

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended AUGUST 31, 2025

Or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Transition period from _____ to _____

Commission File Number: 000-19954

JEWETT-CAMERON TRADING CO LTD

(Name of registrant as specified in its charter)

British Columbia, Canada A1
(State or Incorporation or Organization)

00-0000000
(IRS Employer ID No.)

32275 NW Hillcrest, North Plains, OR, USA 97133
(Address of principal executive offices)

Registrant's Telephone Number 503-647-0110

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, no par value	JCTC	NASDAQ Capital Market

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☒

Accelerated filer ☐
Smaller Reporting Company ☒
Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐ Yes ☐ No

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive- based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).
☐ Yes ☒ No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter:
February 28, 2025 = \$9,802,679

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of December 1, 2025: 3,518,119

Jewett-Cameron Trading Company Ltd.

Form 10-K Annual Report

Fiscal Year Ended August 31, 2025

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PART I

ITEM 1. BUSINESS

Forward-Looking Statements

This Annual Report on Form 10-K for the fiscal year ended August 31, 2025 ("Annual Report") 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. 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. 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.

These factors include, but are 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, as well as the other risk factors that are set forth in more detail elsewhere in this Annual Report, including in the sections, ITEM 1A, "Risk Factors", and ITEM 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Introduction

Jewett-Cameron Trading Company Ltd. is organized under the laws of British Columbia, Canada. In this Annual Report, the "Company", "Jewett-Cameron", "we", "our" and "us" refer to Jewett-Cameron Trading Company Ltd. and its subsidiaries as applicable.

Our operations are classified into three reportable operating segments and the parent corporate and administrative segment, which were determined based on the nature of the products we offer along with the markets being served. Consistent with our operational structure, our Chief Executive Officer (CEO), as the chief operating decision maker, manages our business based on segment financial information for purposes of evaluating performance, allocating resources, setting incentive compensation targets, as well as internal forecasting of future period financial results. Our segments are as follows:

- Pet, Fencing and Other
- Industrial wood products
- Seed processing and sales

- Corporate and administrative services

Total Company sales were \$41.3 million and \$47.1 million during fiscal years ended August 31, 2025 and 2024, respectively. Sales, income before taxes, assets, depreciation and amortization, capital expenditures, and interest expense by segment are shown in the financial statements under Note 11 "Segment Information."

Our principal office is located at 32275 NW Hillcrest Street, North Plains, Oregon; and our website address is www.jewettcameron.com. Our primary mailing address is P.O. Box 1010, North Plains, OR 97133. Our phone number is (503) 647-0110. The contents of our website or any other website are not incorporated by reference into this Annual Report.

We file reports and other information with the Securities and Exchange Commission located at 100 F Street NE, Washington, D.C. 20549. Copies of these filings may be accessed through their website at www.sec.gov. Reports are also filed under Canadian regulatory requirements on SEDAR, and these reports may be accessed at www.sedar.com.

The contact person for the Company is Chad Summers, President and CEO.

Our authorized capital includes 21,567,564 common shares without par value; and 10,000,000 preferred shares without par value. As of August 31, 2025 and December 1, 2025, there were 3,518,119 common shares outstanding. Our common shares are listed on the NASDAQ Capital Market in the United States with the symbol "JCTC".

Our fiscal year ends on August 31st.

General Development of Business

Incorporation and Subsidiaries

Jewett-Cameron Trading Company Ltd. was incorporated under the Company Act of British Columbia on July 8, 1987 as a holding company for Jewett-Cameron Lumber Corporation ("JCLC"), which was incorporated in September 1953 in Oregon, USA. Jewett-Cameron Trading Company, Ltd. acquired all the shares of JCLC through a stock-for-stock exchange on July 13, 1987, and at that time JCLC became a wholly owned subsidiary. Effective September 1, 2013, the Company completed a reorganization of certain of its subsidiaries and JCLC's name was changed to JC USA Inc. ("JC USA"). JC USA has the following wholly owned subsidiaries incorporated under the laws of the State of Oregon: Jewett-Cameron Seed Company, ("JCSC"), incorporated in October 2000, Greenwood Products, Inc. ("Greenwood"), incorporated in February 2002, and Jewett-Cameron Company ("JCC") incorporated in September 2013. Jewett-Cameron Trading Company, Ltd. and its subsidiaries have no significant assets in Canada.

Corporate Development

Incorporated in 1953, JC USA initially operated as a small lumber wholesaler based in Portland, Oregon. In September 1984, the original stockholders sold their interest in the corporation to a new group of investors. Two members of that group remained active in the Company. These individuals are Donald Boone, who passed away in May 2019, and who was the previous Chairman and the former President, Chief Executive Officer, Treasurer, and Principal Financial Officer, transitioning to strictly the Board Chair in 2017; and Michael Nasser, who retired from day-to-day involvement in the business in December 2022, but remained engaged as a director until October 2023.

In 1987, we acquired JC USA and began to diversify into products beyond lumber trading. Lucky Dog® was acquired in 1995 and Adjust-A-Gate® was acquired in 2003.

In 2000, we acquired the operations and property that became our JCSC seed division.

In 2002, Greenwood acquired the business and certain assets of Greenwood Forest Products Inc., a company involved in the processing and distribution of specialty wood products.

In April 2023, as a result of lower quantities of seed for processing, and the demand for its marketing and sales services declining against rising costs, the Board of Directors decided to close the JCSC seed division. JCSC's facilities and equipment were near the end of the expected useful life and would have required significant capital investment to remain operating. Regular operations at JCSC ended effective August 31, 2023, but some seed storage operations continued through July 2024 in order to provide customers time to obtain alternative storage arrangements. The entire seed inventory was sold in early October 2023. Some of the JCSC personnel were moved to different positions within the Company as management has prioritized career development and retention whenever possible.

In September 2024, we announced the successful conclusion of an 18-month search, evaluation, and onboarding process establishing new suppliers. We have historically sourced the majority of our metal products from a single factory in China. Under our new strategic sourcing program, we now have suppliers located in Bangladesh and Vietnam in addition to our original source in China. The products from our new suppliers meet our quality standards with competitive pricing, but also mitigate to some extent the current 85% tariff rates as of November 10, 2025 from China placed on various Chinese made steel products imported into the United States.

Narrative Description of Business

We are committed to improving the lives of professionals and do-it-yourselfers with innovative products that enrich outdoor spaces in their quality, performance, and ease to work with.

The Company's operations are classified into four segments: Pet, Fencing and Other; Industrial wood products; Seed processing and sales; and corporate and administrative services.

Pet, Fencing and Other Operating Segment

We have concentrated on building a customer base for lawn, garden, and pet related products. Fencing is our largest component of this segment. The home improvement business is seasonal, with higher levels of sales occurring between February and August. Inventory buildup occurs until the start of the season in February and then gradually declines to seasonal low levels at the end of the summer.

Our wood products, distributed through JCC, are not unique and are available from multiple suppliers and retail outlets. However, the metal products that JCC manufactures and distributes may be somewhat differentiated from similar products available from other suppliers. We have been successful in garnering key patents and trademarks on multiple products that assist their ability to continue to differentiate based on design and functionality.

We own the patents and manufacturing rights connected with the Adjust-A-Gate® and Fit-Right™ products, which are the gate support systems for wood, vinyl, chain link, and composite fences, in addition to our trade secret industry practices and well-known trademarked brands. We believe the ownership of these patents and trademarks is an important competitive advantage for these and certain other products. We completed our purchase of the full global trademark rights for Adjust-A-Gate® and filed its registration with the US Patent and Trademark Office in February 2023. As of the close of fiscal 2025, the Company owns 7 US Patents and 1 patent application pending in the US, CA, and MX

pertaining to its fencing products.

Backlog orders have typically not been a factor in this business as customers may place firm priced orders for products for shipments to take place three to four months in the future which gives us time to order, manufacture and receive the goods at our warehouse in time to fulfil the customer's order.

Industrial Wood Products - Greenwood

Greenwood is a wholesale distributor of a variety of specialty wood products. Current products are focused on the transportation industry. Greenwood's total sales for fiscal 2025 and 2024 were 9% and 8%, respectively, of total Company sales.

The primary market in which Greenwood competes has decreased in economic sensitivity as users are incorporating products into the municipal and mass transit transportation sectors. However, these markets sustained some contractions in recent years due to COVID-19 as work shifted from offices to homes, and many individuals utilized public transit less due to concerns over exposure. In addition, this segment is prone to disruption of supply chain support which can impact other commodities outside of those specific to the disruption.

Greenwood utilizes contract manufacturers to supply its products. Inventory is maintained at non-owned warehouses and wood treating facilities throughout the United States and is primarily shipped to customers on a just-in-time basis. Inventory is generally not purchased on a speculative basis in anticipation of price changes as we order the products from the manufacturers and warehouses once a customer places an order with us.

Greenwood has no significant backlog of orders.

Seed Processing and Sales - JCSC

JCSC operated out of a Company-owned 11.6 acre facility located adjacent to North Plains, Oregon. JCSC processed and distributed agricultural seed. Most of this segment's sales came from selling seed to distributors with a lesser amount of sales derived from cleaning seed.

We ended regular operations at JCSC effective August 31, 2023 and have sold all of our remaining seed inventory. Seed storage operations continued through July 2024.

We have listed the JCSC property for sale or lease. The surplus property consists of 11.6 acres of land and 109,500 square feet of buildings. One of the buildings is specialized for the seed industry, while most are metal warehouse buildings with power, allowing a wide array of possible uses. The property is currently zoned "Rural Industrial" (RIND), which allows for use of the existing property, or development of the site, as approved by Washington County. While the original listed sale price of the property was based on both the perceived value of the property and the potential for a rezoning of the property for higher value uses, over the last year, the local economy has weakened and lessened the short-term needs for the local municipalities to create new housing and industrial land. Therefore, we relisted the property at a reduced listing price of \$7.223 million. This is the current asking price, and there is no guarantee the property will sell for this amount, if at all. If we are able to complete a sale, the net proceeds will be reduced by brokers' commissions, expenses related to the sale, and taxes.

Corporate and Administrative Services – JC USA

JC USA is the parent company for Greenwood, JCC and JCSC as described above. JC USA operates out of our offices in North Plains, Oregon and provides professional and administrative services, including warehousing, accounting and credit services, to JCTC's subsidiary companies.

Company Products

The Company's mission is to improve the lives of professionals and do-it-yourselfers with innovative products that enrich outdoor spaces. We design, source, commercialize and distribute our products. Many are patent protected and all are well crafted for their quality, performance, and ease to work with.

The Fencing, Pet and Sustainable Product businesses are conducted by JCC, which operates out of a 5.6 acre owned facility located in North Plains, Oregon that includes offices, a warehouse, and a paved yard. JCC uses contract manufacturers to make all products. Some of the products that JCC distributes flow through our distribution center located in North Plains, Oregon, and some are shipped direct to the customer from the manufacturer. Primary customers are home centers, eCommerce providers, other retailers, and direct sales to consumers.

The Industrial Wood Products segment is conducted by Greenwood, a processor and distributor that operates out of the same facilities in North Plains, Oregon. Greenwood contracts with custom manufacturers for its products. Inventory is maintained at non-owned warehouses and wood treating facilities throughout the United States and is primarily shipped to customers on a just-in-time basis.

Fencing Products

Fencing represents our largest product line. Our fencing business crafts durable, functional fencing solutions that bolster security, privacy, and beauty. Our primary products include:

- The Adjust-A-Gate® family of products are straightforward, lifelong solutions that eliminates measurement issues. Complete steel frame gate kits to perfectly fit openings for wood fences and never sag. Easy enough for homeowners, but with superior quality that meets the demands of the professional contractor.
- Fit-Right® is a fully adjustable gate system for chain link gates. This custom solution is perfect for when a special sized chain link gate opening is needed. Equipped with all the necessary parts, building a gate on-site eliminates measurement issues for the right fit the first time and every time.
- Lifetime Steel Post® offers unmatched strength and versatility in fencing. This post offers versatile support for a range of fence designs and styles, allowing flexibility to showcase the posts or keep them discreetly hidden.
- Euro Fence offers the beauty of wood without the upkeep, featuring durable wood/plastic composite materials. With locking tongue & groove composite and aluminum boards, it provides UV protection, never needs paint or stain, and installs easily in-ground or mounted.
- Perimeter Patrol® Portable Security Panels create an enclosed space or linear fence for outdoor areas. Perfect for crowd control, job site security, outdoor events, enclosed storage areas and more.
- Cedar fencing is a premium softwood known for its unique blend of beauty and durability. Its natural resistance to decay enhances its longevity, while its ease of cutting, sawing, and nailing with standard tools makes it a preferred choice for versatile applications.

Pet Products

Our Lucky Dog® brand is dedicated to keeping pets safe and happy with exceptional quality, long-lasting products that put your pet first. Our primary pet products are:

- Lucky Dog® STAY Series Studio Kennels built with long-lasting steel frames and powder coated finish. The waterproof polyester cover offers UPF 50+ protection and is

designed for ultimate comfort.

- Lucky Dog® Outdoor Kennel Covers provide durable, waterproof protection with UPF 50+ sun defense. Designed for year-round comfort, they fit securely over Lucky Dog® Kennels.
- Lucky Dog® Dwell Series® Crates offers peace of mind with secure latches, rust-resistant E-coating along with a patented sliding side door and patented corner stabilizers. With a top handle for easy transport and a divider panel for flexible space, they offer durability and convenience.
- Lucky Dog® Exercise Pens provide a secure space for pets with sturdy, rust-resistant wire construction. Featuring a step-thru door, tool-free setup, and fold-flat design for easy storage, these pens are perfect for both indoor and outdoor use.

Sustainable Products

Our Sustainable and Post-Consumer Recycled ("PCR") bag products are sold under the MyEcoWorld® brand. It is making a tangible, positive difference to the planet by working to reduce conventional single-use plastic in our daily lives.

We offer two types of bag products. The Compostable bags are made with 30% com. The PCR Products are certified to the Global Recycled Standard (GRS) to contain recycled material that has been independently verified at each stage of the supply chain, from the source to the final product, and cost less than compostable bags.

Our primary Sustainable Products are:

- Food Waste Bags that are certified compostable and worm-safe. These durable bags offer puncture resistance, odor control, and pest deterrence, ensuring reliable use and a cleaner kitchen environment.
- Yard Waste Bags that are suitable for a variety of composting methods, including home, curbside pickup, and industrial composting facilities.
- Pet Poop Bags that ensure no breaks or leaks while keeping the user's hands clean.

Industrial Wood Products

Greenwood Products specializes in engineering advanced noise and vibration reduction panels for transit buses, motor coaches, light rail cars, and boats. Our dB-Ply® proprietary acoustical panel is a cost-effective product designed to reduce vibration and sound transmission to meet mandated interior noise requirements. Greenwood's other products include durable, high-performance structural panels tailored for a wide range of industrial applications, and jumbo concrete forms designed to reduce installation time and lower job-site labor costs.

Seed Segment

The Company formerly operated agricultural seed processing, distribution and sales through JCSC. Most of this segment's sales were derived from selling seed to distributors with a lesser amount of sales derived from cleaning seed. During the fiscal year ended August 31, 2023, the Company decided to close its JCSC seed subsidiary effective August 31, 2023. During fiscal year 2024, JCSC sold all of its seed inventory and all the moveable equipment.

Company Strategy

We began fiscal 2025 with a positive outlook and a focus on continuing to lower costs, increase sales, improve margins, introduce innovative products and monetize surplus assets. However, due primarily to the volatility and uncertainty created by the introduction of various tariffs since February 2025 and the large purchases of lumber inventory in support of one of our larger customers, our goals to grow and return to profitability in fiscal 2025 were not achieved. Accordingly, management and the Board have reformulated our strategic plan to combat the challenges encountered during fiscal 2025, and focus on our core strengths during this difficult period. We intend to concentrate our resources on our successful fencing product lines while monetizing non-core assets and disposing of excess inventory. Management and the Board are also evaluating strategic alternatives for the Company as well as its individual operating segments and assets that prioritize the Company's overall value.

Our current strategy includes:

- Focus on our fencing products and increase sales and improve margins;
- Dispose of excess inventory;
- Monetize non-core assets;
- Improve operational efficiencies and cost structures; and
- Seek collaborative alliances and business partnerships where appropriate.

Focus on Fencing

Fencing remains our largest and most successful product category and will be the primary focus of our operations and expenditure of resources in the near term. Building on our success with the thousands of deployed in-store display units for our Adjust-A-Gate® products, which have continued to increase visibility of our products in stores and have led to higher sales volumes, we are continuing to roll out additional in-store display units for our Lifetime Steel Post® (LTP) product at major home improvement retailers. The LTP displays are now in 422 stores, which represents a small fraction of the potential market, both with our existing big box customers and potential new customers in the home improvement and professional market. We are also working to create new in-store displays for our other fencing products, and tailor these new displays to better fit in other home improvement retailers that may not have the space available for our current full-size display units. We are also continuing our innovation in this segment as we launched our low-profile Adjust-A-Gate® Unlimited product in 2025. Significant growth opportunities remain in the fencing sector, both through the expansion of our existing products into more stores, new sales channels, and through new and improved products. We are developing improvements and enhancements to our existing products, and evaluating outside products from third parties that complement our current product lines and broaden our product offerings.

The imposition of worldwide tariffs during 2025 significantly eroded our margins on many products and increased supply chain and logistics costs across the majority of our product lines. The tariffs directly impacted operating costs and had a significant negative impact on overall gross margins. In addition, many customers altered their usual purchases and deferred their orders during this period of tariff-related volatility. Many of our customers also refused to immediately accept higher prices for our products which we adjusted in response to the increased costs associated with the tariffs and global trade disruption. This resulted in an overall decrease in sales. While the Company took actions to attempt to mitigate these unforeseen events, such as pivoting to alternative suppliers outside of China through an intensive search, evaluation and onboarding process that began two years ago, and reducing headcount by nearly 30%, these measures were not sufficient to withstand the headwinds we faced in 2025. However, we believe that the global economic environment is stabilizing and that customers and supply chain partners are employing reasonable and innovative policies to maintain equilibrium and continuity of commerce. Accordingly, we intend to focus on improving margins on our core fencing products through these reestablished partnerships, new sales channels and by more controlled purchasing management.

Dispose of excess inventory

Demand for certain of our pet products remains slow as the pet market continues its overall weakness. As a result, we have excess pet inventory at our warehouse. We are working with third-party liquidators to sell this high-quality but slow-moving inventory which will provide us with cash and clear our warehousing costs for these products. We also currently have about \$5 million in excess lumber inventory which we acquired to meet the terms of our contractual obligations under our consignment agreement with a major customer which they did not need before the end of last season. Additionally, this customer has since given notice of their intention to transition away from the consignment agreement in calendar 2026. Although the consignment agreement provided us with meaningful revenue, it was of very low margin and profitability. We are currently in

negotiations with this customer, as well as other third parties, regarding the purchase of our excess lumber inventory.

Monetize non-core assets

Our surplus seed company property remains on the market at a list price of \$7.223 million. We have also recently listed our creative laboratory building for sale at a list price of \$795,000. As we intend to concentrate our business on fencing and outdoor products, we are presently evaluating all of our non-fence-related products and if they fit within our sharper focus on higher margin products. As a lower margin segment, management and the Board are currently evaluating Greenwood's industrial wood business and considering strategic alternatives. We are also reviewing potential changes to our pet business, as the overall pet industry is expected to remain weak for the foreseeable future.

