected to continue to impact financial results for the fourth quarter of 2025.

Tariff Response and Cost Optimization Initiatives

The Company has, and continues to, implement a number of initiatives designed to mitigate the rapidly evolving and volatile tariff environment which impacts a number of the Company's metal fence and pet solutions. These initiatives include:

- Development of new multi-source, multi-country, strategic sourcing partner efforts to create less dependence on the countries that carry the highest tariffs, with flexibility to pivot production where costs are more reasonable.
- Developing strategies to implement price increases across our product portfolio to better align costs, with sufficient notice to our customers to enhance customer acceptance of these price increases.

- Evaluating and implementing process improvement initiatives and technology to drive efficiencies, enhance cash flow and improve customer satisfaction.
- Enacting operational efficiency efforts through a series of organizational changes, including an approximate 20% reduction in personnel implemented in the third fiscal quarter of 2025.

Management Discussion

"Tariff volatility had a significant impact on our 3rd quarter results as many retailers deferred purchases of imported metal products. Further, the rapid and unpredictable changes in tariff rates, product components impacted, and which countries are affected have increased costs, complicated pricing, and stressed the supply chain," commented Chad Summers, CEO of Jewett-Cameron. "Fortunately, we have been proactive and implemented a variety of initiatives designed to mitigate to some degree the impact from the unprecedented evolving tariff environment. The decisive actions we have taken to manage what is within our control have significantly improved the position of the Company from what it would have been without these strategies, some of which began nearly two years ago. It is our belief that resolution to the ongoing tariff negotiations will provide a pathway to more normalized customer purchasing patterns in the future which will once again highlight the numerous positive initiatives we have implemented to drive efficiencies and position Jewett-Cameron for growth."

Financial Results

Revenue for Q3 2025 was \$12.6 million compared to \$15.9 million in Q2 2024. The decrease was driven by uncertainty surrounding tariffs causing many retailers and consumers to defer purchases of imported metal products until further clarity on prices is available. Further, pet sales remained weak and shortages in cedar supply resulted in lower fencing sales. Sales at Greenwood decreased 24% for the current quarter to \$0.7 million compared to \$0.9 million in Q3 2024 as a non-Greenwood supply issue continued to slow production across the bus industry.

Gross profit margins during Q3 2025 were 15.0% compared to 18.6% in Q3 2024. The decline in gross margins were due to a combination of higher tariff costs, higher shipping costs, expenditures on the continued roll-out of in-store display units, and a shift towards lower margin products during the quarter. The Company has made strenuous efforts to adjust its selling prices to correctly reflect the new tariff rates, but the rapid and unpredictable announcements of new rates over the last 6 months has made that process extremely difficult. As increased pricing initiatives to better align with increased costs take hold, it is the expectation that gross margins will eventually revert to historical levels.

Operating expenses during Q3 2025 were \$2.6 million compared to \$2.9 million in Q3 2024. The decrease in operating expenses is due to initiatives taken by the Company to implement operational efficiencies and realign headcount to new business processes, including a 20% reduction in the workforce implemented in April 2025.

Net loss for Q3 2025 was \$(0.6) million or \$(0.18) per basic and diluted share compared to net income of \$0.2 million or \$0.04 per basic and diluted share in Q3 2024. The change is primarily due to the impact from tariffs which deferred customer purchases, coupled with lower gross margins primarily due to higher tariff and transportation costs, offset, in part, by increased sales of LTP products and lower operating costs due to operational efficiencies implemented by the Company.

The Company continues to market for sale or lease its 11.6-acre property based in Hillsboro, Oregon that was previously a seed processing and storage facility and will provide updates when a definitive arrangement is entered into. The property currently has a book value of \$566,022 and is unencumbered by any loans.

Conference Call Details

Date and Time: Monday, July 14, 2025 at 4:30 p.m. Eastern time

Webcast Information: The webcast will be accessible live and archived at <https://app.webinar.net/DwQGzaQz13J> and

accessible on the Investors section of the Company's website at <https://jewettcameron.com/pages/investor-relations>.

About Jewett-Cameron Trading Company Ltd. (JCTC)

Jewett-Cameron Trading Company Ltd. is a trusted provider of innovative, high-quality products that enrich outdoor spaces. Jewett-Cameron Company's business consists of the manufacturing and distribution of patented and patent-pending specialty metal and sustainable bag products and the wholesale distribution of wood products. The Company's brands include Lucky Dog® for pet products; Jewett Cameron Fence for brands such as Adjust-A-Gate®, Fit-Right®, Perimeter Patrol®, Euro Fence, Lifetime Steel Post®, and Jewett Cameron Lumber for gates and fencing; MyEcoWorld® for sustainable bag products; and Early Start, Spring Gardner, Greenline®, and Weatherguard for greenhouses. Additional information about the Company and its products can be found on the Company's website at www.jewettcameron.com.

Forward-looking Statements

This press release contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words like "plans", "expects", "aims", "believes", "projects", "anticipates", "intends", "estimates", "will", "should", "could" and similar expressions in connection with any discussion, expectation, or projection of future operating or financial performance, events or trends. Forward-looking statements are based on management's current expectations and assumptions, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict, including but not limited to, the fact that our business is highly competitive, we are continually seeking ways to expand our business, we may seek additional financing or other ways to expand operations and improve margins, the uncertainties of the Company's new product introductions, the risks of increased competition and technological change, customer concentration risk, supply chain delays, governmental and regulatory risks, uncertain tariff and transport rates, as well as the other risk factors that are set forth in more detail in our Annual Report on Form 10-K and other documents filed with the SEC. Actual outcomes and results may differ materially from these expectations and assumptions due to changes in global political, economic, business, competitive, market, regulatory and other factors. We may not actually achieve the goals or plans described in our forward-looking statements, and investors should not place undue reliance on these statements. Any forward-looking statements speak only as of the date on which they are made and we undertake no obligation to publicly update or review any forward-looking information, whether as a result of new information, future developments or otherwise, except as required by law.

