Jewett-Cameron Reports Fiscal 2026 First Quarter Operational and Financial Results

Company to host webcast today, January 14, 2026, at 4:30 p.m. Eastern time

NORTH PLAINS, Ore., Jan. 14, 2026 (GLOBE NEWSWIRE) -- Jewett-Cameron Trading Company Ltd. (the "Company"; Nasdaq: JCTC), a company committed to innovative products that enrich outdoor spaces, today announced operational and financial results for the fiscal 2026 first quarter for the period ended November 30, 2025.

Management Discussion

"Many of the broader headwinds impacting our business that we have discussed for the past nine months or so continue to persist. Uncertainty surrounding tariffs continues to pressure costs and disrupt purchasing behavior, while weak consumer sentiment has restrained discretionary spending. That said, we made progress on a number of the strategic activities we presented in early December 2025 that prioritize the Company's overall value, including the return to growth of our core metal fencing products, our largest and most successful product category, providing optimism for the future as global trade conditions stabilize. We also made progress on renegotiating several customer agreements to better align our costs with the prices we charge for our differentiated products to improve future profitability. Further, we entered into a revised lending agreement which provides additional flexibility to fund our operational realignment," commented Chad Summers, CEO of Jewett-Cameron.

"During the first quarter, our metal fence business showed year-over-year growth and we experienced growth in Greenwood during the quarter. This growth was offset by decreased sales in lumber and pet, two areas which we previously announced initiatives to sell-off excess inventory due to challenging market conditions and changes in customer arrangements. Our reported gross profit margins were further negatively affected by a write-down on certain pet and lumber inventory, along with liquidation sales of already reserved inventory that, in essence, carried zero margin; without these factors, our gross profit margins would have shown improvement year over year. On the cost side, we continue to reduce headcount to align our operations. While the first quarter results reflect a number of challenges-some continuing from earlier in the year-we believe there are positive developments underway that will become more evident in the quarters to come."

"We are actively working to monetize non-core assets by pursuing the sale of excess inventory, evaluating strategic partnerships and collaborations, and exploring potential divestitures across select businesses and real estate assets, allowing us to sharpen our focus on our core operations and strengthen our financial position. It is our clear objective to exit fiscal 2026 with a business model that is sustainable in the long term, leveraging the current value of non-core assets to fund our core growth strategy and deliver enhanced value to shareholders," Summers concluded.

Financial Results

Revenue for Q1 2026 was $8.7 million compared to $9.3 million in Q1 2025, a decrease of 7%. Sales of the Company's core metal fence business, its largest and most successful product category, were up slightly compared to the year ago first quarter despite the challenges of tariffs and continuing negative consumer sentiment, providing optimism as global trade conditions stabilize. Sales of the Company's Greenwood industrial wood business increased 45% year-over-year as demand by municipalities and transit operators continues to strengthen, while revenues were further boosted by the addition of a new non-transit industrial customer. This growth was offset by decreased sales in lumber and pet, two areas which the Company has previously announced initiatives to sell excess inventory due to challenging market conditions and changes in customer arrangements.

Gross profit margins during Q1 2026 were (12.5)% compared to 18.3% in Q1 2025. The largest impacts on the change in the Company's gross profit margins was due to $2.2 million in additional inventory write-downs taken during the current quarter primarily related to pet and lumber inventory.

Operating expenses during Q1 2026 were $2.7 million compared to $2.6 million in Q1 2025. Wages and employee benefits dropped significantly to $1.2 million from $1.7 million as the Company continued to reduce its headcount. Selling, General and Administrative (SG&A) expenses rose to $1.4 million from $809,000 primarily due to higher professional fees related to the engagement of additional consultants in the period and increases to the Company's lumber warehousing costs.

Net loss for Q1 2026 was $(3.9) million or $(1.12) per basic and diluted share compared to net loss of $(659,000) million or $(0.19) per basic and diluted share in Q1 2025. Key impacts on net loss for the quarter were a $2.2 inventory write-down and engagement of additional consultants, as well as increases to the Company's lumber warehousing costs.

As of November 30, 2025, the Company had borrowed $4.2 million against its credit line with Northrim Funding Services ("Northrim"). In December 2025, subsequent to the end of the first quarter, the Company amended its original agreement with Northrim to increase its borrowing capacity to $8,000,000, up from $6,000,000. In addition to increasing advance rates against accounts receivable (from 80% to 90%) and inventory (from 25% to 50%), amounts provided by Northrim will be secured by certain of the Company's real estate assets. Proceeds from the sale of any such assets will be used to pay down the credit line and thereafter the funding arrangement will revert to the original conditions and limits set forth prior to the recent amendments. The Company believes that the increase in the Company's credit line provides it with additional flexibility to provide funds to help our operational realignment and the purchase of inventory ahead of our traditionally busier Spring and Summer seasons.

Continual Strategic Review

As previously announced on December 1, 2025, the Company has begun implementation of its strategic realignment to promote growth and profitability following a challenging second half of fiscal 2025 and first quarter of fiscal 2026, which was marked by significant volatility primarily due to the uncertain tariff and global economic situation over the past several months.

Management and the Board have evaluated, and continue to evaluate, a variety of strategic options for the Company, as well as its individual operating segments and assets, that prioritize the Company's overall value.