Improve operations and cost structure

Over the last several years, we have made significant investments in improving and streamlining our operational capabilities. We also realigned our workforce within our strategic objectives through the reassignment of some employees to new roles and an overall headcount reduction in 2025 of 27% year-over-year. We will continue to look for cost savings that improve our operations and increase productivity. Since February 2025, the unprecedented rise in tariffs, especially for steel and aluminum products, have substantially increased our product costs and compressed our margins. We have been able to somewhat mitigate a portion of these new tariff costs through our multi-country sourcing initiative. As retailers and consumers are becoming acclimated to the tariff-related costs, our customers are increasingly accepting the new prices which will help alleviate a portion of this cost pressure going forward. We will continue to work with our suppliers and customers to find solutions to these tariff challenges while reducing our costs as much as possible.

Seek collaborative alliances and business partnerships

As part of management's and the Board's strategic plan, the Company will continue to explore potential strategic options to enhance shareholder value. This may include mergers, acquisitions, divestitures, joint ventures and other business collaborations and partnerships. The Company engages from time to time in preliminary discussions with third parties 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. We do not intend to provide further updates on these discussions unless and until a definitive agreement is reached.

Tariffs

Our metal and other products have historically been mostly manufactured in China and are imported into the United States. Beginning in 2018, the Office of the United States Trade Representative ("USTR") instituted new tariffs on the importation of a number of products into the United States from China. These initial tariffs were a response to what the USTR considers to be certain unfair trade practices by China. The tariffs began at 10%, and subsequently were increased to 25% as of May 2019.

Prior to fiscal 2024, our metal products were primarily manufactured in China and subject to the full 25% tariff rate. During fiscal 2024, we engaged suppliers in countries outside of China, including Bangladesh, Vietnam, Malaysia, and Taiwan. Products manufactured in and imported from these countries were not subject to the China-specific tariffs, but were subject to other duties and fees that are typically much lower than the then 25% tariff on Chinese manufactured metal products.

Beginning in February 2025, the new administration in the United States began to increase tariff rates on numerous products from a range of nations. Imported steel and aluminum products from all countries globally were assigned a new tariff rate of 25% in addition to any specific country or product rates. In early April 2025, the U.S. imposed a universal baseline 10% tariff rate on imports globally along with a list of product exemptions. As of June 4, 2025, the tariff on steel and aluminum imports was raised to 50%. Our steel products imported from countries other than China are subject to the 50% tariff rate, but not the 10% universal baseline tariff. China, however, has been assigned special rates. Tariff rates on steel products imported from China were at 95% through November 9, 2025, but were reduced to 85% as of November 10, 2025.

We are continuing our shift to suppliers outside of China which have lower tariff rates, primarily to Bangladesh and Vietnam. We currently import approximately 5% of our metal products from China. We also face uncertainty in the interpretation of new tariffs and their applicability, including with respect to customs valuation, product classification and country-of-origin determinations. Although we and our suppliers seek to comply with applicable customs laws and regulations, the application of rules regarding new tariffs can be subject to varying interpretations or future re-interpretations. It is possible that U.S. or other relevant authorities could, upon review or audit, disagree with the valuation, rules of origin or classification methods applied to certain products. Any such disagreement could result in the retroactive assessment of additional duties with interest, the imposition of penalties, or other enforcement actions without the ability to mitigate such penalties, thereby adversely affecting our operations or financial results. Furthermore, certain of our competitors may be better positioned than us to withstand or react to border taxes, tariffs or other restrictions on global trade and as a result, we may lose market share to such competitors. Due to broad uncertainty regarding the timing, content and extent of any regulatory changes in the U.S. or abroad, we cannot predict with certainty the impact, if any, that these changes could have to our business, financial condition and results of operations.

Financial Management

We have continued our efforts to optimize our operations and reduce our costs. During fiscal 2025, we shifted some employees to better align our workforce with our strategic objectives, and have reduced our employee headcount by 27% year-over-year. We believe these changes will result in increased productivity and reduce our costs without compromising quality or service.

As of August 31, 2025, we had borrowed \$2,101,835 against our credit line with Northrim Funding Services ("Northrim"). Under the current terms of the agreement, Northrim provides short-term operating capital by either purchasing the Company's accounts receivable invoices or as a loan against our inventory position. The maximum we may borrow against the line is \$6,000,000. As of November 28, 2025, our borrowing under this line is \$4,304,853. We are currently discussing with Northrim to adjust the credit line to increase the maximum borrowing computation which would provide us with additional financial flexibility and to raise the maximum amount available to us. There is no assurance that we will be able to obtain the desired increases in our credit line, which could have a material adverse impact on our business and financial condition.

Due to the continued uncertainty and higher costs stemming from the high tariff levels, we expect fiscal 2026 to remain challenging. We will continue to focus on our operational strengths while reducing costs where possible in our efforts to increase our sales and margins and return to profitability.

In addition, we are currently evaluating several different strategies to strengthen our liquidity position. These strategies may include, but are not limited to, disposition of certain non-core assets and unused real property, renegotiation of our credit line with Northrim and seeking additional financing from both the public and private markets through the issuance of equity or debt securities. There can be no assurance that we will be successful in achieving these strategies. See "Management's Discussion and Analysis – Liquidity and Capital Resources" for additional information.

Customer Concentration

The top ten customers were responsible for 97% and 88% of total Company sales for the years ended August 31, 2025 and August 31, 2024, respectively. Also, the Company's two largest customers were responsible for 74% and 67% of total Company sales for the years ended August 31, 2025 and August 31, 2024, respectively.

Employees

As of August 31, 2025 we had 45 full-time employees (August 31, 2024 – 62 full-time employees). By segment these employees were located as follows: JCC – 32 (2024 – 40) Greenwood – 2 (2024 – 2), and JC USA – 11 (2024 – 20). At the end of fiscal 2023, we ceased regular operations at JCSC. Four of the JCSC employees were transferred to JCC, and

the remainder were terminated and offered transition assistance. We continue to evaluate our ongoing staffing needs, and during fiscal 2024 and 2025 we reduced our number of employees to better align with our current business operations and development.

None of our employees are represented by unions. Jewett-Cameron Trading Company Ltd. has no direct employees, and our CEO and CFO are employed by JC USA.

ITEM 1A. RISK FACTORS

Investors should carefully consider the following risk factors and all other information contained in this Annual Report. There is a great deal of risk involved in our business, and any of the following risks could affect our business, its financial condition, its potential profits or could result in you losing your entire investment. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties, including those not presently known to us or that we currently deem immaterial, also may result in decreased revenues, increased expenses or other events which could result in a decline in our financial condition and the price of our common shares.

Risks Related to Our Business

Due to the uncertainty of the current global tariff and trade environment, we will require additional cash to fund our operations in the near and longer term

Our management must continually evaluate whether there are conditions or events, considered in the aggregate, that raise significant concerns in our ability to manage our cash flow and our business. Failure to manage our cash inflows and outflows effectively can have a material adverse impact on our operations, ability to order products in a timely manner, and serve our customers effectively. The recent volatile tariff and global trade situation created many challenges for our ability to effectively manage our supply chain, product costs, customer pricing, and overall operations. In light of these developments, we believe that it is essential that we take immediate steps to strengthen our liquidity position to enable us to continue to weather the uncertainties that still exist in the global markets. Accordingly, our management and Board have reformulated our near-term and long-term strategies, which now focus on strengthening our liquidity position, which may involve selling our real estate assets and excess inventory, as well as increasing our borrowing capacity under our credit line with Northrim or securing alternative financing. We are dependent on our credit line which permits us to borrow funds against accounts receivable and inventory. However, our present borrowing is approaching the maximum allowed under the credit line's current funding calculations. Although we are in discussions with Northrim to increase the amount of credit available to us, we are still in need of additional funding to bolster our cash availability for the near and long term. There can be no assurance that these discussions will result in an increase in borrowing capacity, which, if it does not, would have a material adverse effect on our ability to operate our business in the normal course and significantly impact our ability to order product for the upcoming Spring selling season, which would in turn negatively impact our operations, our ability to develop and execute our business plan, our financial condition, our liquidity and our continuation as a going concern will be subject to a high degree of risk and uncertainty.

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We need additional funding to shield us from the continuing challenges that have severely impacted us and other companies as a result of the recent tariff and global economic situation, execute our business plan and continue operations in the normal course. If capital is not available to us when, and in the amounts needed, we could be required to liquidate our inventory and assets at below market prices, delay purchasing of products, or cease or curtail operations, which could materially harm our business, financial condition and results of operations. There can be no assurance that we will be able to raise the capital when we need it to continue our operations.

Any substantial doubt about our ability to continue as a going concern may affect the price of our common stock, may impact our relationship with third parties with whom we do business, including our customers, vendors, lenders and employees, and may impact our ability to raise additional capital.

Needed financing may not be available to us on acceptable terms, or at all. Our ability to obtain additional financing will be subject to several factors, including market conditions, our operating performance and investor sentiment and any financial or operating covenants required. These factors may make the timing, amount, terms or conditions of additional financing unattractive, even if available. If we cannot generate sufficient funds from operations or raise additional capital on a timely basis when needed, our growth or operations could be impeded and our ability to continue as a going concern would be materially impacted.

We have substantial liquidity needs and may not be able to obtain sufficient liquidity to operate in the normal course and if we cannot satisfy our liquidity needs, we may be forced to seek protection under the bankruptcy code.

Although we have reduced our capital budget, our business remains capital intensive. In addition to the cash requirements necessary to fund ongoing operations, we need to purchase inventory in anticipation of our upcoming Spring selling season. If we cannot submit and pay for purchase orders in a timely manner, our ability to provide product and satisfy demand may be impaired. We can provide no assurance that our current liquidity is sufficient to allow us to continue to operate our business or meet our projected operating needs or that we will be able to raise needed capital through real estate, inventory and assets sales. In the event we cannot obtain additional capital or alternative financing on acceptable terms, we may need to reduce the scale of our operations, which may result in curtailing non-profitable business lines and business lines that do not contribute significantly to profitability. If we cannot obtain sufficient liquidity to operate in the normal course, we may be forced to seek protection under the U.S. Bankruptcy Code, including initiating liquidation proceedings thereunder, in which event, our business operations would continue, but under the supervision of the bankruptcy court. It is possible that a trustee would be appointed or elected by creditors to liquidate our assets for distribution in accordance with the priorities established by the bankruptcy code.

We have a history of operating losses and may not be able to achieve or sustain profitability in the future; we are substantially dependent on our ability to successfully market and sell our products at reasonable margins.

We have, in recent years, operated at a loss and have been highly dependent on sales of higher margin products. However, the imposition of significant tariffs on goods manufactured in most countries outside the U.S. has substantially eroded historical and projected margins, and in some cases, have resulted in costs that could not be passed on as price increases. Our prospects for achieving and sustaining profitability in the future will depend primarily on how successful we are in increasing sales, prices and margins. If we are not successful in executing our business plan, we may not achieve or sustain profitability and even if we do so, we may not meet sales and margin expectations. Also, even if we are successful in executing our business plan, our ability to achieve and sustain profitability in the future will also depend on our ability to manage our operating costs, and profitability may fluctuate from period to period due to our level of investments in sales and marketing, promotional activities, inventory purchases and timing of supply chain logistics and payments.

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Our restructurings and associated organizational changes may not adequately reduce our expenses and our inability to satisfy our liquidity needs, may lead to additional workforce attrition, and may cause operational disruptions.

We have recently experienced workforce attrition in various functions across our business, which may be attributable to our prior corporate restructurings, our current business circumstances, a combination of both, or other factors. Our efforts to adjust our operations with the reduced workforce may not be successful in preventing disruption to our business, and with the reduced workforce, we lack redundancy in important functions across our business. We are increasingly relying on the services of contract sales representatives or other similar arrangements in response to substantial sales force attrition. Further loss of one or more of our key employees, additional loss of multiple employees in particular functions, and/or our inability to attract replacement or additional qualified personnel could substantially impair our ability to operate our business and implement our business plan, which would have a material adverse effect on our business and financial condition, as well as our stock price.

In the event we are unable to satisfy our liquidity needs, we may experience employee attrition, and our employees may face considerable distraction and uncertainty. A loss of key

personnel or material erosion of employee morale could adversely affect our business and results of operations. Our ability to engage, motivate and retain key employees or take other measures intended to motivate and incentivize key employees will be limited. The loss of services of members of our senior management team and other key employees could impair our ability to execute our business strategies and implement operational initiatives, which may have a material adverse effect on our business, cash flows, liquidity, financial condition and results of operations.

Governmental actions, such as tariffs, and/or foreign policy actions could adversely and unexpectedly impact our business.

Since the bulk of our products are supplied from other countries, political actions by either our trading country or our own domestic policy could impact both availability and cost of our products. Currently, we see this in regard to tariffs being levied on foreign sourced products entering into the United States, including from China. The continuing tariffs by the United States on certain goods, including steel and aluminum products, in addition to country specific tariffs, including China, has the effect of increasing our costs and negatively affecting our business. There also exists the possibility of new or increased tariffs being levied on manufactured goods imported into the United States. We cannot control the duration or depth of such actions which may increase our product costs which would in turn reduce our margins and potentially decrease the competitiveness of our products. These actions could have a negative effect on our business, results of operations, or financial condition.

We also face uncertainty in the interpretation of new tariffs and their applicability, including with respect to customs valuation, product classification and country-of-origin determinations. Although we and our suppliers seek to comply with applicable customs laws and regulations, the application of rules regarding new tariffs can be subject to varying interpretations or future re-interpretations. It is possible that U.S. or other relevant authorities could, upon review or audit, disagree with the valuation, rules of origin or classification methods applied to certain products. Any such disagreement could result in the retroactive assessment of additional duties with interest, the imposition of penalties, or other enforcement actions without the ability to mitigate such penalties, thereby adversely affecting our operations or financial results. Furthermore, certain of our competitors may be better positioned than us to withstand or react to border taxes, tariffs or other restrictions on global trade and as a result, we may lose market share to such competitors. Due to broad uncertainty regarding the timing, content and extent of any regulatory changes in the U.S. or abroad, we cannot predict with certainty the impact, if any, that these changes could have to our business, financial condition and results of operations. However, the imposition of various tariffs since February 2025 has had a significant negative impact on our costs, margins and financial condition.

If our top customers were lost, we could experience lower sales volumes.

For the fiscal year ended August 31, 2025 our top ten customers represented 97% of our total sales. Our single largest customer was responsible for 39% of our total sales and our two largest customers were responsible for 74% of total sales in 2025. We would experience a significant decrease in sales and profitability and would have to cut back our operations, if these customers were lost and could not be replaced. Our top ten customers are located in North America and are primarily in the retail home improvement and pet industries.

We are dependent upon third-party manufacturers and suppliers for substantially all of our products

We do not have any manufacturing capabilities and rely on a limited number of contract manufacturers located outside the United States for the majority of our products. Our reliance on contract manufacturers involves certain risks, including:

- Production disruptions or delays at the factory as a result of political instability, labor unrest, mechanical issues, natural disasters, or pandemic outbreaks;
- Capacity constraints;
- Inability to control the quality of the finished products;
- Inability to control manufacturing and delivery schedules; and
- Inability to supply products due to increased costs related to imposition of significant tariffs.

If our products are delayed or cannot be supplied in a timely manner, we risk losing revenue and customers. Developing alternate sources of supply for our products that meet our requirements may be time-consuming, difficult, and costly, and we may not be able to source our products on terms that are acceptable to us, or at all, which will have a negative effect on our revenue and financial condition.

We face significant competition, which could reduce the demand for our products.

Our revenue depends in part on maintaining and growing the sales of our current products in both existing and new markets, but also by improving existing products and developing new products. There is substantial competition among companies in each of our market sectors, and a number of companies market products that compete directly with our products. Current and potential customers may consider these products from our competitors to be superior to or less expensive than our products. Some of these competitors may also have greater financial, manufacturing, and sales and market resources than us. If we are unable to effectively compete with these other products and companies, we would likely lose market share which would result in a decrease in revenue and profitability.

We could experience delays in the delivery of our products to our customers causing us to lose business.

We purchase our products from other vendors and a delay in shipment from these vendors to us could cause significant delays in our delivery to our customers. Such disruptions may include adjustments to ocean shipping schedules, labor strikes or other job-related actions by workers within the supply chain, geopolitical unrest, longshoreman or rail strikes, geopolitical unrest, or government actions. This could result in a decrease in sales orders to us and we would experience a loss in profitability. Additionally, certain of our customers may impose penalties for orders not delivered on time, which could be significant and have a material adverse effect on our margins and financial results.

Inflation could adversely affect our business

Inflation has many impacts on our business, including increasing our direct costs for raw materials, manufacturing, shipping and logistics, labor, and energy. Our ability to pass on these higher costs to our customers is limited. When we are able to increase our selling prices, it may be delayed several months after we first incur the higher costs and we may not be able to fully recoup the difference. In addition, high rates of inflation can reduce consumer's discretionary spending and reduce demand for our products. These actions could have a negative effect on our business, results of operations, or financial condition.

Outdoor product sales are highly seasonal and subject to adverse weather.

Our fencing and outdoor products are primarily bought by consumers during the spring and summer. The majority of our revenues and income from these products occur during our 3rd and 4th quarters of our fiscal year (March through August). Demand for these products is highly affected by the weather. Adverse weather, including abnormally wet conditions or unseasonably hot or cold temperatures, can negatively affect demand for our products and cause our customers to delay, or reduce, their orders. This would have a negative effect on our business, results of operations, or financial condition.

Competitors may infringe on our intellectual property which would negatively affect our business and financial condition

We rely on our intellectual property rights, including patents, patent applications, and trademarks, to provide us with competitive advantages and protect us from theft of our intellectual property. We believe that our patents are valid, enforceable, and valuable. If third parties infringe on our intellectual property, we may be forced to pursue litigation which would consume significant amounts of our management and financial resources. There is no guarantee that we will have the financial resources necessary to engage in litigation, or that any litigation we do pursue will result in a favorable outcome. Such infringements or unfavorable outcomes of litigation would have a negative effect on our

business, results of operations, or financial condition.

Our products may have issues that could lead to product liability claims

The products we manufacture and distribute expose us to potential product liability risks. Although we seek to insure against such risks, there can be no assurance that such insurance coverage will be sufficient to cover any claims or adverse legal judgments, and our costs to defend any litigation could be significant. A successful product liability claim in excess of our insurance coverage could have a material negative effect on our business and financial condition. In addition, it could significantly increase our costs of this insurance on commercially reasonable terms or make it unavailable to us altogether.

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We depend on sophisticated information technology systems to operate our business and a cyberattack or other breach of these systems, or a system error, could have a material adverse effect on our business and results of operations.

We are increasingly and substantially dependent upon information technology systems and infrastructure to operate our business. In the ordinary course of our business, we collect, store, process, and transmit sensitive data on our networks and systems, including our proprietary or confidential business information and personal information with respect to our employees, customers, and our business partners. In the ordinary course of our business, this type of data is also collected, stored, processed, and transmitted on the networks and systems of business partners and vendors from whom we purchase software and/or technology-based services.

The size and complexity of our and third-party information technology systems and infrastructure, and their connection to the Internet, make such systems potentially vulnerable to service interruptions, system errors leading to data loss, data theft, unauthorized disclosure, and/or cyberattacks. These incidents could result from inadvertent or intentional actions or omissions by our employees and consultants, or those of our business partners and vendors, or from the actions of third parties with criminal or other malicious intent. Notwithstanding our efforts to combat cyber threats, including through the use of third party software, consultants and monitoring agents, as with most other companies, our information technology systems have been, and will likely continue to be, subject from time to time to computer viruses, malicious codes, unauthorized access, and other forms of cyberattack, and we expect the sophistication and frequency of such efforts to continue to increase.