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JEWETT-CAMERON TRADING COMPANY LTD.

CONSOLIDATED BALANCE SHEETS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	May 31, 2025	August 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,204,719	\$ 4,853,367
Accounts receivable, net of allowance of \$0 (August 31, 2024 - \$0)	6,789,582	3,668,815
Inventory, net of allowance of \$550,000 (August 31, 2024 - \$550,000) (note 3)	15,257,917	13,157,243
Asset held for sale (note 4)	566,022	566,022
Prepaid expenses	705,448	891,690
Prepaid income taxes	-	50,326
Total current assets	24,523,688	23,187,463
Property, plant and equipment, net (note 4)	3,701,506	3,849,800
Intangible assets, net (note 5)	111,597	112,222
Deferred tax assets (note 6)	902,095	341,029
Total assets	\$ 29,238,886	\$ 27,490,514
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 1,861,519	\$ 1,237,988
Bank indebtedness (note 7)	2,422,305	-
Accrued liabilities	1,911,011	1,401,382
Income taxes payable	14,426	-
Total liabilities	6,209,261	2,639,370
Stockholders' equity		
Capital stock (notes 8, 9)		
Authorized 21,567,564 common shares, no par value 10,000,000 preferred shares, no par value		
Issued 3,518,119 common shares (August 31, 2024 - 3,504,802)	830,003	826,861
Additional paid-in capital	852,510	795,726
Retained earnings	21,347,112	23,228,557
Total stockholders' equity	23,029,625	24,851,144
Total liabilities and stockholders' equity	\$ 29,238,886	\$ 27,490,514

Subsequent event (Note 15)

The accompanying notes are an integral part of these consolidated financial statements.

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	Three Month Period Ended May 31,		Nine Month Period Ended May 31,	
	2025	2024	2025	2024
SALES	\$ 12,605,344	\$ 15,896,017	\$ 30,927,295	\$ 33,931,050
COST OF SALES	10,716,337	12,944,941	25,528,678	26,959,377
GROSS PROFIT	1,889,007	2,951,076	5,398,617	6,971,673
OPERATING EXPENSES				
Selling, general and administrative expenses	1,008,334	1,026,071	2,757,714	2,941,978
Depreciation and amortization	80,008	79,406	242,303	268,349
Wages and employee benefits	1,488,446	1,790,004	4,715,013	5,221,662
	2,576,788	2,895,481	7,715,030	8,431,989
Income (loss) from operations	(687,781)	55,595	(2,316,413)	(1,460,316)
OTHER ITEMS				
Other income	-	-	306	2,450,000
Gain on sale of assets	-	1,450	800	90,537
Interest (expense) income	(74,147)	(1,437)	(43,053)	11,527
	(74,147)	13	(41,947)	2,552,064
(Loss) income before income taxes	(761,928)	55,608	(2,358,360)	1,091,748
Income tax recovery (expense)	112,294	99,254	476,915	(179,491)
Net (loss) income	\$ (649,634)	\$ 154,862	\$ (1,881,445)	\$ 912,257
Basic (loss) earnings per common share	\$ (0.18)	\$ 0.04	\$ (0.54)	\$ 0.26
Diluted (loss) earnings per common share	\$ (0.18)	\$ 0.04	\$ (0.54)	\$ 0.26
Weighted average number of common shares outstanding:				
Basic	3,518,119	3,504,802	3,512,733	3,502,399
Diluted	3,518,119	3,504,802	3,512,733	3,502,399

JEWETT-CAMERON TRADING COMPANY LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	Nine Month Period Ended May 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	\$ (1,881,445) \$ 912,257
Items not involving an outlay of cash:		
Depreciation and amortization	242,303	268,349
Stock-based compensation expense	59,926	32,064
Gain on sale of assets	(800) (90,537
Write-down of intangible assets	-	21,790
Deferred income tax expense	(561,066) (76,913
Changes in non-cash working capital items:		
Increase in accounts receivable	(3,120,767) (1,773,420
(Increase) decrease in inventory	(2,100,674) 4,868,114
Decrease (increase) in prepaid expenses	186,242	(771,684
Increase (decrease) in accounts payable and accrued liabilities	1,133,160	(1,252,341
Decrease in prepaid income taxes	50,326	-
Increase in income taxes payable	14,426	96,479
Net cash provided by (used in) operating activities	(5,978,369) 2,234,158
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property, plant and equipment	800	106,649
Purchase of property, plant and equipment	(93,384) (110,540
Net cash used in investing activities	(92,584) (3,891
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayment to) bank indebtedness	2,422,305	(1,259,259
Net cash provided by (used in) financing activities	2,422,305	(1,259,259
Net (decrease) increase in cash and cash equivalents	(3,648,648) 971,008
Cash and cash equivalents, beginning of period	4,853,367	83,696
Cash and cash equivalents, end of period	\$ 1,204,719	\$ 1,054,704

Supplemental disclosure with respect to cash flows (Note 13)

The accompanying notes are an integral part of these consolidated financial statements.