This comprehensive strategy includes:

- Concentrating on the Company's core metal fencing products, its largest and most successful product category, and optimizing sales of other product categories.
- Significantly improving operational efficiencies and cost structure with a commitment to reduce annual operating expenses by $1 million to $3 million. It is the Company's intent to exit fiscal 2026 with a business model that is sustainable in the long term, leveraging the current value of non-core assets to fund its core growth strategy and deliver enhanced value to shareholders.
- The Company is pursuing opportunities to sell excess inventory, and explore collaborative alliances and business partnerships to best monetize non-core assets and business lines which may include the Company's industrial lumber subsidiary, selective pet assets, its wood fencing business, and sale of certain real estate assets.

Strategic options under consideration may include mergers, acquisitions, divestitures, joint ventures and other business collaborations and partnerships that would potentially involve specific assets or business lines of the Company. The Company engages in preliminary discussions with third parties from time to time regarding a variety of potential transactions. There can be no assurance that these discussions will result in definitive agreements or the completion of any transaction. The Company does not intend to provide further updates on these discussions unless and until a definitive agreement is reached.

Conference Call Details

Date and Time: Wednesday, January 14, 2026, at 4:30 p.m. Eastern time

Webcast Information: The webcast will be accessible live and will be archived at https://app.webinar.net/j7W3pWOp41Q and accessible on the Investors section of the Company's website at https://jewettcameron.com/pages/investor-relations. To submit questions, please send them to JCTC@lythampartners.com.

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, and 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 Securities and Exchange Commission. 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.

Investor Contact:
Robert Blum
Lytham Partners
Phone: (602) 889-9700
JCTC@lythampartners.com

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED BALANCE SHEETS
(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	November 30, 2025	August 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,036,218	$ 226,213
Accounts receivable, net of allowance of $0 (August 31, 2025 - $0)	3,313,266	3,863,678
Inventory, net of allowance of $3,050,000 (August 31, 2025 - $1,200,000) (note 3)	13,526,812	15,885,589
Assets held for sale (note 4)	901,811	566,022
Prepaid expenses	1,109,415	1,000,439
Prepaid income taxes	157,276	180,151
Total current assets	20,044,798	21,722,092
Property, plant and equipment, net (note 4)	3,089,619	3,643,114
Intangible assets, net (note 5)	111,181	111,389
Deferred tax assets (Note 6)	-	3
Total assets	$ 23,245,598	$ 25,476,598
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 1,204,550	$ 1,510,173
Bank indebtedness (note 7)	4,233,236	2,101,835
Accrued liabilities	970,973	1,083,612
Total liabilities	6,408,759	4,695,620
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, 2025 - 3,518,119)	830,003	830,003
Additional paid-in capital	852,510	852,510
Retained earnings	15,154,326	19,098,465
Total stockholders' equity	16,836,839	20,780,978
Total liabilities and stockholders' equity	$ 23,245,598	$ 25,476,598

Subsequent events (Note 14)

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 Months Ended November 30, 2025	Three Months Ended November 30, 2024
SALES	$ 8,653,467	$ 9,267,001
COST OF SALES	9,732,399	7,573,099
GROSS PROFIT	(1,078,932)	1,693,902
OPERATING EXPENSES		
Selling, general and administrative expenses	1,401,035	809,213
Depreciation and amortization (notes 4, 5)	77,610	81,066
Wages and employee benefits	1,227,038	1,661,768
	2,705,683	2,552,047
Loss from operations	(3,784,615)	(858,145)
OTHER ITEMS		
Gain on sale of property, plant and equipment	-	800
Interest (expense) income	(129,149)	21,998
Total other items	(129,149)	22,798
Loss before income taxes	(3,913,764)	(835,347)
Income tax (expense) recovery	(30,375)	176,630
Net loss	$ (3,944,139)	$ (658,717)
Basic loss per common share	$ (1.12)	$ (0.19)
Diluted loss per common share	$ (1.12)	$ (0.19)
Weighted average number of common shares outstanding:		
Basic	3,518,119	3,504,802
Diluted	3,518,119	3,504,802

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

JEWETT-CAMERON TRADING COMPANY LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	Three Months Ended November 30, 2025	Three Months Ended November 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (3,944,139)	$ (658,717)
Items not involving an outlay of cash:		
Depreciation and amortization	77,610	81,066
Gain on sale of property, plant and equipment	-	(800)
Write-off of property, plant and equipment	140,304	-
Deferred income taxes	3	(207,005)
Changes in non-cash working capital items:		
Decrease (increase) in accounts receivable	550,412	(514,895)
Decrease (increase) in inventory	2,358,777	(334,304)
Increase in prepaid expenses	(108,976)	(86,612)
Decrease in prepaid income taxes	22,875	30,376
Decrease in accounts payable and accrued liabilities	(418,262)	(86,585)
Net cash used in operating activities	(1,321.396)	(1,777,476)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property, plant and equipment	-	800
Purchase of property, plant and equipment	-	(37,300)
Net cash used in investing activities	-	(36,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank indebtedness	2,131,401	-
Net cash provided by financing activities	2,131,401	-
Net increase (decrease) in cash	810,005	(1,813,976)
Cash, beginning of period	226,213	4,853,367
Cash, end of period	$ 1,036,218	$ 3,039,391

Supplemental disclosure with respect to cash flows (Note 13)

JEWETT CAMERON COMPANY

1/14/2026 4:05:00 PM