We are increasingly relying on the networks and systems of third-party vendors as we seek to migrate the storage and processing of business and other information from our own computer servers and networks to "cloud"-based storage and software systems and services maintained by third-party vendors. While we believe there are potential cost savings and other benefits from this migration strategy, we do not control how third-party vendors maintain their networks and systems, what technology they implement to protect their systems from cyber-attack or other malicious behavior, or what corrective or remedial measures they would take in response to service issues or a criminal or other malicious attack. Also, many of these vendors are large, well-known technology companies that maintain substantial volumes of information for a large number of companies, and whose systems may therefore be larger targets for criminal or other malicious actors as compared to our own networks and systems. Accordingly, our migration to third-party networks and system could increase the risk that business and other information maintained by us could be subject to a breach, theft, unauthorized disclosure, or other forms of cyberattacks even if we are not specifically targeted.

Breaches of information technology systems and technology can be difficult to detect, and any delay in identifying any such incidents may lead to increased harm of the type described above. While we have implemented security measures to protect our information technology systems and infrastructure, and monitor such systems and infrastructure on an ongoing basis for any current or potential threats through sophisticated third party cyber defense companies, there can be no assurance that these measures will prevent the type of incidents that could have a material adverse effect on our business and results of operations.

On October 15, 2025, we learned that a threat actor had gained unauthorized access to portions of our information technology ("IT") environment and claimed to have unlawfully accessed certain Company information and data. We immediately activated our cyber incident response plan to contain the intrusion, assess and investigate the incident and implement remedial measures. We also immediately notified law enforcement, including the FBI, and retained external cybersecurity experts to assist. Based on our investigation to date, we believe that the cybersecurity incident consisted of unauthorized access and deployment of encryption and monitoring software by a third party to a portion of our internal corporate IT systems. The incident caused disruptions and limitation of access to portions of our business applications supporting aspects of our operations and corporate functions, which we voluntarily took offline as a precautionary measure. Based on the information reviewed to date, we believe the unauthorized activity has been contained and we were able to bring the impacted portions of our IT systems and individual computer devices back online and operate at full capacity within a week of detection of the unauthorized access.

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Although we ascertained that certain information was exfiltrated, we are still investigating the extent of compromise of any sensitive information contained within the accessed IT systems. However, it is believed that the threat actors unlawfully accessed certain computer systems and exfiltrated images of video meetings and computer screens that may contain sensitive information. The threat actors have threatened to release this information publicly if we did not provide them with a monetary payment, which we did not. The threat actors have made public certain of our information and that of some of our vendors and customers. However, we do not believe that the threat actor was able to infiltrate the computer systems of any of our customers or vendors. We have taken additional cybersecurity measures in response to this incident including closing off the point of unlawful access and bolstering our cyber defensive capabilities, including use of third party cybersecurity experts. At this time, we believe that the costs associated with these activities will be largely covered by our cyber security insurance policy and that the disruption to our operations will likewise be covered by adequate insurance. However, there can be no assurance that our insurance carriers will accept liability under these policies, in which event, we would be compelled to pay the expenses of our cyber experts directly, which would increase our costs and have a material adverse effect on our future financial performance.

As the investigation of the incident is ongoing, the full scope, nature and ultimate impact of the incident are not yet completely known. We have no current evidence that any personally identifiable information of any employees, customers, suppliers or vendors has been compromised, but our analysis and review of the potential compromised systems and data continues.

Compliance with global privacy and data security requirements could result in additional costs and liabilities to us or inhibit our ability to collect and process data globally, and our failure to comply with data protection laws and regulations could lead to government actions, which could cause our business and reputation to suffer.

Evolving state, federal, and foreign laws, regulations and industry standards regarding privacy and security apply to our collection, use, retention, protection, disclosure, transfer and other processing of personal data. Privacy and data protection laws may be interpreted and applied differently from country to country and state to state in the U.S. and may create inconsistent or conflicting requirements, which can increase the costs incurred by us in complying with such laws, which may be substantial. For example, the European Data Protection Regulation ("GDPR") imposes a broad array of requirements for processing personal data, including elevated disclosure requirements regarding collection and use of such data, and the California Consumer Privacy Act ("CCPA") substantially expands privacy obligations of many businesses, including requiring new disclosures to California consumers, imposing new rules for collecting or using information about minors and affording consumers the right to know whether their data is sold or disclosed, the right to request that a company delete their personal information, the right to opt-out of the sale of personal information and the right to non-discrimination in terms of price or service when a consumer exercises a privacy right. Like the GDPR, the CCPA establishes potentially significant penalties for violation. The California Privacy Rights Act ("CPRA"), which became operational on July 1, 2023, expands on the CCPA, creating additional consumer rights and protections, including the right to correct personal information, the right to opt out of the use of personal information in automated decision making, the right to opt out of sharing consumer's personal information for cross-context behavioral advertising, and the right to restrict use of and disclosure of sensitive personal information. Similar restrictions are also included in the privacy laws of other states in the U.S.

We are evaluating our privacy program as a result of these privacy laws, and it is likely we will incur additional expense and investment of resources in our efforts to comply. If we are unable to implement a suitable compliance program relating to these or future privacy laws and regulations, we may face increased exposure to regulatory actions, including

substantial fines and penalties.

We have identified significant deficiencies in our internal controls. If we are unable to remediate these deficiencies, or if we experience additional significant deficiencies or material weaknesses and are unable to maintain an effective system of internal controls, we may not be able to detect fraud or report our financial results accurately, which could harm our business, negatively affect investor confidence in the Company, and subject us to regulatory scrutiny.

We have completed a management assessment of internal controls as prescribed by Section 404 of the Sarbanes-Oxley Act, which we were required to do in connection with our audit of our financial statements for the year ended August 31, 2025. Based on this process, we identified the following significant deficiencies in our internal controls:

- The company did not maintain effective controls over certain aspects of financial reporting process including year-end reconciliations of the consignment inventory balances held and year end cut-off procedures, because of the company restructuring that occurred during the year.
- Implementation of formal process surrounding average costing for inventory held due to certain economic pressures including significant tariffs passed for import products from China, where some of the Company's main suppliers are located.

Although these deficiencies do not rise to the level of material weaknesses and no material weaknesses have been identified, and our disclosure controls and procedures were effective at the reasonable assurance level as of August 31, 2025, our management is undertaking remediation measures to ensure that our disclosure controls and procedures remain effective.

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However, we cannot guarantee that in the future we will not identify any material weaknesses or significant deficiencies in connection with this ongoing process, which could result in significant expense to remediate any such deficiencies. Additionally, any inability to report our financial results accurately could result in untimely filing of our public reports, a halt in trading of our securities, shareholder lawsuits and regulatory inquiry or investigations.

A contagious disease outbreak, such as the recent COVID-19 pandemic emergency, could have an adverse effect on our operations and financial condition

Our business could be negatively affected by an outbreak of an infectious disease due to the consequences of the actions taken by companies and governments to contain and control such an outbreak. These consequences include:

- The inability of our third-party manufacturers to manufacture or deliver products to us in a timely manner, if it all.
- Isolation requirements may prevent our employees from being able to report to work or being required to work from home or other off-site location which may prevent us from accomplishing certain functions, including receiving products from our suppliers and fulfilling orders for our customers, which may result in an inability to meet our obligations.
- Our new product launches may be delayed or require unexpected changes to be made to our new or existing products.
- The effect of the outbreak on the economy may be severe, including an economic downturn and decrease in employment levels which could result in a decrease in consumer demand for our products.

The financial impact of such an outbreak are outside our control and are not reasonable to estimate but may be significant. The costs associated with any outbreak may have an adverse impact on our operations and financial condition and not be fully recoverable or adequately covered by insurance.

Risks Related to Our Common Shares

We may issue additional shares of common stock, securities convertible into common stock, or securities with superior rights to our common stock, in the future, including to raise capital, for strategic transactions, or to attract and retain employees, which would have a dilutive effect on existing stockholders.

The issuance of a substantial number of additional shares of our common stock, securities convertible into common stock, or securities with superior rights to our common stock, or the perception that such sales could occur, could have a material adverse effect on the market price of our common stock. In addition, future sales and issuances of our common stock will result in dilution to our existing stockholders, and new investors could gain rights superior to those of our existing stockholders. This dilution would reduce the ownership percentage and voting power of existing stockholders and could also cause a decline in earnings per share, which could further reduce the market price of our common stock.

If we raise additional funds by selling preferred stock or securities, including debt securities, convertible into shares of our common stock, the new shares may have rights, preferences or privileges senior to those of the rights of our existing common shares. If common shares are issued in return for additional funds, the price per share could be lower than that paid by our current stockholders. The result of these actions would be a decrease of each present shareholder's relative percentage interest in our Company.

Our stock price may be volatile and you may lose all or a part of your investment.

The Company's common shares currently trade within the NASDAQ Capital Market in the United States. The average daily trading volume of our common stock was approximately 9,300 shares on NASDAQ for the fiscal year ended August 31, 2025. With this limited trading volume, investors could find it difficult to purchase or sell our common stock or experience significant volatility in the price of our common stock.

Our stock price could fluctuate significantly due to a number of factors, including:

- issuance of additional shares of our common stock or securities convertible into shares of our common stock, and the expected dilution to our stockholders resulting therefrom, which may occur upon the refinancing of our debt or in connection with other capital raising transactions;
- regulatory developments in the U.S. and foreign countries;
- sales of substantial amounts of our stock or short selling activity by investors;
- variations in our anticipated or actual operating results;
- conditions or trends in our industry generally; and
- events that affect, or have the potential to affect, general economic conditions, including but not limited to political unrest, global trade wars, natural disasters, acts of war, terrorism, or disease outbreaks.

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Many of these factors are beyond our control, and we believe that period-to-period comparisons of our financial results will not necessarily be indicative of our future performance. If our revenues in any particular period do not meet expectations, we may not be able to adjust our expenditures in that period, which could cause our operating results to suffer. If our operating results in any future period fall below the expectations of securities analysts or investors, our stock price may fall by a significant amount.

Future sales of our common stock by shareholders could cause our stock price to decline, and future issuances of common stock could cause substantial dilution.

If our existing stockholders sell a large number of shares of our common stock, or the public market perceives that existing stockholders might sell shares of common stock, the market price of our common stock could decline significantly. Sales of substantial amounts of shares of our common stock in the public market by our executive officers, directors,

5% or greater stockholders or other stockholders, or the prospect of such sales, could adversely affect the market price of our common stock. To the extent that option holders exercise outstanding options or we issue additional shares in the future, there may be further dilution and the sales of shares into the marketplace could cause our stock price to drop further.

We will continue to incur substantial costs and obligations as a result of being a public company.

As a publicly-traded company, we will continue to incur significant legal, accounting and other expenses. In addition, new and changing laws, regulations and standards relating to corporate governance and public disclosure for public companies, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), regulations related thereto and the rules and regulations of the United States Securities and Exchange Commission ("SEC") and the Nasdaq Stock Market, have increased the costs and the time that must be devoted to compliance matters. We expect these rules and regulations will continue to increase our legal and financial costs and lead to a diversion of management time and attention from revenue-generating activities.

We are subject to reporting and other obligations under applicable Canadian securities laws, SEC rules and the rules of the Nasdaq Stock Market. These reporting and other obligations place significant demands on our management, administrative, operational and accounting resources. Moreover, any failure to maintain effective internal controls could cause us to fail to meet our reporting obligations or result in material misstatements in our consolidated financial statements. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results could be materially harmed, which could also cause investors to lose confidence in our reported financial information, which could result in a lower trading price of our common shares.

ITEM 1B. UNRESOLVED STAFF COMMENTS

--- No Disclosure Necessary ---

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Our Board recognizes the critical importance of maintaining the trust and confidence of our customers, suppliers, business partners and employees. Our Board and our Audit Committee are actively involved in oversight of our risk management program, and cybersecurity represents an important component of our overall approach to enterprise risk management ("ERM"). Our cybersecurity policies, standards, processes, and practices are fully integrated into our ERM program and are based on recognized frameworks and applicable established industry standards. In general, we seek to address cybersecurity risks through a comprehensive, cross-functional approach that is focused on preserving the confidentiality, security and availability of the information that we collect and store by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur.

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As one of the critical elements of our overall ERM approach, our cybersecurity program is focused on the following key areas:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, products, services, and our broader enterprise information technology environment;
- technical safeguards that are designed to protect our information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security procedures;
- training and awareness programs for employees that include periodic and ongoing assessments to drive adoption and awareness of cybersecurity processes and procedures;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for service providers, suppliers, and vendors.

Notwithstanding the measures we have put in place internally and through third party industry experts, on October 15, 2025, we learned that a threat actor had gained unauthorized access to portions of our information technology ("IT") environment and claimed to have unlawfully accessed certain Company information and data. We immediately activated our cyber incident response plan to contain the intrusion, assess and investigate the incident and implement remedial measures. We also immediately notified law enforcement, including the Federal Bureau of Investigation (FBI), and retained external cybersecurity experts to assist. Based on our investigation to date, we believe that the cybersecurity incident consisted of unauthorized access and deployment of encryption and monitoring software by a third party to a portion of our internal corporate IT systems. The incident caused disruptions and limitation of access to portions of our business applications supporting aspects of our operations and corporate functions, which we voluntarily took offline as a precautionary measure. Based on the information reviewed to date, we believe the unauthorized activity has been contained and we were able to bring the impacted portions of our IT systems and individual computer devices back online and operate at full capacity within a week of detection of the unauthorized access.

Although we ascertained that certain information was exfiltrated, we are still investigating the extent of compromise of any sensitive information contained within the accessed IT systems. However, it is believed that the threat actors unlawfully accessed certain computer systems and exfiltrated images of video meetings and computer screens that may contain sensitive information. The threat actors released a portion of this information publicly and that of some of our vendors and customers since we had not acceded to their demand for a monetary payment. However, we do not believe that the threat actor was able to infiltrate the computer systems of any of our customers or vendors. We have taken additional cybersecurity measures in response to this incident including closing off the point of unlawful access and bolstering our cyber defensive capabilities. We believe that there will be additional costs associated with these activities but that the disruption to our operations and the costs associated with our cybersecurity experts will largely be covered by adequate insurance. However, there can be no assurance that our insurance carriers will accept liability under these policies, in which event, we would be compelled to pay the expenses of our cyber experts directly, which would increase our costs and have a material adverse effect on our future financial performance.

As the investigation of the incident is ongoing, the full scope, nature and ultimate impact of the incident are not yet completely known. We have no current evidence that any personally identifiable information of any employees, customers, suppliers or vendors has been compromised, but our analysis and review of the potential compromised systems and data is continuing.

Governance

Our Board is engaged in the oversight of cybersecurity threat risk management. Additionally, the Audit Committee regularly receives updates on cybersecurity risks and the security and operations of our information technology systems from our Chief Financial Officer. The Board and the Audit Committee also receive prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed.

Management is responsible for developing cybersecurity programs. Our expertise in IT and cybersecurity generally has been gained from a combination of education, best practices and prior experience. They are informed by their respective cybersecurity teams about, and monitor, the prevention, detection, mitigation and remediation of cybersecurity incidents as part of the cybersecurity programs described above. As evidenced by the cybersecurity incident described above, no combination of defensive measures are infallible. However, we are confident that we have established robust and reasonable measures and defenses consistent with industry standards and our Company's operations and use of internet-related systems. While this landscape is continually changing, we attempt to be knowledgeable and flexible with regard to the protection of our data and that of our partners.

ITEM 2. PROPERTIES

Our executive offices are located at 32275 NW Hillcrest Street, North Plains, Oregon. The 5.6 acre facility, which is owned, consists of 55,250 square feet of covered space (10,000 office and 47,250 warehouse), a little over three acres of paved yard space, and was originally completed in October 1995. A 12,000 square foot warehouse expansion was completed in fiscal 2017. In fiscal 2021, we completed the conversion of 2,000 square feet of older warehouse space into 4,000 square feet of office and meeting space on two levels. The facility provides office space for JC USA, including all of our executive offices, and is used as a distribution center to service the customer base for JCC and Greenwood. During fiscal 2022, we leased an additional 4,700 square feet of warehouse space located in North Plains, Oregon.

During fiscal 2010, we purchased a 2,000 square foot building adjacent to our main facilities that previously housed a seed testing lab located at 31895 NW Hillcrest Street, North Plains, Oregon. We formerly leased the property for \$729 per month until the expiration of the lease on January 4, 2010. At that time, the Company exercised its option to buy the land and building for a total cost of \$150,946. In fiscal 2020, we renovated this building into an innovation center which focuses on new product development. The Company has since moved the operations formerly located in this building into its executive office space, and has recently listed this building for sale at a listing price of \$795,000.

The property associated with JCSC, which is owned, consists of 11.6 acres of land, 105,000 square feet of buildings, rolling stock, and equipment. It was used for seed processing and storage. It is located at 31345 NW Beach Road, Hillsboro, Oregon, which is adjacent to North Plains, Oregon. With the closure of JCSC's business, the property is considered surplus to our needs and is currently listed for sale or lease at a listing price of \$7,223,000.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. We are currently unaware of any material pending legal proceedings to which we are party or of which our property is the subject. However, we may at times in the future become involved in litigation in the ordinary course of business, which may include actions related to or based on our intellectual property and its use, customer claims, employment practices and employee complaints and other events arising out of our operations. When appropriate in management's estimation, we will record adequate reserves in our financial statements for pending litigation. Litigation is subject to inherent uncertainties, and an adverse result in any such matters could adversely impact our reputation, operations, and our financial operating results or overall financial condition. Additionally, any litigation to which we may become subject could also require significant involvement of our senior management and may divert management's attention from our business and operations. We are not currently involved in any significant legal proceedings.

In fiscal 2021, we initiated arbitration against a former distributor asserting a breach of the distribution agreement and seeking damages. In February 2023, the arbitrator issued its decision and ruled in our favor on the majority of all of our claims. A damages hearing was held in August 2023. In September 2023, we settled this arbitration for a cash payment of \$2,450,000 which was received in October 2023.

ITEM 4. MINE SAFETY DISCLOSURES

--- No Disclosure Necessary ---

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PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common shares trade on the NASDAQ Capital Market (formerly the NASDAQ Small Cap Market) in the United States. The trading symbol for our common shares is "JCTC" and the CUSIP number for the stock is 47733C-20-7. The common shares formerly traded under the symbol "JCTCF" until October 9, 2024. Our common shares began trading on the NASDAQ Small Cap Market in April 1996.

Table No. 1 lists the volume of trading along with the high, low, and closing sales prices on the NASDAQ Capital Market for our common shares.

Table No. 1
NASDAQ Capital Market
Common Shares Trading Activity
(US Dollars)

Period Ended	Volume	High	Low	Closing
Monthly				
September 2025	326,800	\$ 3.71	\$ 3.39	\$ 3.44
August 2025	286,500	4.02	3.46	3.61
July 2025	351,900	3.96	3.32	3.50
June 2025	63,600	3.96	3.71	3.73
May 2025	107,600	4.15	3.49	3.84
April 2025	330,200	4.70	3.26	3.95
Quarterly				
Three months ended August 31, 2025	702,000	\$ 4.02	\$ 3.32	\$ 3.61
Three months ended May 31, 2025	576,200	4.92	3.26	3.95
Three months ended February 28, 2025	501,200	5.41	4.06	4.62
Three months ended November 30, 2024	472,800	5.08	3.97	4.28
Three months ended August 31, 2024	319,800	\$ 5.69	\$ 3.86	\$ 4.61
Three months ended May 31, 2024	289,000	5.71	4.58	5.36
Three months ended February 29, 2024	301,000	6.35	4.89	5.27
Three months ended November 30, 2023	261,100	4.99	4.50	4.86
Annually				
Fiscal year ended August 31, 2025	2,252,200	\$ 5.41	\$ 3.26	\$ 3.61
Fiscal year ended August 31, 2024	1,170,900	6.35	3.86	4.61

Fiscal year ended August 31, 2023	1,249,200	6.54	3.70	4.52
Fiscal year ended August 31, 2022	842,000	13.74	5.50	6.36
Fiscal year ended August 31, 2021	1,305,400	12.00	7.23	10.60

Holders

Computershare Investor Services Inc. which is located in Vancouver, British Columbia, Canada is the registrar and transfer agent for our common shares.

On November 20, 2025 there were 30 registered stockholders and 3,518,119 of our common shares outstanding.

Dividends

We have not declared any dividends since incorporation and we do not anticipate that we will do so in the foreseeable future. Our present policy is to retain earnings for use in our operations and expansion of our business. There are no current restrictions that limit our ability to pay dividends on common equity or that are likely to do so in the future. Any dividends paid by us to U.S. stockholders would be subject to Canadian withholding tax.

Recent Sales of Securities: Use of Proceeds from Securities

We have not sold securities in the last three fiscal years.

Purchases of equity securities by the issuer and affiliated purchasers

We have not repurchased any common shares during the years ended August 31, 2025 or August 31, 2024.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The Company's operations are classified into three reportable operating segments and the parent corporate and administrative segment, which were determined based on the nature of the products offered along with the markets being served. The segments are as follows:

- Pet, Fencing and Other
- Industrial wood products
- Seed processing and sales
- Corporate and administrative services

Sales, income before taxes, assets, depreciation and amortization, capital expenditures, and interest expense by segment are shown in the financial statements under Note 12 "Segment Information."

Quarterly Results

The following table summarizes quarterly financial results in fiscal 2025 and fiscal 2024. (Figures are thousands of dollars except per share amounts).

	For the Year Ended August 31, 2025					
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year	
Sales	\$ 9,267	\$ 9,055	\$ 12,605	\$ 10,371	\$ 41,298	
Gross profit	1,694	1,816	1,889	853	6,252	
Net (loss)	(659)	(573)	(650)	(2,248)	(4,130)	
Basic (loss) per share	\$ (0.19)	\$ (0.16)	\$ (0.18)	\$ (0.65)	\$ (1.18)	
Diluted (loss) per share	\$ (0.19)	\$ (0.16)	\$ (0.18)	\$ (0.65)	\$ (1.18)	

	For the Year Ended August 31, 2024					
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year	
Sales	\$ 9,806	\$ 8,229	\$ 15,896	\$ 13,214	\$ 47,145	
Gross profit	1,956	2,065	2,951	1,912	8,884	
Net income (loss)	1,292	(534)	155	(191)	722	
Basic earnings (loss) per share	\$ 0.37	\$ (0.15)	\$ 0.04	\$ (0.05)	\$ 0.21	
Diluted earnings (loss) per share	\$ 0.37	\$ (0.15)	\$ 0.04	\$ (0.05)	\$ 0.21	

* Fiscal 2025 quarterly per share earnings were calculated using weighted average number of common shares outstanding as of August 31, 2025 of 3,512,975 (2024 – 3,504,802). The sum of the quarterly earnings per share may not equal the full year earnings per share due to the use of the full year's weighted average share figure and rounding.

RESULTS OF OPERATIONS

Our fiscal 2025 results were disappointing, as we are challenged by the increasing import tariffs, continued negative consumer sentiment, and certain operational matters discussed below. These issues significantly reduced our revenues, and negatively impacted our margins and operating results. Sales for fiscal 2025 declined by \$5,847,036, or 12%, to \$41,298,140. Our net loss for fiscal 2025 was (\$4,130,092), or (\$1.18) per share.

The most serious issue currently affecting our business operations remains the new worldwide import tariffs, primarily on our imported metal products. Since the imposition of these new tariffs began in February 2025, they have caused immense turmoil in our markets, both directly and indirectly. In addition to eroding consumer confidence, the impacts include increases to our supply chain and logistics costs. These higher costs resulted in a double-digit negative impact on our overall gross margins across the majority of our

product lines. We have been able to somewhat mitigate a portion of these new tariff costs through our multi-country sourcing initiative. We recently began production of our Lifetime Steel Posts® in lower-tariffed Vietnam which should help us reduce our direct tariff costs and meet the higher demand for the product from the continuing roll-out of our in-store displays.

These rapid and unpredictable changes to the tariff rates required significant attention from our management and financial teams, which diverted time and effort from our other operational requirements. As an example, the global rate on steel and tariff imports from all countries was set at 25% in March 2025. On May 30th, it was announced that the rate would double to 50% and take effect in just 5 days. This left us with no time to plan or adjust import shipments, some of which were already in transit. When they left our suppliers, they were budgeted for one rate, but when they arrived on U.S. soil that rate had since doubled.

Although these higher tariff rates were announced and took effect very quickly, our ability to pass on the new tariff costs to our customers was limited. Our customer relationships are such that any of our price increases must be consented to by the customer. The customer may not agree to any increases or negotiate lower price increases, and any changes may only be accepted after 30 to 90 days, or longer, if at all. Many of our customers did not immediately accept higher prices for our products, which we adjusted in response to the increased costs associated with the tariffs and global trade disruption. By September, those remaining customers agreed to accept shipments with the higher prices which were implemented in the following weeks.

The frequent changes to tariff rates since February also caused some of the price changes we instituted in response to become obsolete before we could pass them on to our customers. This forced us to spend time to recalculate the new prices and begin the process of presenting them to, and negotiating with, our customers again, which further affected our ability to recapture our higher costs through increasing our sale prices. This resulted in an overall decrease in sales and forced us to temporarily absorb much of these higher tariff-related costs.

Although we consult with experts and legal counsel to accurately interpret how to properly apply the new tariff rates to our products to ensure compliance and to make sure our prices remain cost competitive, many of our customers paused their purchasing because of the general uncertainty about the tariffs and their costs. They have been reluctant to make long-term purchases at contracted prices that may decline based on rapidly changing tariff rates. Although both retailers and consumers will eventually adjust their buying to accept higher prices over time, it dampens demand in the short-term. These increased costs and the ongoing uncertainty over tariff assignments and rates will likely continue to negatively affect our margins and demand for certain of our products from our customers into fiscal 2026.

While the Company took actions to attempt to mitigate these unforeseen events, such as pivoting to alternative suppliers outside of China through an intensive search process which began two years ago, and reducing headcount by nearly 30%, these measures were not sufficient to withstand the headwinds we faced in 2025. However, we believe that the global economic environment is stabilizing and that customers and supply chain partners are employing reasonable and innovative policies to maintain equilibrium and continuity of commerce. Accordingly, we intend to focus on improving margins on our core fencing products through these reestablished partnerships, new sales channels, and by more controlled purchasing management.

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During fiscal 2025, we also experienced operational issues with our agreement to supply cedar fencing to one of our larger consignment customers. Jewett-Cameron was originally founded as a lumber brokerage business, and we have maintained this segment as our product offerings have evolved over time. In 2023, we helped a major customer with their lumber supply after they lost their primary source of western red cedar fencing. At that point, we entered into a consignment program with this customer which provided them with a ready source of cedar fencing and provided us with a steadier flow of orders that stabilized the year-over-year lumber sale fluctuations that we commonly experienced as a secondary supplier to multiple big box retailers. It is customary to purchase ample supply ahead of the increase in demand each Spring, but in fiscal 2025 we failed to acquire an adequate supply to meet our actual demand. As a result, we were unable to fulfill all our customers' orders during the third quarter, and our wood fencing sales were down 33% compared to the prior year's third quarter. To ensure we could meet their needs for the remainder of the busy summer season, we quickly moved to secure additional Western Red Cedar from our supply partners. Unfortunately, much of the additional cedar fencing inventory was not needed by the customer. Under the consignment agreement, we are required to maintain enough inventory on hand to satisfy a maximum capacity requirement ("max cap"). This max cap, which is substantially higher than our average weekly sales, was not utilized and extended into September, which is past the fencing high demand season in these stores' region. Therefore, we ended the 2025 fencing season with substantial excess cedar fencing inventory on hand. We have implemented important process changes to prevent other inventory shortages. However, we were informed by this customer in November 2025 of their intention to transition away from the consignment agreement in calendar year 2026. Although the consignment program provided us with meaningful revenue, it eroded the margin and profitability we were accustomed to in our cedar sales prior to this consignment arrangement as it required us to purchase and hold higher levels of inventory, and the added length of time to invoice greatly reduced the profitability of these sales. We are currently in discussions with this customer, as well as other third parties, regarding the purchase of our excess lumber inventory leading up to the 2026 fence building season.

The rollout of our Lifetime Steel Posts® ("LTP") in-store displays continues to show successful results. The replenishment requirements for the displays have been steady and meeting expectations. During the third quarter, we temporarily paused deploying new display units to prioritize replenishing existing display units. Capacity constraints on both production and logistics at the factories outside of China temporarily led to a limited supply of new posts. The higher tariff rates on Chinese goods caused many U.S. companies to quickly shift production to other nations, and the available logistic infrastructure in these other countries has been overtaxed by the rapid increase in production and shipping demands. Therefore, we prioritized replenishing existing display units with our temporarily limited supply of new posts.

With the success of our in-store display units for both LTP and our established Adjust-A-Gate® products, we are developing new versions of displays for both products. Our current display units are optimized for big box retailers but many other home improvement retailers may not have the shelf or floor space to fully deploy the existing displays. We are working on new, smaller format displays for these smaller retailers. We are also exploring developing similar units for additional products in our core product lines.

The pet market continues to suffer from low consumer demand, and we remain burdened with high inventory levels, particularly in metal crates and kennels. The market has been slow to recover, and our on-hand inventory of price-advantaged pre-tariff inventory has not received the interest from retailers we anticipated. We are now engaging with non-traditional purchasers with the intent to clear a substantial amount of this older inventory from our warehouse and recapture some of our costs. Because we expect to sell this inventory at lower prices, we increased our allowance for obsolete inventory by \$650,000 in fiscal 2025 over our allowance in fiscal 2024. We are also reducing our costs, including refining our development efforts to concentrate on improving our existing products, both in design and packaging, that can potentially provide market advantages.

Our MyEcoWorld® sales increased in fiscal 2025 over fiscal 2024 as consumers continue to look for high quality sustainable products as alternatives to disposable traditional single-use plastics. Some of this increase is due to shifting our entire LuckyDog® compostable dog waste bag line to a new MyEcoWorld® product. One part of our growth strategy for this line was to enter the grocery store segment. During fiscal 2025, we secured our first placement with the launch of Pet Waste Bags into 59 Tops Friendly Markets across the Northeast beginning in late February. However, the imposition of the new tariffs beginning in February 2025 made our products less price competitive and growth in the grocery segment much more challenging. Instead, we will be focusing on expanding upon our successful introductions into big box stores where we have existing strong supplier relationships, and into foreign markets that are unburdened by the new U.S. tariffs. We have been receiving strong demand from big box stores in Mexico where the absence of U.S. tariffs has made the product very competitive.

At Greenwood, sales in fiscal 2025 rose by 2% over our sales in fiscal 2024. Although demand for transit focused products continues to rebound from the pandemic lows as more workers return to the office, a transit seat shortage during fiscal 2025 restricted new bus construction and orders for our transit products. Demand for these transit products improved as the seat shortage was largely resolved by the fourth quarter of fiscal 2025. We have recently realigned some personnel's duties to provide support to Greenwood by working to open new sales channels and adding new customers. We still believe this segment has growth potential in both our primary transit sector and in new industrial markets. However, as we intend to concentrate our operations on the fence and outdoor segment, we are evaluating strategic alternatives for Greenwood and its industrial wood operations.

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The surplus Jewett-Cameron Seed property of 11.6 acres of land and 109,500 square feet of buildings remains listed for sale. The land is currently zoned with a rural industrial classification but is well situated on a corner lot at a major interchange immediately adjacent to US Highway 26 in Hillsboro, Oregon, which is one of the region's busiest roadways. We explored the potential rezoning of the property to other higher value permitted uses, including the inclusion within any expanded Urban Growth Boundaries (UGB). The current sluggish economic conditions within both the nearby cities and in greater Portland has reduced the previously perceived need among the nearby cities to quickly expand the UGB, including extending the boundary toward the area containing JCSC property. Therefore, any inclusion of the property in expanded UGBs or reclassification of the property from its limited rural industrial classification now appears unlikely in the short-term among the prevailing economic and political environment in the surrounding area. We have relisted the property at a price of \$7.223 million. We have also recently listed for sale our innovation lab property which is now surplus to our current needs, as we have moved the operations formerly housed in the building to our nearby headquarters and warehouse in North Plains. This property contains a renovated building of 2,000 square feet of flex space, and is listed for \$795,000. For both the JCSC and innovation lab properties, these are the current asking prices and there is no guarantee the properties will sell for this amount, if at all.

In October 2025, we experienced a cybersecurity incident. We learned that a threat actor had gained unauthorized access to portions of the Company's information technology ("IT") environment. We immediately activated our cyber incident response process to contain the intrusion, assess and investigate the incident and implement remedial measures, including retaining external cybersecurity experts and notifying law enforcement, including the Federal Bureau of Investigation. Based on the investigation to date, we believe the cybersecurity incident consisted of unauthorized access and deployment of encryption and monitoring software by a third party to a portion of the Company's internal corporate IT systems. The incident caused disruptions and limitation of access to portions of our business applications. We believe the unauthorized activity was contained and our IT systems and individual computer devices were brought back online. As a result of the intrusion, we have taken additional cybersecurity measures. We believe that the costs associated with these activities will not be material and that the costs related to the services provided by experts and the disruption to our business will be largely covered by the Company's insurance policies, although there can be no assurance that the insurance carriers will accept liability for these costs, in which event our costs would increase and have a material adverse effect on our future financial performance in the period in which we are required to absorb these costs.

We began fiscal 2025 with a positive outlook with a focus on continuing to lower costs, increase sales, improve margins, introduce innovative products and monetize surplus assets. However, due primarily to the volatility and uncertainty created by the introduction of various tariffs since February 2025 and the large purchases of lumber inventory in support of one of our larger customers, our goals to grow and return to profitability in fiscal 2025 were not achieved. Accordingly, management and the Board have reformulated our strategic plan to combat the challenges encountered during fiscal 2025, and focus on our core strengths during this difficult period. We intend to concentrate our resources on our successful fencing product lines while monetizing non-core assets and disposing of excess inventory. Management and the Board are also evaluating strategic alternatives for the Company as well as its individual operating segments and assets that prioritize the Company's overall value.

We have continued our efforts to optimize our operations and reduce our costs. During fiscal 2025, we shifted some employees to better align our workforce with our strategic objectives, and have reduced our employee headcount by 27% year-over-year. We believe these changes will result in increased productivity and reduce our costs without compromising quality or service.

As of August 31, 2025, we had borrowed \$2,101,835 against our credit line with Northrim Funding Services ("Northrim"). Under the current terms of the agreement, Northrim provides short-term operating capital by either purchasing the Company's accounts receivable invoices or as a loan against our inventory position. The maximum we may borrow against the line is \$6,000,000. As of November 28, 2025, our borrowings under this line is \$4,304,853. We are currently discussing with Northrim to adjust the credit line to increase the maximum borrowing computation which would provide us with additional financial flexibility and to raise the maximum amount available to us. There is no assurance that we will be able to obtain the desired increases in our credit line, which could have a material adverse impact on our business and financial condition.

Due to the continued uncertainty and higher costs stemming from the high global tariff levels, we expect fiscal 2026 to remain challenging. We will continue to focus on our operational strengths while reducing costs where possible in our efforts to increase our sales and margins and return to profitability.

In addition, we are currently evaluating several different strategies to strengthen our liquidity position. These strategies may include, but are not limited to, disposition of certain non-core assets and unused real property, renegotiation of our credit line with Northrim and seeking additional financing from both the public and private markets through the issuance of equity or debt securities. There can be no assurance that we will be successful in achieving these strategies. See "*Management's Discussion and Analysis – Liquidity and Capital Resources*" for additional information.

Fiscal Years Ended August 31, 2025 and August 31, 2024

Fiscal 2025 sales totaled \$41,298,140 compared to sales of \$47,145,176 in fiscal 2024, which was a decrease of \$5,847,036, or 12%. Our sales during the first two quarters of fiscal 2025 were flat compared to the same quarters of fiscal 2024. Beginning in February 2025, the implementation of new import tariffs, particularly on steel and aluminum products, disrupted the markets and caused both consumers and retailers to pause or suspend their purchases of affected products. The tariffs have also caused rapid price changes to reflect the higher product costs, which further caused market disruptions by delaying customer and consumer acceptance.

The tariff-driven increases in our product costs and our lower sales volumes resulted in a decline in our gross margins, which fell overall to 15.1% in fiscal 2025 from 18.8% in fiscal 2024. Our 2025 margins were also negatively affected by an increase in our obsolete inventory reserve of \$650,000 to \$1,200,000 from \$550,000 in fiscal 2024.

Operating expenses in fiscal 2025 were reduced to \$10,002,622 from \$10,654,054 in fiscal 2024. Selling, general and administrative expenses were relatively flat at \$3,856,829 compared to \$3,887,769. Wages and employee benefits fell to \$5,823,262 from \$6,413,419 as we reduced our headcount in fiscal 2025 to better align with our current business levels. Depreciation and amortization totaled \$322,531 compared to \$352,866. Loss from operations was (\$3,750,626) compared to loss of (\$1,770,410) for fiscal 2024.

For fiscal 2025, other income was \$306, gain on sale of property, plant, and equipment was \$800, and interest expense was (\$136,504) which is primarily due to interest paid for our borrowing against our line of credit. For fiscal 2024, other income of \$2,450,000 was from the successfully settled arbitration case against one of our former distributors. Other items for fiscal 2024 included a gain on sale of assets of \$90,787, which largely is due to the sale of JCSC equipment, and net interest income of \$33,446.

Including other items, the net loss before income taxes for fiscal 2025 was (\$3,886,024) compared to income before income taxes of \$803,823 in fiscal 2024. Income tax expense for fiscal 2025 was (\$244,068) compared to income tax expense of (\$82,070) in fiscal 2024. The Company calculates income tax expense based on combined federal and state rates that are currently in effect.

Net loss in fiscal 2025 was (\$4,130,092), or (\$1.18) per share, compared to net income of \$721,753, or \$0.21 per share, for fiscal 2024. The weighted number of shares outstanding were 3,512,975 in fiscal 2025 and 3,503,221 in fiscal 2024.

Pet, Fencing and Sustainable Products - JCC

Sales for JCC in fiscal 2025 were \$37,495,349 compared to sales of \$43,330,737 for fiscal 2024, which represents a decline of \$5,835,388, or 13%. Orders for our metal products were negatively affected tariff driven price increases and lower consumer confidence. Our wood fencing sales were down year-over-year as we were temporarily unable to fulfill all our orders early in the Spring and Summer season. Demand for our pet products remains weak, which is in line with broader trends in the pet product industry.

The following table shows a breakdown between the pet, fencing and other categories in this segment.

Sales in Millions of Dollars	Percent of Total Sales
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Fiscal Year	Pet	Fencing	Other	Pet	Fencing	Other
2025	\$ 4,255,532	\$ 32,269,615	\$ 970,202	11%	86%	3%
2024	\$ 7,566,371	\$ 34,209,073	\$ 1,555,293	17%	79%	4%

For fiscal 2025, JCC had an operating loss of (\$4,242,719) compared to an operating loss of (\$146,375) for fiscal 2024. The net loss in fiscal 2025 was negatively impacted by an increase in the allowance for obsolete inventory of \$650,000 related to our older, slower moving pet inventory.

Industrial Wood Products - Greenwood

Sales in fiscal 2025 were \$3,802,791 compared to sales of \$3,728,165 in fiscal 2024, which is an increase of \$74,626, or 2%. Sales in fiscal 2025 were negatively impacted by a seat shortage which reduced new bus construction and demand for our products, but demand for transit focused products improved as the seat shortage was largely resolved by the fourth quarter of fiscal 2025. We have recently realigned some personnel to support Greenwood by working to open new sales channels and adding new customers, both within the transit sector and in new industrial market sectors. For fiscal 2025, Greenwood had an operating loss of (\$8,857) compared to operating income of \$19,563 for fiscal 2024.

Seed Processing and Sales - JCSC

During fiscal 2023, we decided to close JCSC effective August 31, 2023. Sales for JCSC in fiscal 2025 were \$Nil compared to sales of \$86,274 in fiscal 2024, with fiscal 2024 operating income of \$36,310. The fiscal 2024 revenue was derived from the sale of the remaining seed inventory and seed storage. We have disposed of the remaining seed inventory and equipment and have listed the surplus JCSC land and buildings for sale.

Corporate – JC USA

JC USA, the holding company that provides professional and administrative services for the wholly owned operating subsidiaries, had operating income of \$365,552 in fiscal 2025 compared to operating income of \$894,325 in fiscal 2024. The results of JC USA are inter-company transactions and are eliminated on consolidation.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity and Capital Resources

The recent volatile tariff and global trade situation created many challenges for our ability to effectively manage our supply chain, product costs, customer pricing, and overall operations. Failure to manage our cash inflows and outflows effectively can have a material adverse impact on our operations, ability to order products in a timely manner, and serve our customers effectively. Considering these developments, we believe that it is essential that we take immediate steps to strengthen our liquidity position to enable us to continue to weather the uncertainties that still exist in the global markets.

Although the Company will continue as a going concern as at August 31, 2025, our management and Board have reformulated our near-term and long-term strategies, which now focus on strengthening our liquidity position. We need additional funding to shield us from the continuing challenges that have severely impacted us and other companies as a result of the recent tariff and global economic situation in order to execute our business plan and continue operations in the normal course. Management is evaluating different strategies for reducing expenses, as well as pursuing financing strategies which include raising additional funds through the issuance of equity or debt securities, asset sales, and through arrangements with strategic partners. These strategies may involve selling our real estate assets and excess inventory, as well as increasing our borrowing capacity under our credit line with Northrim or securing alternative financing. We are dependent on our credit line which permits us to borrow funds against accounts receivable and inventory. However, our present borrowing is approaching the maximum allowed under the credit line's current funding calculations. Although we are in discussions with Northrim to increase the amount of credit available to us, we are still in need of additional funding to bolster our cash availability for the near and long term. There can be no assurance that these discussions will result in an increase in borrowing capacity, which, if it does not, would have a material adverse effect on our ability to operate our business in the normal course and significantly impact our ability to order product for the upcoming Spring selling season, which would in turn negatively impact our operations, our ability to develop and execute our business plan, our financial condition, our liquidity and our continuation as a going concern will be subject to a high degree of risk and uncertainty.

If capital is not available to us when, and in the amounts needed, we could be required to liquidate our inventory and assets at below market prices, delay purchasing of products, or cease or curtail operations, which could materially harm our business, financial condition and results of operations. There can be no assurance that the Company will be able to sell its real estate, inventory or other assets in a timely manner or raise the capital it needs to continue operations.

We have historically funded our operations with cash flow from operations, and institutional loans or credit facility arrangements. Our principal uses of cash have been debt service, capital expenditures and working capital, and funding operations. For the year ended August 31, 2025, we incurred an operating loss of \$4,130,092 and used cash in operations of \$4,627,154. As of August 31, 2025, we had \$2,101,835 of indebtedness and working capital of \$17,026,472. As of November 28, 2025, we had approximately \$4,304,853 million borrowed under our credit facility arrangement, which is near the current maximum amount we are permitted to borrow. We are currently in discussions with our lender to enhance our ability to borrow additional funds and increase the maximum borrowing capacity.

We have experienced a slower than expected sell-through of our pet inventory due to many factors, including an overall weakness in consumer demand across the entire sector and a surplus of goods in the channels commonly used to sell off this type of slow-moving, or obsolete inventory. We believe we will continue to reduce our inventory levels significantly through scaled back production, ordinary course sales of inventory, or accelerated liquidation sales. Accordingly, we have increased our inventory allowance by \$650,000 for fiscal 2025 over the allowance for fiscal 2024.

In fiscal 2026, we will refocus our efforts to maximize value-enhancing business lines. However, to do this we will likely have to make investments in our working capital to support distribution with new and existing retailers coming online throughout the year. This investment in inventory ahead of sales has and may continue to put pressure on our liquidity position given the structure and terms of our credit facility, and arrangements with our customers. There can be no assurance that we will be successful in executing this strategy or that our liquidity position will not deteriorate further despite our efforts.

Fiscal Year Ended August 31, 2024

As of August 31, 2025, we had working capital of \$17,026,472 compared to working capital of \$20,548,093 as of August 31, 2024. The largest changes affecting working capital are a decrease in cash to \$226,213 from \$4,853,367, an increase in inventory of \$2,728,346 to \$15,885,589 from \$13,157,243, and an increase in prepaid expenses to \$1,000,439 from \$891,690. Prepaid income taxes also increased to \$180,151 from \$50,326. The decrease in cash is primarily related to the increase in inventory. Prepaid expenses, which are mostly deposits paid for future inventory, increased slightly as we ordered additional metal fencing inventory for the anticipated need to replenish the in-store display units being rolled out in additional stores.

Accounts payable increased by \$272,185 to \$1,510,173 from \$1,237,988 which is related to the timing of payments due to suppliers. Accrued liabilities declined by \$317,770 to \$1,083,612 from \$1,401,382. Deferred tax assets declined to \$3 from \$341,029. Bank indebtedness, which is from our line of credit, was \$2,101,835 as of August 31, 2025 (August 31, 2024 - \$Nil). The amounts borrowed under the line have primarily been used to acquire inventory.

Accounts receivable and inventory represented 91% of current assets and 78% of total assets as of August 31, 2025. As of August 31, 2024, accounts receivable and inventory represented 74% of current assets and 61% of total assets. Our customers continue to pay on time, with almost all of our outstanding receivables classified as current.

For the fiscal year ended August 31, 2025, the accounts receivable collection period or DSO was 34 days compared to 28 days for the year ended August 31, 2024. Inventory turnover for the year ended August 31, 2025 was 151 days compared to 151 days for the year ended August 31, 2024.

Short-term and Long-term Debt

During fiscal 2024, we established a borrowing agreement with Northrim Funding Services ("Northrim"). Under the terms of the agreement, Northrim will provide short-term operating capital by either purchasing the Company's accounts receivable invoices ("AR invoices") or as a loan against our inventory position. The maximum amount of AR invoices Northrim will purchase at one time is limited to an amount equal to 80% of the net eligible accounts but is not to exceed \$6,000,000. Borrowing against our inventory is computed as an amount equal to 25% of all eligible inventory but is not to exceed \$4,000,000. The maximum total draw the Company may borrow under the line is \$6,000,000. Interest is computed at the prime rate plus 4.75% with floor of 11% and is secured by certain of our assets. The line was renewed in June 2025 and now expires on June 30, 2026. As of August 31, 2025, the Company had outstanding borrowings of \$2,101,835 under the line. As of November 28, 2025, the Company had outstanding borrowings of \$4,304,853 under the line.

Prior to June 2024, we had a line of credit of \$5,000,000 with U.S. Bank. The line was secured by an assignment of accounts receivable and inventory. Calculation of the interest rate was based on the one-month Secured Overnight Financing Rate (SOFR) plus 157 basis points, which as of August 31, 2023 was 6.88% (5.31% + 1.57%). Indebtedness under the line as of August 31, 2023 was \$1,259,259. All amounts borrowed under this line of credit were repaid in full during fiscal 2024 and the line has since been terminated.

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OTHER MATTERS

Contractual Obligations and Commercial Commitments

We currently have no material contractual obligations or commercial commitments other than to suppliers of products or services in the ordinary course of business.

Inflation

Since fiscal 2021, a number of product costs have increased substantially, including raw materials, energy, and transportation/logistical related costs. These higher costs have negatively affected our gross margins. Historically, we have passed cost increases on to the customer, but the rapid rise of prices over the last several years has resulted in consumers significantly reducing discretionary spending which has made the market much more price sensitive. This has made retailers more reluctant to accept higher prices for our goods which has limited our ability to raise our selling prices quickly enough to match the rate of increase of our costs. Our ability to pass through all of the current increase in our product costs to our customers is somewhat limited and occur after such costs are first incurred. Although management is working to mitigate such cost increases through the new sourcing agreements and modifying logistic agreements, we expect that our gross margins will remain under pressure in fiscal 2026.

The increases in interest rates as a result of the higher level of inflation in the US economy experienced beginning in calendar 2021 and continuing through fiscal 2025 has also had a negative effect on our interest expense charged on any borrowing on our lines of credit. The interest rate on our current line of credit is computed using the Prime Interest Rate, which has risen from 3.25% in January 2022 to approximately 7.50% in August 2025. In March 2025, the Company began drawing against its asset-based line of credit to fund its usual seasonal build of inventory to meet its anticipated needs for the busier Spring and Summer seasons. As of the end of the fiscal year ended August 31, 2025, the Company has drawn \$2,101,835 against this line of credit at a current interest rate of 12.25%.

Environmental, Social and Corporate Governance (ESG)

Jewett-Cameron endeavors to be a good steward and provide sustainable products with a positive impact. We strive to operate and grow in a way that honors our environment and relationships for the long term. This also aligns with one of our three value pillars: stewardship.

Environmental

For our products, the goal is that 90% of materials can be recycled. Our suppliers are audited to strict commercial and fair practice standards, including our own supplier qualifications regarding facilities, capacity, labor practices, and environmental awareness. Packaging is designed to maximize recyclability and re-use and minimize non-recycled materials, and all waste materials in our own facilities are segregated to maximize recycling. Our facilities have replaced high energy consumption infrastructure with energy efficient HVAC and lighting during our most recent remodel.

Active products and designs utilize either recycled or non-petroleum-based plastics to enhance recycling and composting. This includes the recently introduced compostable dog waste bag, a plant-based product that is less reliant on fossil fuels used in traditional plastic bags. We also dedicate a percentage of sales to support environmental cleanup efforts.

Social

Our social responsibilities include cultural standards of operations and values which we establish in conjunction with our employees. We regularly provide employees with a corporate engagement survey to benchmark their engagement, satisfaction, and ideas for change. We support educational programs that build the future workforce through active participation in regional and statewide organizations, including the CTE/STEM Employer Coalition and assisting teachers to connect traditional school subjects to practical job site applications. We also actively participate in the local community, supported by a Corporate Charitable Giving Charter.

Governance

As a public company, our processes are outlined and governed by multiple regulations, including the Sarbanes-Oxley Act of 2002. Our financial controls are mapped, executed, self-audited and regularly audited by outside experts as part of our annual process. We have established risk mitigations that allow for condensed reviews of risks and impacts with our systems in place. See also *Item 1C. Cybersecurity* for more information.

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Uyghur Forced Labor Prevention Act

The Uyghur Forced Labor Prevention Act ("UFLPA") is a US Federal Law which became effective on June 21, 2022. As enforced by U.S. Customs and Border Protection, the UFLPA prohibits any products that are made, mined, or manufactured, in part or in full, in China's Xinjiang Uyghur Autonomous Region to be imported into the United States, as they are presumed to have been made with forced labor. Any imports of such goods will be detained and seized by U.S. Customs unless the importer is able to prove that these goods have not been made with forced labor. We ensure that each of our suppliers is in full compliance with the law and none of our products fall under the prohibited goods clause.

Critical Accounting Policies

Management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting

period. On a regular basis, we evaluate our estimates and assumptions. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

We have not adopted any new accounting policies that would have a material impact on the consolidated financial statements, nor did we make changes to accounting policies. Management has discussed with the Audit Committee the development, selection and disclosure of accounting estimates used in the preparation of the consolidated financial statements.

Recent Accounting Pronouncements

Management has reviewed the new accounting guidance and determined that there is not a material impact on our financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We did not have any derivative financial instruments as of August 31, 2025, and we do not use derivative instruments for trading purposes.

Changes in U.S. interest rates affect the interest earned on our cash as well as interest paid on debt. We have a line of credit with an interest rate based on published rates that may fluctuate over time based on economic changes. We are subject to interest rate risk and could be subject to increased interest payments against any amounts borrowed against the line of credit if market interest rates fluctuate.

Foreign Currency Risk

We operate primarily in the United States. However, a relatively small amount of business is conducted in currencies other than U.S. dollars. Also, to the extent that we use contract manufacturers located outside the United States, including China, Canada, Bangladesh, Vietnam, Malaysia, and Taiwan, currency exchange rates can influence our purchasing costs.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

The financial statements and notes thereto are attached hereto. The audit report of Davidson & Company, LLP Chartered Accountants is included herein immediately preceding the audited consolidated financial statements.

Audited Consolidated Financial Statements: fiscal 2025 and 2024

Report of Independent Registered Accounting Firm dated December 1, 2025 (Davidson & Company LLP, Vancouver, Canada, PCAOB ID# 731)

Consolidated Balance Sheets

Balance Sheets at August 31, 2025 and August 31, 2024

Consolidated Statements of Operations

For the years ended August 31, 2025 and August 31, 2024

Consolidated Statements of Stockholders' Equity

For the years ended August 31, 2025 and August 31, 2024

Consolidated Statements of Cash Flows

For the years ended August 31, 2025 and August 31, 2024

Notes to Financial Statements

Schedule II: Valuation and Qualifying Accounts

**JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)**

AUGUST 31, 2025

DAVIDSON & COMPANY LLP _____ Chartered Professional Accountants _____

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Directors of
Jewett-Cameron Trading Company Ltd.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Jewett-Cameron Trading Company Ltd. (the "Company") as of August 31, 2025 and 2024, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years ended August 31, 2025 and 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of August 31, 2025 and 2024, and the results of its operations and its cash flows for the years ended August 31, 2025 and 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the account or disclosures to which it relates to.

Completeness and accuracy of revenue

As described in Note 11 to the financial statements, the Company recognized revenue of \$41,298,140 for the year ended August 31, 2025. As more fully described in Note 2 to the financial statements of the Company recognizes revenue from the sales of lumber, building supply products, industrial wood products, specialty metal products and other specialty products. The product revenue is recognized on shipment or receipt of product depending on the agreed customer terms.



The principal considerations for our determination that the recognition of revenues is a critical audit matter are the volume of low value transactions and the significant value of total revenue recognized. This in turn leads to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence for revenues recognized.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures included, among others:

- Evaluating the appropriateness of management’s assessment of revenue recognition criteria based on the Company’s operations.
- Performing substantive testing procedures over a sample of revenue entries to invoices, shipping documents, and cash receipts to ensure completeness, occurrence, accuracy and appropriate cut-off of revenue recognized.
- Assessing the Company’s revenue recognition accounting policy is in accordance with US GAAP.

We have served as the Company’s auditor since 1999.

/s/ DAVIDSON & COMPANY LLP

Vancouver, Canada Chartered

Professional Accountants

December 1, 2025

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in U.S. Dollars)
AS OF AUGUST 31

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 226,213	\$ 4,853,367
Accounts receivable, net of allowance of \$0 (August 31, 2024 - \$0)	3,863,678	3,668,815
Inventory, net of allowance of \$1,200,000 (August 31, 2024 - \$550,000) (note 3)	15,885,589	13,157,243
Asset held for sale (note 4)	566,022	566,022
Prepaid expenses	1,000,439	891,690
Prepaid income taxes	180,151	50,326
Total current assets	21,722,092	23,187,463
Property, plant and equipment, net (note 4)	3,643,114	3,849,800
Intangible assets, net (note 5)	111,389	112,222

Deferred tax assets (Note 6)		3	341,029
Total assets	\$	25,476,598	\$ 27,490,514
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable	\$	1,510,173	\$ 1,237,988
Bank indebtedness (note 7)		2,101,835	—
Accrued liabilities		1,083,612	1,401,382
Total liabilities		4,695,620	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		19,098,465	23,228,557
Total stockholders' equity		20,780,978	24,851,144
Total liabilities and stockholders' equity	\$	25,476,598	\$ 27,490,514

Contingencies (Note 14)
Subsequent event (Note 15)

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

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)
YEARS ENDED AUGUST 31

	2025	2024
SALES	\$ 41,298,140	\$ 47,145,176
COST OF SALES	35,046,144	38,261,532
GROSS PROFIT	6,251,996	8,883,644
OPERATING EXPENSES		
Selling, general and administrative	3,856,829	3,887,769
Depreciation and amortization (notes 4, 5)	322,531	352,866
Wages and employee benefits	5,823,262	6,413,419
	10,002,622	10,654,054
(Loss) income from operations	(3,750,626)	(1,770,410)
OTHER ITEMS		
Other income (note 14)	306	2,450,000
Gain on sale of property, plant and equipment	800	90,787
Interest (expense) income	(136,504)	33,446
	(135,398)	2,574,233
(Loss) income before income taxes	(3,886,024)	803,823
Income taxes (note 6)		
Current	(244,068)	(103,224)
Deferred recovery	—	21,154
Net income (loss) for the year	\$ (4,130,092)	\$ 721,753
Basic earnings (loss) per common share	\$ (1.18)	\$ 0.21
Diluted earnings (loss) per common share	\$ (1.18)	\$ 0.21
Weighted average number of common shares outstanding:		
Basic	3,512,975	3,503,221

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

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Expressed in U.S. Dollars)

YEARS ENDED AUGUST 31

	Capital Stock		Additional paid-in capital	Retained earnings	Total
	Number of Shares	Amount			
August 31, 2023	3,498,899	\$ 825,468	\$ 765,055	\$ 22,506,804	\$ 24,097,327
Shares issued pursuant to compensation plans (note 9)	5,903	1,393	30,671	—	32,064
Net Income	—	—	—	721,753	721,753
August 31, 2024	3,504,802	\$ 826,861	\$ 795,726	\$ 23,228,557	\$ 24,851,144
Shares issued pursuant to compensation plans (note 9)	13,317	3,142	56,784	—	59,926
Net loss	—	—	—	(4,130,092)	(4,130,092)
August 31, 2025	3,518,119	830,003	852,510	19,098,465	20,780,978

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

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in U.S. Dollars)

YEARS ENDED AUGUST 31

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income for the year	\$ (4,130,092)	\$ 721,753
Items not affecting cash:		
Depreciation and amortization	322,531	352,866
Stock-based compensation expense	59,926	32,064
Gain on sale of property, plant and equipment	(800)	(90,787)
Deferred income taxes	341,026	(21,154)
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(194,863)	1,966,109
(Increase) decrease in inventory	(2,728,346)	5,181,805
(Increase) in prepaid expenses	(108,749)	(260,902)
(Increase) in prepaid income taxes	(129,825)	(50,326)
(Decrease) in accounts payable and accrued liabilities	(45,585)	(1,655,018)
(Decrease) in income taxes payable	—	(147,629)
Net cash and cash equivalents (used in) provided by operating activities	(6,614,777)	6,028,781
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property, plant and equipment	800	110,689
Purchase of property, plant and equipment	(115,012)	(110,540)
Net cash and cash equivalents provided by (used in) investing activities	(114,212)	149
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from (repayment of) bank indebtedness	2,101,835	(1,259,259)
Net cash and cash equivalents used in financing activities	2,101,835	(1,259,259)
Net (decrease) increase in cash and cash equivalents	(4,627,154)	4,769,671
Cash and cash equivalents, beginning of year	4,853,367	83,696

Supplemental disclosure with respect to cash flows (note 13)

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

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in U.S. Dollars)

1. NATURE OF OPERATIONS

Jewett-Cameron Trading Company Ltd. was incorporated in British Columbia on July 8, 1987 as a holding company for Jewett-Cameron Lumber Corporation ("JCLC"), incorporated September 1953. Jewett-Cameron Trading Company, Ltd. acquired all the shares of JCLC through a stock-for-stock exchange on July 13, 1987, and at that time JCLC became a wholly owned subsidiary. Effective September 1, 2013, the Company reorganized certain of its subsidiaries. JCLC's name was changed to JC USA Inc. ("JC USA"), and a new subsidiary, Jewett-Cameron Company ("JCC"), was incorporated.

JC USA has the following wholly owned subsidiaries incorporated under the laws of the State of Oregon: Jewett-Cameron Seed Company, ("JCSC"), incorporated October 2000, Greenwood Products, Inc. ("Greenwood"), incorporated February 2002, and JCC, incorporated September 2013. Jewett-Cameron Trading Company Ltd. and its subsidiaries (the "Company") have no significant assets in Canada.

The Company, through its subsidiaries, operates out of facilities located in North Plains, Oregon. JCC's business consists of the manufacturing and distribution of pet, fencing and other products, wholesale distribution to home centers, other retailers, on-line as well as direct to end consumers located primarily in the United States. Greenwood is a processor and distributor of industrial wood and other specialty building products principally to customers in the marine and transportation industries in the United States. JCSC was a processor and distributor of agricultural seeds in the United States. JC USA provides professional and administrative services, including accounting and credit services, to its subsidiary companies.

Effective August 31, 2023, the Company ended seed cleaning operations at its JCSC. During the year ended August 31, 2024, JCSC ended its active operations and sold most of its remaining equipment to wind up the business.

The Company's operations and general workforce can be negatively affected by a number of external factors. Examples include, but are not limited to, a global pandemic and political conflict in other regions that may affect economies and financial markets globally. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business, financial condition, or ability to raise funds.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These consolidated financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America ("GAAP") and pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC"). Certain comparatives have been reclassified to conform with the current period presentation.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its current wholly owned subsidiaries, JC USA, JCC, JCSC, and Greenwood, all of which are incorporated under the laws of Oregon, U.S.A.

All inter-company balances and transactions have been eliminated upon consolidation.

Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates incorporated into the Company's consolidated financial statements include the estimated useful lives for depreciable and amortizable assets, the estimated allowances for doubtful accounts receivable and inventory obsolescence, possible product liability and possible product returns, and litigation contingencies and claims. Actual results could differ from those estimates.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. At August 31, 2025, cash and cash equivalents were \$226,213 compared to \$4,853,367 at August 31, 2024.

Accounts receivable

Trade and other accounts receivable are reported at face value, less any provisions for uncollectible accounts considered necessary. Accounts receivable primarily includes trade receivables from customers. The Company estimates doubtful accounts on an item-by-item basis and includes over aged accounts as part of allowance for doubtful accounts, which are generally ones that are ninety days or greater overdue.

The Company extends credit to domestic customers and offers discounts for early payment. When extension of credit is not advisable, the Company relies on either prepayment or

a letter of credit.

Inventory

Inventory, which consists primarily of finished goods, is recorded at the lower of cost, based on the average cost method, and market. Market is defined as net realizable value. An allowance for potential non-saleable inventory due to excess stock or obsolescence is based upon a review of inventory components.

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation. The Company provides for depreciation over the estimated life of each asset on a straight-line basis over the following periods:

Office equipment	3-7 years
Warehouse equipment	2-10 years
Buildings	5-30 years

Intangibles

The Company's intangible assets have a finite life and are recorded at cost. Amortization is calculated using the straight-line method over the remaining life of the asset. The intangible assets are reviewed annually for impairment. In 2018, the Company was granted a patent for an update of its Adjust-a-Gate™, which extends the protection until 2033.

Asset retirement obligations

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development, and normal use of the long-lived assets. The Company also records a corresponding asset which is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost). The Company does not have any significant asset retirement obligations.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Impairment of long-lived assets and long-lived assets to be disposed of

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount and the fair value less costs to sell.

Currency and foreign exchange

These financial statements are expressed in U.S. dollars which is also the functional currency of the Company and its subsidiaries as the Company's operations are primarily based in the United States.

The Company does not have non-monetary or monetary assets and liabilities that are in a currency other than the U.S. dollar. Any statement of operations transactions in a foreign currency are translated at rates that approximate those in effect at the time of translation. Gains and losses from translation of foreign currency transactions into U.S. dollars are included in current results of operations.

Earnings (loss) per share

Basic earnings (loss) per common share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding in the period. Diluted earnings (loss) per common share takes into consideration common shares outstanding (computed under basic earnings per share) and potentially dilutive common shares.

The earnings (loss) per share data for the fiscal years ended August 31, 2025 and 2024 are as follows:

	2025	2024
Net (loss) income	\$ (4,130,092)	\$ 721,753
Basic weighted average number of common shares outstanding	3,512,975	3,503,221
Effect of dilutive securities		
Stock options	—	—
Diluted weighted average number of common shares outstanding	3,512,975	3,503,221
Basic and diluted (loss) earnings per common share	\$ (1.18)	\$ 0.21

Comprehensive income (loss)

The Company has no items of other comprehensive income or loss in any year presented. Therefore, net income or loss presented in the consolidated statements of operations equals comprehensive income or loss.

Stock-based compensation

The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"). Equity awards are accounted for at their "fair value" which is measured on the grant date for stock-settled awards. For "full-value" awards, fair value is equal to the underlying value of the stock that have time vesting conditions.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Stock-based compensation (cont'd...)

Stock-based compensation to employees are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award. Stock-based compensation expense recognized during the period is based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period, or in the period of grant for awards that vest immediately without any future service condition. For awards that vest over time, previously recognized compensation cost is reversed if the service or performance conditions are not satisfied and the award is forfeited. The Company also grants employees and non-employees restricted stock awards ("RSAs"). The fair value of the RSAs is determined using the fair value of the common shares on the date of the grant. Forfeitures are accounted for as they occur.

The Company has not adopted a stock option plan and has not granted any stock options.

Financial instruments

The Company uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values.

Cash and cash equivalents - the carrying amount approximates fair value because the amounts consist of cash held at a bank and cash held in short term investment accounts.

Accounts receivable - the carrying amounts approximate fair value due to the short-term nature and historical collectability.

Bank indebtedness - the carrying amount approximates fair value due to the short-term nature of the obligations.

Accounts payable and accrued liabilities - the carrying amount approximates fair value due to the short-term nature of the obligations.

The estimated fair values of the Company's financial instruments as of August 31, 2025 and 2024 follows:

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 226,213	\$ 226,213	\$ 4,853,367	\$ 4,853,367
Accounts receivable, net of allowance	3,863,678	3,863,678	3,668,815	3,668,815
Accounts payable and accrued liabilities	2,593,785	2,593,785	2,639,370	2,639,370
Bank Indebtedness	2,101,835	2,101,835	—	—

The following table presents information about the assets that are measured at fair value on a recurring basis as of August 31, 2025 and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and included situations where there is little, if any, market activity for the asset:

	August 31, 2025	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	\$ 226,213	\$ 226,213	\$ —	\$ —

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Income taxes

A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Deferred tax expense (benefit) results from the net change during the year of deferred tax assets and liabilities.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Shipping and handling costs

The Company incurs certain expenses related to preparing, packaging and shipping its products to its customers, mainly third-party transportation fees. All costs related to these activities are included as a component of cost of sales in the consolidated statements of operations. All costs billed to the customer are included as sales in the consolidated statements of operations.

Revenue recognition

The Company recognizes revenue from the sales of lumber, building supply products, industrial wood products, specialty metal products, and other specialty products and tools, when the products are shipped, title passes, and the ultimate collection is reasonably assured. Revenue from the Company's seed operations was generated from seed processing, handling and storage services provided to seed growers, and by the sales of seed products. Revenue from the provision of these services and products is recognized when the services have been performed, products sold and collection of the amounts is reasonably assured.

Recent Accounting Pronouncements

The Company has evaluated all recently issued, but not yet effective, accounting pronouncements and determined that it does not believe that any, if currently adopted, would have a material effect on the Company's financial statements.

3. INVENTORY

A summary of inventory as of August 31, 2025 and 2024 is as follows:

	2025	2024
Pet, fencing and other products	\$ 15,132,574	\$ 12,407,495
Industrial wood products	753,015	749,748
Agricultural seed products	—	—
	<u>\$ 15,885,589</u>	<u>\$ 13,157,243</u>

During the year ended August 31, 2025, the Company deducted \$50,111 (fiscal 2024 - \$407,348) from its inventory reserves, and added \$700,111 (2024 - \$459,464) to its inventory allowance for a net increase of \$650,000 (2024 - \$52,116) during the year.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in U.S. Dollars)

4. PROPERTY, PLANT AND EQUIPMENT

A summary of property, plant, and equipment as of August 31, 2025 and 2024 is as follows:

	2025	2024
Office equipment	\$ 684,473	\$ 668,260
Warehouse equipment	1,382,818	1,285,278
Buildings	5,212,847	5,211,588
Land	158,500	158,500
	<u>7,438,638</u>	<u>7,323,626</u>
Accumulated depreciation	<u>(3,795,524)</u>	<u>(3,473,826)</u>
Net book value	<u>\$ 3,643,114</u>	<u>\$ 3,849,800</u>

In the event that facts and circumstances indicate that the carrying amount of an asset may not be recoverable and an estimate of future discounted cash flows is less than the carrying amount of the asset, an impairment loss will be recognized. Management's estimates of revenues, operating expenses, and operating capital are subject to certain risks and uncertainties which may affect the recoverability of the Company's investments in its assets. Although management has made its best estimate of these factors based on current conditions, it is possible that changes could occur which could adversely affect management's estimate of the net cash flow expected to be generated from its operations.

In connection with the wind-up of the Company's JCSC operations, in July 2024 the Company listed for sale its 11.6 acre property that formerly housed operations. The carrying value of this property of \$566,022 is recorded as an asset held for sale as of August 31, 2025 (\$566,022 – August 31, 2024).

5. INTANGIBLE ASSETS

A summary of intangible assets as of August 31, 2025 and 2024 follows:

	2025	2024
Intangible assets	131,405	131,405
Accumulated amortization	<u>(20,016)</u>	<u>(19,183)</u>
Net book value	<u>\$ 111,389</u>	<u>\$ 112,222</u>

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in U.S. Dollars)

6. INCOME TAXES

A reconciliation of the provision for income taxes with amounts determined by applying the statutory U.S. federal income tax rate to income before income taxes is as follows:

	2025	2024
Computed tax at the federal statutory rate	\$ 53,026	\$ 92,555
State taxes, net of federal benefit	30,000	10,000
Other	3,140	669
Provision for income taxes	\$ 86,166	\$ 103,224
Current income taxes	\$ 86,166	\$ 103,224
Deferred income taxes	157,903	(21,154)
	\$ 244,069	\$ 82,070

Deferred income tax asset as of August 31, 2025 of \$3 (August 31, 2024 – \$341,029) reflects the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

	2025	2024
Deferred tax assets:		
Allowance for inventory	\$ 1,373,812	\$ 443,913
Allowance for bad debts	—	—
Difference between book and tax depreciation	(76,399)	(13,587)
Total deferred tax assets	1,297,413	430,326
Valuation allowance	(1,210,164)	—
Net deferred tax assets	87,249	430,326
Net deferred tax liability	(87,246)	(89,297)
Combined net deferred tax asset (liability)	\$ 3	\$ 341,029

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)

7. BANK INDEBTEDNESS

The Company has a line of credit agreement in the form of a Contract of Sale & Assignment Agreement with Northrim Funding Services ("Northrim"). Under the terms of the agreement, Northrim will provide short-term operating capital by either purchasing the Company's accounts receivable invoices at a discount ("AR invoices") or as a loan against the Company's inventory position. The maximum amount of AR invoices Northrim will purchase at one time is limited to an amount equal to 80% of the net eligible accounts but is not to exceed \$6,000,000. Borrowing against the Company's inventory is computed as an amount equal to 25% of all eligible inventory but is not to exceed \$4,000,000. The maximum total draw the Company may borrow under the line is \$6,000,000. Interest is computed at the prime rate plus 4.75% with floor of 11% and is secured by certain assets of the Company. The line was renewed in 2025 and now expires on June 30, 2026. As of August 31, 2025, the Company's indebtedness under the line of credit was \$ 2,101,835 (August 31, 2024 - \$Nil).

Prior to June 2024, the Company formerly had a different Bank Line of Credit of \$5,000,000, which was reduced from \$10,000,000 in March 2024. The line was secured by an assignment of accounts receivable and inventory. Calculation of the interest rate was based on the one-month Secured Overnight Financing Rate (SOFR) of the one-month SOFR plus 157 basis points, which as of August 31, 2023 was 6.88% (5.31% + 1.57). All amounts borrowed under this former line were repaid in full during fiscal 2024.

8. CAPITAL STOCK

Common stock

Holders of common stock are entitled to one vote for each share held. There are no restrictions that limit the Company's ability to pay dividends on its common stock. The Company has not declared any dividends since incorporation.

9. RESTRICTED SHARE PLAN

The Company has a Restricted Share Plan (the "Plan") as approved by stockholders on February 21, 2025. The Plan allows the Company to grant, from time to time, restricted shares as compensation to directors, officers, employees and consultants of the Company. The Restricted Shares are subject to restrictions, including the period under which the shares will be restricted (the "Restricted Period") and subject to forfeiture which is determined by the Board at the time of the grant. The recipient of Restricted Shares is entitled to all of the rights of a shareholder, including the right to vote such shares and the right to receive any dividends, except that the shares granted under the Plan are nontransferable during the Restricted Period.

The maximum number of Common Shares reserved for issuance under the Plan will not exceed 1% of the issued and outstanding number of Common Shares at the time of adoption or amendment of the Plan. As of August 31, 2025 the maximum number of shares available to be issued under the Plan was 35,181.

The Board of Directors has set the compensation for non-executive Directors under the Plan at 25 common shares for each quarter of service. The cumulative amount of shares earned each fiscal year to be granted shortly after the close of that fiscal year. Non-executive Directors also received a one-time initial grant of 225 common shares which were issued in December 2020.

During the year ended August 31, 2024, 5,903 common shares were issued under the Plan at an average price of \$5.43 per share. 575 were granted to Officers and Directors without a Restricted Period under the Company's S-8 Registration Statement. 5,328 common shares were granted to Officers and Employees and have a three-year Restricted Period.

During the year ended August 31, 2025, 13,317 common shares were issued under the Plan at an average price of \$4.50 per share. 750 were granted to Officers and Directors without

a Restricted Period under the Company's S-8 Registration Statement. 12,567 common shares were granted to Officers and Employees and have a three-year Restricted Period.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)

10. PENSION AND PROFIT-SHARING PLANS

The Company has a deferred compensation 401(k) plan for all employees with at least 6 months of service pending a monthly enrollment time. The plan allows for a non-elective discretionary contribution plus matching employee contributions up to a specific limit. The percentages of contribution remain the discretion of the Board and are reviewed with management annually. For the years ended August 31, 2025 and 2024 the 401(k) compensation expense was \$230,595 and \$117,319, respectively.

11. SEGMENT INFORMATION

The Company has three principal reportable segments. These reportable segments were determined based on the nature of the products offered. Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company evaluates performance based on several factors, of which the primary financial measure is business segment income before taxes. The following tables show the operations of the Company's reportable segments.

Following is a summary of segmented information for the years ended August 31:

	2025	2024
Sales to unaffiliated customers:		
Industrial wood products	\$ 3,802,791	\$ 3,728,165
Pet, Fencing and Other	37,495,349	43,330,737
Seed processing and sales	—	86,274
	<u>\$ 41,298,140</u>	<u>\$ 47,145,176</u>
(Loss) income before income taxes:		
Industrial wood products	\$ (8,857)	\$ 19,563
Pet, Fencing and Other	(4,242,719)	(146,375)
Seed processing and sales	—	36,310
Corporate and administrative	365,552	894,325
	<u>\$ (3,886,024)</u>	<u>\$ 803,823</u>
Identifiable assets:		
Industrial wood products	\$ 1,164,274	\$ 1,069,821
Pet, Fencing and Other	18,563,411	16,286,616
Seed processing and sales	—	4,633
Corporate and administrative	5,748,913	10,129,444
	<u>\$ 25,476,598</u>	<u>\$ 27,490,514</u>
Depreciation and amortization:		
Industrial wood products	\$ —	\$ —
Pet, Fencing and Other	85,726	73,610
Seed processing and sales	—	1,949
Corporate and administrative	236,805	277,307
	<u>\$ 322,531</u>	<u>\$ 352,866</u>

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)

11. SEGMENT INFORMATION (cont'd...)

	2025	2024
Capital expenditures:		
Industrial wood products	\$ —	\$ —
Pet, Fencing and Other	—	—
Seed processing and sales	—	—
Corporate and administrative	115,012	110,540
	<u>\$ 115,012</u>	<u>\$ 110,540</u>

The following table lists sales made by the Company to customers which were in excess of 10% of total sales for the years ended August 31:

	2025	2024
Sales	\$ 30,471,713	\$ 31,447,052

The Company conducts business primarily in the United States, but also has limited amounts of sales in foreign countries. The following table lists sales by country for the fiscal

years ended August 31:

	2025	2024
United States	\$ 39,704,438	\$ 45,206,250
Canada	1,043,245	1,734,200
Mexico/Latin America/Caribbean	550,457	173,317
Europe	—	14,000
Asia/Pacific	—	17,409
	\$ 41,298,140	\$ 47,145,176

All of the Company's significant identifiable assets were located in the United States as of August 31, 2025 and 2024.

12. CONCENTRATIONS

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company places its cash with a high quality financial institution. The Company has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated geographically in the United States amongst a small number of customers.

At August 31, 2025, two customers accounted for accounts receivable greater than 10% of accounts receivable for a total of 73%. At August 31, 2024, three customers accounted for accounts receivable greater than 10% of total accounts receivable for a total of 79%. The Company controls credit risk through credit approvals, credit limits, credit insurance and monitoring procedures. The Company performs credit evaluations of its commercial customers but generally does not require collateral to support accounts receivable.

Volume of business

The Company has concentrations in the volume of purchases it conducts with its suppliers. For the fiscal year ended August 31, 2025, there were four suppliers which each accounted for greater than 10% of total purchases, and the aggregate purchases amounted to \$20,972,994. For the fiscal year ended August 31, 2024, there were three suppliers which each accounted for greater than 10% of total purchases, and the aggregate purchases amounted to \$17,930,397.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in U.S. Dollars)

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Certain cash payments for the years ended August 31, 2025 and 2024 are summarized as follows:

	2025	2024
Cash paid during the year for:		
Interest	\$ 172,079	\$ 33,956
Income taxes	\$ 26,828	\$ 321,821

There were no non-cash investing or financing activities during the years presented.

14. CONTINGENCIES

In fiscal 2021, the Company initiated arbitration against a former distributor asserting a breach of the distribution agreement and seeking damages. The liability arbitration hearing was held in December 2022. In February 2023, the arbitrator issued its decision and ruled in favor of the Company on the majority of its claims. In September 2023, the Company settled the arbitration for a cash payment of \$2,450,000 which was received by the Company in October 2023.

15. SUBSEQUENT EVENT

- a) In October 2025, we experienced a cybersecurity incident. We learned that a threat actor had gained unauthorized access to portions of the Company's information technology ("IT") environment. We immediately activated our cyber incident response process to contain the intrusion, assess and investigate the incident and implement remedial measures, including retaining external cybersecurity experts and notifying law enforcement, including the Federal Bureau of Investigation. Based on the investigation to date, we believe the cybersecurity incident consisted of unauthorized access and deployment of encryption and monitoring software by a third party to a portion of the Company's internal corporate IT systems. The incident caused disruptions and limitation of access to portions of our business applications. We believe the unauthorized activity was contained and our IT systems and individual computer devices were brought back online. As a result of the intrusion, we have taken additional cybersecurity measures. We believe that the costs associated with these activities will not be material and that the costs related to the services provided by experts and the disruption to our business will be largely covered by the Company's insurance policies. However, there can be no assurance that the insurance carriers will accept liability for these costs, in which these additional costs may have a material adverse effect on our future financial performance.
- b) The Company has listed for sale its innovation lab property in North Plains, Oregon at a listing price of \$795,000.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENT SCHEDULE

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

AUGUST 31, 2025

Balance at	Additions Charged to	Deductions Credited to	Deductions
------------	-------------------------	---------------------------	------------

	Beginning of Year	Costs and Expenses	Costs and Expenses	From Reserves	Balance at End of Year
August 31, 2025					
Allowance deducted from related Balance sheet account:					
Inventory	\$ 550,000	\$ 700,111	\$ 100	\$ 50,111	\$ 1,200,000
Accounts Receivable	\$ —	\$ —	\$ —	\$ —	\$ —
August 31, 2024					
Allowance deducted from related Balance sheet account:					
Inventory	\$ 497,884	\$ 459,464	\$ —	\$ 407,348	\$ 550,000
Accounts Receivable	\$ —	\$ —	\$ —	\$ —	\$ —

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

--- No Disclosure Necessary ---

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act of 1934, our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures, our Chief Executive Officer and Chief Financial Officer have concluded that, as of August 31, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). Under supervision and with the participation of our management including our Chief Executive Officer and Chief Financial Officer we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation our management concluded that our internal control over financial reporting was effective as of August 31, 2025.

This Annual Report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this Annual Report.

Changes in Internal Controls

There has been no change in our internal control over financial reporting that occurred during our most recent fiscal year that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the quarter ended August 31, 2025, no director or officer of the Company adopted or terminated a contract, instruction or written plan for the purchase or sale of securities of the Company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) and/or a non-Rule 10b5-1 trading arrangement.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

--- No Disclosure Necessary ---

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Table No. 4 lists as of November 28, 2025 the names, ages and terms of service of each of our Directors. The Directors will serve until the next Annual Stockholders' Meeting or until a successor is duly elected, unless the office is vacated in accordance with our Articles/By-Laws. All of the Directors are citizens of the United States.

Table No. 4
Directors

Name	Age	Date First Elected Or Appointed
Geoff Guilfooy (1) (2) (4)	75	August 2019
Charles Hopewell (1)(2)	69	February 2017
Sarah Johnson (2) (3)	46	July 2017
Chad Summers	51	November 2022
Michelle Walker (3)	51	July 2021

Mike Henningsen (3)	63	December 2022
Subriana Pierce (2)(3)	59	December 2023
Ian Wendler (1)	50	December 2023

- (1) Member of Audit Committee.
- (2) Member of Compensation Committee.
- (3) Member of Governance Committee.
- (4) In September 2025, Geoff Guilfooy announced his retirement from the Board of Directors effective December 31, 2025.

Current Board Committee Chairs are Geoff Guilfooy (Audit), Charles Hopewell (Compensation) and Michelle Walker (Governance).

Table No. 5 lists, as of November 28, 2025, the names of our executive officers. The executive officers serve at the pleasure of the Board of Directors. All executive officers are residents and citizens of the United States and spend 100% of their time on the affairs of the Company.

Table No. 5
Executive Officers

Name	Position	Age	Date of Board Approval
Chad Summers	Chief Executive Officer	51	January 2022
Mitch Van Domelen	Chief Financial Officer and Corporate Secretary	44	January 2022

Family Relationships/Other Relationships/Arrangements

There are no arrangements or understandings between any two or more directors or executive officers, pursuant to which he/she was selected as a director or executive officer. There are no family relationships, material arrangements or understandings between any two or more directors or executive officers.

Written Management Agreements

--- No Disclosure Necessary ---

Business Experience

Chad Summers originally joined the Company in October 2019. He was appointed President in May 2021, CEO in January 2022, and was named a Director in November 2022. His prior experience includes participation in start-up ventures in both product and service industries and has a strong background in leadership, consulting, and support. He co-owned and led an international lumber brokering business similar to Jewett-Cameron's Greenwood division. This experience provided him the opportunity to oversee and actively manage suppliers in China and throughout SE Asia. He also built a successful consulting practice dedicated to growing manufacturers in association with a west coast regional accounting firm which allowed him the opportunity to establish a deep network of manufacturers, professional services and support connections regionally. He received his bachelor's degree in Business Administration through the University of Puget Sound's specialized Business Leadership Program with an emphasis on International Business.

Mitch Van Domelen is a Certified Public Accountant who joined Jewett-Cameron in July 2017 as Controller. He was appointed Chief Financial Officer in January 2022, and was appointed Corporate Secretary in December 2022. Mr. Van Domelen has extensive experience in finance and financial reporting for both public and private companies. Prior to joining Jewett-Cameron, he served as Controller for a national beverage brand where he managed the financial processes and full-cycle accounting for the company and its nine brewpub locations. From 2007 to 2012 he worked in public accounting at a large regional public accounting firm in Lake Oswego, Oregon, auditing both public and private companies. From 2005 to 2007, he served as a Sarbanes-Oxley (SOX) compliance consultant for SEC registrants in the Portland metro area, testing their compliance in both US and International regions. He holds a bachelor's degree in Business Administration from Southern Oregon University. He is a licensed CPA in the State of Oregon and is a member of the Oregon Society of CPA's.

Charles E. Hopewell has over 35 years of experience in senior management positions with manufacturing companies. He joined the Company as Chief Operating Officer in November 2016, and was appointed as President, Chief Executive Officer and as a Director in February 2017. He served as Present until May 2021 and CEO until January 2022 when he transitioned to Chairman of the Board of Directors. Prior to his employment with Jewett-Cameron, he served as CEO of several manufacturing companies, including Sunset Manufacturing Inc, Neilsen Manufacturing Inc, and COO of Aluminate Corporation. As a COO and CEO, he has been involved in all organizational aspects, including sales and marketing, plant and equipment, personnel, and finance. He received a degree in Finance from the University of Oregon and an MBA from Willamette University's Atkinson Graduate School of Management. Mr. Hopewell has also worked extensively in local and statewide workforce policy and K-12 CTE education at a Board level.

Geoff Guilfooy is a management consultant with over 41 years of experience, including over 21 years in management consulting, 17 years in State Government management, and an additional 4 years in the private and non-profit sectors. Prior to founding Lumen Leaders LLC in 2013, he was the partner in charge of the management consulting group at AKT LLP, a regional CPA and business consulting firm. For 28 years, he was an Executive Professor at Willamette University's Atkinson Graduate School of Management teaching courses on management consulting, nonprofit management, and government. He currently serves on the Board of Directors of Medical Teams International. He is also a former National Board Member of the Institute of Management Consultants USA and a former Board Member of CoServe International. He has a Bachelor of Science, Management (Accounting) from San Jose State University and an MBA from Willamette University.

Mike Henningsen has extensive experience in operations and logistics. From 1999 to 2018, Mr. Henningsen was Chairman & President of Henningsen Cold Storage, a fourth-generation family business founded in 1923 headquartered in Hillsboro Oregon with logistics facilities in six states. During this period, he also held a number of positions with the International Association of Refrigerated Warehouses (IARW), including Chairman in 2008-2009. Prior to joining the family business, he served as a business banker with Wells Fargo. Mr. Henningsen received both his Bachelors of Science in Business Management and his MBA from the University of Oregon. He currently serves on the Boards of Parr Lumber Company and Willamette Windows. He also serves on the Board of Trustees of Pacific University in Forest Grove, Oregon and the Columbia River Maritime Museum in Astoria, Oregon.

Sarah Johnson has significant experience in global supply chain operations, management and best practices, including the planning and implementation of improvements to both the manufacturing and supply processes. She currently serves as a manager at Columbia Sportswear where she leads the planning functions for their emerging brands within Columbia's portfolio. Previously, she served as the Global Buying Manager and as a Business Process Analyst and Senior Global Buyer at Columbia, which included working with international vendors, principally in Asia and Canada. She also supports various local and international organizations and current and future women leaders. Ms. Johnson is a graduate of Gonzaga University in Spokane, Washington.

Michelle Walker is a business strategist in Portland with experience in brand development, organizational alignment, and building consumer brands, including both B2B and B2C businesses. Previously, she was CEO of Sock It to Me, Inc., a sock and underwear brand. She also held several senior positions with PepsiCo, including Senior Director and GM of the Lays and Ruffles brands where her responsibility included business strategy, brand positioning, product development, and sales strategy. Prior to joining PepsiCo, she was a Senior Consultant in Valuation Services with PricewaterhouseCoopers where she led business analysis and valuations for both business clients and Real Estate Investment Trusts. She received her bachelor's degree in Economics and Psychology from the University of California, San Diego, and an MBA from the University of Texas McComb School of

Subriana Pierce is a visionary leader in the food and beverage industry with over 25 years of experience in senior leadership in both the grocery channel and Consumer Packaged Goods industry. She currently serves as Senior Vice President, Sales with C.A. Fortune, a national Consumer Brands Agency. After serving in various sales and marketing roles with PepsiCo/Frito Lay, she became SVP of Sales and Merchandising for Albertsons Southern California. After leaving Albertson's, she launched food brokerage Navigator Sales and Marketing which was acquired by C.A. Fortune in July 2023. She also currently serves on the Board of Directors for the California Grocers Association. Subriana has a Bachelors in Economics from Spelman College and an MBA in Marketing from University of Chicago Booth.

Ian Wendler is a customer focused innovation, strategy and product development leader. He is currently Vice President and General Manager of Americas at Dover Corporations Vehicle Service Group (VSG). He previously held executive roles from Operations, to Engineering, to Marketing, and Business across Dover operating companies supporting OEM Automotive, Government, Industrial, Consumer, and Aftermarket segments in Engineered Products. Before joining Dover, he held Engineering and Management roles with RadiSys in Telecommunications and Gaming. He is accepted into Oregon State University's Council of Outstanding Early Career Engineers, is an Industry Advisor, and prior Chairman of MECOP.

Involvement in Certain Legal Proceedings

There have been no events during the last five years that are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer, or control person including any of the matters identified in Item 401(f) of Regulation S-K.

Audit Committee Financial Expert

Geoff Guilfooy serves as the Audit Committee Chair and has been designated as the "Audit Committee Financial Expert" (as defined in applicable SEC rules) given his extensive background in oversight, financial budgeting and reporting and strategic consultation. Mr. Guilfooy is independent as that term is used in Section 240.14a-101 under the Exchange Act and as defined under NASDAQ Rule 4200(a)(15). In September 2025, Mr. Guilfooy announced his intention to retire from the Board of Directors effective December 31, 2025. The Board had appointed Charles Hopewell as a member of the Audit Committee in March 2025, and has determined that he is an "Audit Committee Financial Expert" given his previous senior executive roles, including CEO and COO, and also has appointed him as Chair of the Audit Committee effective January 1, 2026.

Audit Committees

The Company has an Audit Committee, which recommends to the board of directors the engagement of the independent auditors of the Company and reviews with the independent auditors the scope and results of the Company's audits, the Company's internal accounting controls, and the professional services furnished by the independent auditors to the Company. The board of directors adopted a new Audit Committee Charter in fiscal 2023.

The Audit Committee is directly responsible for the appointment, compensation and oversight of auditors; and concerns about accounting and auditing matters; and has the authority to engage independent counsel and other outside advisors.

The Audit Committee may delegate to one or more designated members of the Audit Committee the authority to grant pre-approvals required by this policy. The decisions of any Audit Committee member to whom authority is delegated to pre-approve a service shall be presented to the Audit Committee at its next scheduled meeting.

In accordance with the requirements of the U.S. Sarbanes-Oxley Act of 2002 and rules issued by the Securities and Exchange Commission, the Company introduced a procedure for the review and pre-approval of any services performed by Davidson & Company, LLP Chartered Accountants, including audit services, audit related services, tax services and other services. The procedure requires that all proposed engagements of Davidson & Company, LLP Chartered Accountants for audit and permitted non-audit services are submitted to the Audit Committee for approval prior to the beginning of any such services.

The current members of the Audit Committee are Geoff Guilfooy (Chair), Charles Hopewell, and Ian Wendler. Chris Karlin served on the Committee until his resignation as a Director effective March 31, 2025. Mr. Hopewell was appointed to the Audit Committee in March 2025 and will become Chair effective January 1, 2026. All members of the Audit Committee are "independent" within the meaning of applicable regulations of the SEC and Nasdaq listing rules regarding audit committee membership. The Audit Committee met four times in fiscal 2025 and five times in fiscal 2024.

Compensation Committee

The Company has a Compensation Committee which recommends to the Board of Directors on compensation matters for the Company, including compensation plans and benefits of executive officers and directors. This includes determining the compensation for senior management, the size and recipients of bonuses, and equity incentive plans, including the grant of options and other awards. The Committee will also recommend executive appointments and complete annual performance evaluations of the Chief Executive Officer and Chief Financial Officer. The Committee also advises on succession plan matters and has the authority to retain outside advisors or consultants.

The Committee operates under a written charter, which requires the Committee to consist of at least three members appointed by the Board. The members shall be independent directors, and the Board will designate one member as Chairman of the Committee. The Committee shall meet a minimum of one time per year.

Current members of the Compensation Committee are Charles Hopewell (Interim Chair), Sarah Johnson, Subriana Pierce and Geoff Guilfooy (who will retire effective December 31, 2025). All members of the Compensation Committee are "independent" within the meaning of applicable Nasdaq listing rules regarding compensation committee membership. The Committee met three times in fiscal 2025 and three times in fiscal 2024.

Governance Committee

The Company has a Governance Committee which devises and recommends to the Board of Directors on governance matters for the Company, including corporate governance policies and the composition and policies of the Board of Directors. The Committee is also tasked with monitoring compliance with these policies once adopted. These include policies that reflect best practices for sound governance, conflict of interest, and environmental and social (ESG) policies. The Committee is also responsible for policies related to Board Director service, including evaluating the current composition of the Board including the necessary diversity, experience, skills and judgment to meet the current and future needs of the Company, and the form and amounts of Director compensation. It will make recommendations for committee members and chairs and evaluate each individual director for continued service. If it is determined that additional directors are required, the Committee will identify, recruit and interview candidates and make nominations of qualified candidates to the Board.

The Committee operates under a written charter, which requires the Committee to consist of at least two independent members appointed by the Board, with one member designated as Chairman of the Committee. A member appointed by the Board shall be a member of the Committee until replaced by the Board and/or until his or her resignation. The Committee may request or engage a non-Independent Director only for purposes of advice/counsel and such non-Independent Director will not have any voting rights within the Committee.

Current members of the Governance Committee are Michelle Walker (Chair) Sarah Johnson, Mike Henningsen, and Subriana Pierce. The Committee met five times in fiscal 2025 and five times in fiscal 2024.

Compliance with Section 16(a) of the Exchange Act

The Company has reviewed the Forms 3 and 4 furnished to the Company under Rule 16a-3(e) of the Securities Exchange Act during the most recent fiscal year and the Forms 5 furnished to the Company with respect to its most recent fiscal year, as well as any written representations received by the Company from persons required to file such forms. Management has determined there was one Form 4 report for Director Subriana Pierce that failed to be filed on a timely basis, as required by Section 16(a) of the Securities Exchange Act during the most recent fiscal year.

Code of Ethics

The Company has a written "code of ethics" that meets the United States' Sarbanes-Oxley Act standards. The code is posted on the Company's website.

Limitation of Liability and Indemnification

Our certificate of incorporation limits the personal liability of our board members for breaches by them of their fiduciary duties. Our bylaws also require us to indemnify our directors and officers to the fullest extent permitted by British Columbia law. British Columbia law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except liability for any of the following acts:

- a. any breach of their duty of loyalty to the Company or its stockholders;
- b. acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- c. unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions; and
- d. any transaction from which the director derived an improper personal benefit.

Such limitation of liability may not apply to liabilities arising under the federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission. In addition, British Columbia laws also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in such capacity, regardless of whether indemnification would be permitted under British Columbia law. We currently maintain liability insurance for our directors and executive officers.

Among other things, this will provide for indemnification of our directors and executive officers for certain expenses (including attorneys' fees), judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of the Company, arising out of such person's services as a director or executive officer of ours, any subsidiary of ours or any other company or enterprise to which the person provided services at our request. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and executive officers.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers, and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

ITEM 11. EXECUTIVE COMPENSATION

Table No. 6 details compensation paid or accrued for fiscal 2025 and 2024 for the Company's chief executive officer, each of the Company's most highly compensated executive officers who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$100,000 per year.

Name and Principal Position	Fiscal Year	Annual Compensation			Long-term Compensation			
		Salary	Bonus	Other Annual Comp.	Restricted Stock Awards	Awards	Payouts	All Other Comp. (1)
						Securities Underlying Options/ SARS (#)		
Chad Summers, Chief Executive Officer	2025	\$ 300,000	\$ 26,000	\$ —	\$ —	\$ —	\$ —	\$ 36,164
	2024	\$ 300,000	\$ 17,133	\$ —	\$ 30,000	\$ —	\$ —	\$ 22,500
Mitch Van Domelen, Chief Financial Officer and Corporate Secretary	2025	\$ 191,667	\$ 26,000	\$ —	\$ —	\$ —	\$ —	\$ 23,000
	2024	\$ 178,333	\$ 53,500	\$ —	\$ —	\$ —	\$ —	\$ 22,500

(1) "All Other Compensation" relates to the Company's 401K contributions for each individual, and a car allowance for Chad Summers of \$13,164 for fiscal 2025.

The Company has the same 401(k) Plan for executives as for all employees: it is a dollar-for-dollar match on 10% of eligible compensation, and a non-elective discretionary contribution based on the first \$45,000 of eligible compensation.

Other than participation in the Company's Restricted Share Plan and 401(k), no funds were set aside or accrued during fiscal 2025 or 2024 to provide pension, retirement or similar benefits for directors or executive officers.

Except for our Restricted Stock Plan and 401(k) Plan, we have no material stock option plan, bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers. Officers received cash bonuses for fiscal 2025, which were determined and approved by the Board of Directors.

The Board approved a non-qualified Profit-Sharing plan for employees who did not receive any other form of commission or bonus. The plan is formula based proportionately balancing years of service and compensation. The Board has year-to-year responsibility to review the amount funded to the program and the overall program will be based on a percentage of operating or pre-tax profit.

Restricted Share Plan

The Company has a Restricted Share Plan which allows the Company to grant restricted shares as compensation to directors, officers, employees and consultants of the Company. The Restricted Shares are subject to restrictions, including the period under which the shares will be restricted and subject to forfeiture which is determined by the Board at the

time of the grant. The recipient of Restricted Shares is entitled to all of the rights of a shareholder, including the right to vote such shares and the right to receive any dividends, except that the shares granted under the Plan are nontransferable during the Restricted Period.

The maximum number of Common Shares reserved for issuance under the Plan will not exceed 1% of the then issued and outstanding number of Common Shares at the time of the grant. During the year ended August 31, 2025, 13,317 common shares were issued under the Plan at an average price of \$4.50 per share. 750 were granted to Officers and Directors without a Restricted Period under the Company's S-8 Registration Statement. 12,567 common shares were granted to Officers and Employees and have a three-year Restricted Period. During the year ended August 31, 2024, 5,903 common shares were issued under the Plan at an average price of \$5.43 per share. 575 were granted to Officers and Directors without a Restricted Period under the Company's S-8 Registration Statement. 5,328 common shares were granted to Officers and Employees and have a three-year Restricted Period.

401(k) Plan

The Company has a 401(k) Plan which allows for a non-elective discretionary contribution based on the first \$45,000 of eligible compensation. Beginning in fiscal 2019, the Company reduced the percentage amount of the discretionary contribution while adding a matching contribution, which is designed to encourage employees to participate with their own contributions. For the years ended August 31, 2025 and 2024 the 401(k) compensation expense was \$230,595 and \$117,319, respectively. The increase in the expense in fiscal 2025 from 2024 is due to the Board of Directors approving a lower discretionary contribution for fiscal 2024 than in fiscal 2025.

The contributions for Chad Summers for fiscal years 2025 and 2024 were \$23,000 and \$22,500, and the contributions for Mitch Van Domelen for fiscal 2025 and 2024 were \$23,000 and \$22,500. There are no un-funded liabilities.

Stock Options

The Company formerly had a stock option program under which stock options to purchase securities from the Company could be granted to directors and employees of the Company on terms and conditions acceptable to the regulatory authorities of Canada, notably the Ontario Securities Commission and the British Columbia Securities Commission.

During the year ended August 31, 2020, the Company's Board of Directors approved the termination of the stock option program. No options were granted in fiscal 2025 or 2024, and the Company had no stock options outstanding as of August 31, 2025 and August 31, 2024.

Long-Term Incentive Plan / Defined Benefit or Actuarial Plan

During fiscal 2025 the Company had no Long-Term Incentive Plan ("LTIP") and no LTIP awards were made. Also, during fiscal 2025 the Company had no Defined Benefit or Actuarial Plan.

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Compensation Committee Interlocks and Insider Participation

The Company's Compensation Committee consists of 3 independent directors. None of the members of the Compensation Committee served as an officer or employee of the Company in the prior fiscal year.

No board of director member and none of our executive officers have a relationship that would constitute an interlocking relationship with executive officers and directors of another entity.

Employment Contracts

Termination of Employment and Change-in-Control Arrangements

In November 2025, the Company adopted an Executive Severance and Change in Control Policy (the "Policy"). The purpose of this Policy is to provide fair and consistent severance protection to key executives of the Company in the event of certain terminations of employment, including those occurring in connection with a Change in Control of the Company. This Policy applies to the CEO and CFO of the Company.

The Policy provides severance if the Executive's employment is terminated by the Company without Cause, or the Executive resigns for Good Reason outside a Change in Control period, upon which the Executive shall receive a minimum of 9 months salary plus one week/year of employment not to exceed 12 months in the aggregate, payable in regular payroll installments, a pro-rated annual bonus for the year of termination, continued medical and dental coverage under COBRA for the calculated severance period, and acceleration of the vesting of equity awards.

In the event the Executive's employment is terminated without Cause or the Executive resigns for Good Reason within 12 months after a Change in Control, the Executive shall receive a minimum of 9 months salary plus one week/year of employment not to exceed 12 months in the aggregate payable in a lump sum in cash as soon as possible following termination, a pro-rated annual bonus for the year of termination, continued medical and dental coverage under COBRA for a 12 month period, and acceleration of the vesting of equity awards.

For purposes of the Policy, the following definitions apply:

- "Cause" includes gross misconduct, willful neglect of duties, fraud, dishonesty, conviction of a felony or crime of moral turpitude, violation of material Company policy including insubordination
- "Good Reason" means a material reduction in duties, compensation, or authority, or relocation more than 50 miles from the executive's current work location, without the executive's consent. The Executive must provide written notice within 30 days of the event and allow 30 days for the Company to cure.
- "Voluntary termination" includes greater than 2 days "no show/no contact" for work, walking off the job, verbal or written notice to a supervisor that the executive is quitting.
- "Change in Control" shall be deemed to have occurred if:
 - there is a consolidation or merger of the Company in which the Company is not the continuing or surviving corporation; or there is any other merger or consolidation if, after such merger or consolidation shareholders of the Company immediately prior to such merger or consolidation hold less than 50% of the voting stock of the surviving entity;
 - there is a sale or transfer of all or substantially all of the assets of the Company in one or a series of transactions or there is a complete liquidation or dissolution of the Company;
 - any individual or entity or group acting in concert and affiliates thereof, acquires, directly or indirectly, more than 50% of the outstanding shares of voting stock of the Company; provided that this subsection shall not apply to an underwritten public offering of the Company's securities; or
 - there is a change in control of the Board of Directors as a result of accepting new investors with board rights or a change by more than 50% of the Board as a result of the vote of shareholders at a shareholders' meeting held for the purpose of voting for directors.

The Compensation Committee is responsible for administration of the Policy, interpreting and enforcing its terms in its sole discretion. The Board of Directors may amend or terminate this Policy at any time; however, no change will reduce benefits for an Executive whose termination has already occurred or is pending.

Director Compensation

The Company began compensating directors at the rate of \$1,000 per month as of January 1, 2019. Directors are also entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of the Board of Directors. The Board of Directors may award special remuneration to any director undertaking any special services on behalf of the Company other than services ordinarily required of a director.

During fiscal 2025 the following cash payments were paid to directors for their service as directors: Charles Hopewell \$18,000 (2024 - \$18,000); Chad Summers \$Nil (2024 - \$Nil); Geoff Guilfoey \$12,000 (2024 - \$12,000); Mike Henningsen \$12,000 (2024 - \$12,000); Sarah Johnson \$12,000 (2024 - \$12,000); Chris Karlin \$7,000 (2024 - \$12,000); Michelle Walker \$12,000 (2024 - \$12,000); Subriana Pierce \$12,000 (2024 - \$8,000); and Ian Wendler \$12,000 (2024 - \$8,000).

In November 2020, the Board of Directors approved additional compensation for Directors other than Named Executive Officer members under the Company's Restricted Share Plan. Directors will be granted 25 common shares for each fiscal quarter of service, with the amount earned during the year to be distributed by the end of the first fiscal quarter of the following fiscal year. Upon the recommendation of the Corporate Governance Committee, the Board has not revised non-employee director compensation for fiscal 2026, which remains as follows:

Member of the Board of Directors	\$12,000 Annual Retainer (\$1,000 per month)
Chair of the Board of Directors	\$18,000 Annual Retainer (\$1,500 per month)
Restricted Shares upon Initial Election	25 Shares/Quarter
Restricted Shares upon Re-election	25 Shares/Quarter

In fiscal 2025, the Company issued 750 common shares (2024 – 575 common shares) to directors under the Restricted Share Plan. The value of the shares issued was \$3,375 (2024 - \$3,122).

Executive Officer Compensation

The Company's Compensation Committee provides advice and recommendations to the Board of Directors on compensation and benefits for executive officers. As in prior years all judgments regarding executive compensation for fiscal 2025 and 2024 were based primarily upon our assessment of each executive officer's performance and contribution towards enhancing long-term shareowner value. The Compensation Committee relies upon judgment and not upon rigid guidelines or solely upon formulas or short-term changes in our stock price in determining the amount and mix of compensation for each executive officer.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The Company is a publicly owned corporation. It is not controlled directly or indirectly by another corporation or any foreign government.

Table No. 7 shows directors, executive officers, and 5% stockholders who beneficially owned the Company's common stock and the amount of the Company's voting stock owned as of November 28, 2025.

Table No. 7.
Shareholdings of Directors, Executive Officers,
and 5% Stockholders

Class	Name and Address of of Beneficial Owner	Amount of Beneficial and Voting Ownership	Percent of Class ⁽¹⁾
Common	Oregon Community Foundation ⁽²⁾	888,534	25.26%
Common	Fort Nelson Partners, LP ⁽³⁾	217,053	6.17%
Common	Charles E. Hopewell	19,828	0.56%
Common	Chad Summers	16,068	0.46%
Common	Mitch Van Domelen	5,897	0.17%
Common	Geoff Guilfoey	650	0.02%
Common	Sarah Johnson	650	0.02%
Common	Michelle Walker	325	0.01%
Common	Mike Henningsen	175	<0.01%
Common	Subriana Pierce	75	<0.01%
Common	Ian Wendler	75	<0.01%
Total Directors, Executive Officers, and 5% Stockholders		1,149,330	32.67%

- (1) Based on 3,518,119 shares outstanding as of November 28, 2025 and shares granted under the RSA Plan for which the individual has voting control or are issuable within the next 60 days.
- (2) Information is derived from a Form 4 filed on July 15, 2025. The address for the Oregon Community Foundation is 1221 SW Yamhill St. Suite 100, Portland, OR 97205.
- (3) Information is derived from a Schedule 13G/A filed on January 29, 2025. The address for Fort Nelson Partners is 435 N. Whittington Parkway, Suite 180, Louisville, Kentucky 40222.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

There have been no transactions or proposed transactions, which have materially affected or will materially affect the Company in which any director, executive officer, or beneficial holder of more than 5% of the outstanding common stock, or any of their respective relatives, spouses, associates or affiliates has had or will have any direct or material indirect interest.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The audit committee is directly responsible for the appointment, compensation and oversight of auditors; and has the authority and the funding to engage independent counsel and other outside advisors.

The audit committee may delegate to one or more designated members of the audit committee the authority to grant pre-approvals required by this policy and procedure. The decisions of any audit committee member to whom authority is delegated to pre-approve a service shall be presented to the audit committee at its next meeting.

In accordance with the requirements of the U.S. Sarbanes-Oxley Act of 2002 and rules issued by the Securities and Exchange Commission, we introduced a procedure for the review and pre-approval of any services performed by Davidson & Company, LLP Chartered Accountants, including audit services, audit related services, tax services and other services. The procedure requires that all proposed engagements of Davidson & Company, LLP Chartered Accountants for audit and permitted non-audit services are submitted to the finance and audit committee for approval prior to the beginning of any such services.

Fees, including reimbursements for expenses and for professional services rendered by Davidson & Company, LLP Chartered Accountants to the Company were:

Principal Accountant Fees and Services	Fiscal Year	
	2025	2024
Audit fees	\$ 120,000	\$ 110,000
Tax fees	9,750	15,238
All other fees (1)	34,000	31,000
Total	\$ 163,750	\$ 156,238
(1) FY 2025: \$10,000 to review the Q1 Form 10-Q		
\$12,000 to review the Q2 Form 10-Q		
\$12,000 to review the Q3 Form 10-Q		
(2) FY 2024: \$10,500 to review the Q1 Form 10-Q		
\$10,500 to review the Q2 Form 10-Q		
\$10,000 to review the Q3 Form 10-Q		

PART III

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(A) Financial Statements and Schedules:

(B) Exhibits:

No.	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Date Filed	Number	
3.1	Amended and Restated Articles of Incorporation of Jewett-Cameron Lumber Corporation	10-Q	1/13/2014	3.1	
3.2	Articles of Incorporation of Jewett-Cameron Company.	10-Q	1/13/2014	3.2	
10.1	Policy for the Recovery of Erroneously Awarded Executive Compensation as adopted on November 17, 2023	10-Q	2/28/2023	10.1	
10.2	Executive Severance and Change in Control Policy				X
21	Subsidiaries of the Registrant: Refer to page 2 of this Form 10-K				X
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act, Chad Summers				X
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act, Mitch Van Domelen				X
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C., 1350 (Section 906 of the Sarbanes-Oxley Act), Chad Summers				X
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C., 1350 (Section 906 of the Sarbanes-Oxley Act), Mitch Van Domelen				X
101.INS	XBRL Instance Document				X
101.SCH	XBRL Taxonomy Extension Schema Document				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				X

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURE PAGE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Jewett-Cameron Trading Company Ltd.
Registrant

Dated: December 1, 2025

By: /s/ "Chad Summers"
Chad Summers,
Chief Executive Officer and Director
Principal Executive Officer

Dated: December 1, 2025

By: /s/ "Mitch Van Domelen"

Mitch Van Domelen,
Chief Financial Officer and
Corporate Secretary
Principal Financial and Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: December 1, 2025

By: /s/ "Charles Hopewell"
Charles Hopewell,
Chairman and Director

Dated: December 1, 2025

By: /s/ "Geoff Guilfooy"
Geoff Guilfooy,
Director

Dated: December 1, 2025

By: /s/ "Mike Henningsen"
Mike Henningsen,
Director

Dated: December 1, 2025

By: /s/ "Sarah Johnson"
Sarah Johnson,
Director

Dated: December 1, 2025

By: /s/ "Subriana Pierce"
Subriana Pierce,
Director

Dated: December 1, 2025

By: /s/ "Michelle Walker"
Michelle Walker,
Director

Dated: December 1, 2025

By: /s/ "Ian Wendler"
Ian Wendler,
Director

Executive Severance and Change-in-Control Policy

Effective Date: November 6, 2025

Approved by: Board of Directors / Compensation Committee

1. Purpose

The purpose of this Policy is to provide fair and consistent severance protection to key executives (CEO/CFO) of Jewett Cameron Companies ("Company") in the event of certain terminations of employment, including those occurring in connection with a **Change in Control** of the Company.

2. Eligibility

This Policy applies to the CEO and CFO of the Company. Participation does not guarantee continued employment or modify the at-will nature of employment.

3. Definitions

- **Cause** includes but is not limited to, gross misconduct, willful neglect of duties, fraud, dishonesty, conviction of a felony or crime of moral turpitude, repeated violations of material Company policy, including insubordination, that remains uncured (based on a documented notice of infraction by Board oversight).
 - **Good Reason** means a material reduction in duties, compensation, or authority, or relocation more than 50 miles from the executive's current work location, without the executive's consent. The Executive must provide written notice within 30 days of the event and allow 30 days for the Company to cure.
 - **Voluntary termination** includes greater than 2 days "no show/no contact" for work, walking off the job, verbal or written notice to a supervisor or Board Director(s) that the executive is quitting.
 - **Change in Control** shall be deemed to have occurred if:
 - there is a consolidation or merger of the Company in which the Company is not the continuing or surviving corporation; or there is any other merger or consolidation if, after such merger or consolidation shareholders of the Company immediately prior to such merger or consolidation hold less than 50% of the voting stock of the surviving entity;
 - there is a sale or transfer of all or substantially all of the assets of the Company in one or a series of transactions or there is a complete liquidation or dissolution of the Company;
 - any individual or entity or group acting in concert and affiliates thereof, acquires, directly or indirectly, more than 50% of the outstanding shares of voting stock of the Company; provided that this subsection shall not apply to an underwritten public offering of the Company's securities; or
-
- there is a change in control of the Board of Directors as a result of accepting new investors with board rights or a change by more than 50% of the Board as a result of the vote of shareholders at a shareholders' meeting held for the purpose of voting for directors.

4. Severance Benefits

A. Termination Without Cause or for Good Reason (No Change in Control)

If the Executive's employment is terminated by the Company without Cause, or the Executive resigns for Good Reason **outside** a Change in Control period, the Executive shall receive:

- **Cash Severance:**
A minimum of 9 months salary PLUS 1 week/year of employment not to exceed 12 months in the aggregate, payable in regular payroll installments
- **Bonus:**
Pro-rated annual bonus for the year of termination paid at next fiscal year end up to 90 days after August 31.
- **Health Coverage:**
Continued medical and dental coverage under COBRA, with Company-paid premiums (or reimbursement of premiums) for the calculated severance period, provided that if the Executive elects coverage under a subsequent employer's group health insurance plan during those months, payment of such premiums shall cease.
- **Equity:**
This clause will take precedence to any signed Restricted Stock Agreement. Any unvested equity awards will be accelerated within 30 days after termination and deemed fully vested.

B. Termination Without Cause or for Good Reason (Within 12 Months Following a Change in Control)

If the Executive's employment is terminated without Cause or the Executive resigns for Good Reason within **12 months** after a Change in Control (or during the three month period prior to the completion of the Change in Control), the Executive shall receive:

- **Cash Severance:**
A minimum of 9 months salary PLUS 1 week/year of employment not to exceed 12 months in the aggregate, payable in a lump sum in cash as soon as practicable following termination
- **Bonus:**

Pro-rated annual bonus for the year of termination paid at next fiscal year end up to 90 days after August 31.

- **Health Coverage:**
Continued medical and dental coverage under COBRA, with Company-paid premiums (or reimbursement of premiums) for 12 months, provided that if the Executive elects coverage under a subsequent employer's group health insurance plan during those months, payment of such premiums shall cease.

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- **Equity:**
This clause will take precedence to any signed Restricted Stock Agreement. Any unvested equity awards will be accelerated within 30 days after termination and deemed fully vested.

5. Conditions for Payment

To receive severance benefits, the Executive must:

- Sign and not revoke a **Severance and Release Agreement** in a form determined by and satisfactory to the Company;
- Comply with **non-compete**, **non-solicitation**, and **confidentiality** obligations contained in the Severance and Release Agreement or other Company agreements and policies; and
- Return all Company property.

6. Administration

The **Compensation Committee** administers this Policy, interpreting and enforcing its terms in its sole discretion. The payments and benefits under the Policy are intended to be, and shall be interpreted to be, exempt from section 409A of the Internal Revenue Code of 1986, as amended. However, in no event is the Company responsible for any tax or penalty owed by an Employee with respect to the payments under this Policy.

7. Amendment and Termination

The Board of Directors may amend or terminate this Policy at any time; however, no change will reduce benefits for an Executive whose termination has already occurred or is pending.

8. Governing Law

This Policy is governed by the laws of the State of Oregon

9. Miscellaneous

No provision of this Policy will give any person any right to be retained in the employ of the Company. The Company specifically reserves the right and power to dismiss or discharge any employee for any reason or no reason and at any time.

The Company may withhold from any payment under this Policy an amount the Company reasonably believes is required to be withheld.

No payment or benefit under this Policy shall duplicate any other severance payment or benefit under another policy, program, or plan of the Company. If the Employee is entitled to severance payments or benefits under another policy, program, or plan of the Company, the Employee shall receive only the amounts under this Policy, if any, that exceed such other amounts.

CERTIFICATIONS

I, Chad Summers, certify that:

1. I have reviewed this Annual Report on Form 10-K of Jewett-Cameron Trading Company Ltd;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 1, 2025

By: /s/ "Chad Summers"

Chad Summers
Chief Executive Officer

CERTIFICATIONS

I, Mitch Van Domelen, certify that:

1. I have reviewed this Annual Report on Form 10-K of Jewett-Cameron Trading Company Ltd;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 1, 2025

By: /s/ "Mitch Van Domelen"

Mitch Van Domelen,
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Jewett-Cameron Trading Company Ltd. (the “Company”) on Form 10-K for the year ended August 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned officer of the Company does hereby certify, to such officer’s knowledge, that, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 1, 2025

Signed: /s/ “Chad Summers”
Chad Summers,
Chief Executive Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**AS ADOPTED PURSUANT TO****SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Jewett-Cameron Trading Company Ltd. (the “Company”) on Form 10-K for the year ended August 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned officer of the Company does hereby certify, to such officer’s knowledge, that, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 1, 2025

Signed: /s/ “Mitch Van Domelen”

Mitch Van Domelen,
Chief Financial Officer