

Interim Condensed Consolidated Financial Statements

Supremex Inc.

For the three and nine-month periods ended September 30, 2025 and 2024

[Unaudited]

NOTICE

The Company's independent auditors have not reviewed these Interim Condensed Consolidated Financial Statements in accordance with the standard established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Supremex Inc.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at [Unaudited] [in thousands of Canadian dollars]	Notes	September 30, 2025 \$	December 31, 2024 \$
ASSETS			
Current assets			
Cash		2,642	1,794
Accounts receivable		33,427	32,270
Income taxes recoverable		—	2,574
Inventories	5	33,350	29,477
Assets held for sale	9	—	9,034
Prepaid expenses		2,993	1,939
Total current assets		72,412	77,088
Property, plant and equipment		32,365	37,105
Right-of-use assets	9	44,315	41,376
Accrued pension benefit net assets		8,929	9,816
Intangible assets		26,775	32,089
Goodwill		44,522	39,494
Deferred tax asset		8,348	—
Total assets		237,666	236,968
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		24,040	25,601
Income tax payable		2,322	—
Restructuring provisions	6	290	683
Current portion of contingent consideration payable		266	—
Current portion of lease liabilities	9	6,657	4,982
Current portion of long-term debt	7	11,240	256
Total current liabilities		44,815	31,522
Long-term debt	7	289	42,727
Deferred income tax liabilities		3,563	7,128
Lease liabilities	9	79,382	40,208
Other long-term liabilities		355	187
Contingent consideration payable		254	—
Derivative financial instruments		—	225
Total liabilities		128,658	121,997
Total equity		109,008	114,971
Total liabilities and equity		237,666	236,968

Subsequent event [note 12]

See accompanying notes

On behalf of the Directors:

By: *signed (Robert B. Johnston)*
Director

By: *signed (Steven P. Richardson)*
Director

Supremex Inc.

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

[Unaudited] [in thousands of Canadian dollars, except per share amounts and number of common shares]	Notes	Three-month periods ended September 30		Nine-month periods ended September 30	
		2025 \$	2024 \$	2025 \$	2024 \$
Revenue		65,678	69,355	201,863	211,960
Operating expenses	5	50,220	50,575	149,234	153,092
Selling, general and administrative expenses		9,402	10,834	32,037	31,495
Operating earnings before depreciation, amortization and other items		6,056	7,946	20,592	27,373
Depreciation of property, plant and equipment		1,506	1,755	4,546	5,118
Depreciation of right-of-use assets		1,603	1,575	4,570	4,407
Amortization of intangible assets		1,667	1,777	5,017	5,202
Asset impairment		—	23,337	563	23,412
Restructuring expenses	6	4	2,064	289	2,125
(Gain) Loss on disposal of property, plant and equipment		(68)	7	(207)	10
Operating earnings		1,344	(22,569)	5,814	(12,901)
Gain on sale and leaseback	9	(6,100)	—	(6,100)	—
Net financing charges	7	1,456	1,270	3,458	3,678
Earnings (loss) before income taxes		5,988	(23,839)	8,456	(16,579)
Income tax (recovery) expense		(3,139)	(801)	(2,282)	983
Net earnings (loss)		9,127	(23,038)	10,738	(17,562)
Basic and diluted net earnings (loss) per share		0.37	(0.92)	0.44	(0.70)
Weighted average number of shares outstanding		24,547,681	24,673,144	24,555,762	25,061,407

See accompanying notes

Supremex Inc.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

[Unaudited] [in thousands of Canadian dollars]	Three-month periods ended September 30		Nine-month periods ended September 30	
	2025 \$	2024 \$	2025 \$	2024 \$
Net earnings (loss)	9,127	(23,038)	10,738	(17,562)
Other comprehensive income				
<i>Other comprehensive income to be reclassified to earnings in subsequent periods</i>				
Unrealized gain (loss) on derivative financial instruments, net of income tax expense of \$0 and \$4 [2024 – recovery of \$133 and \$105]	—	(381)	12	(302)
Foreign currency translation adjustments	229	(258)	(515)	414
Net other comprehensive income (loss) to be reclassified to earnings in subsequent periods	229	(639)	(503)	112
<i>Other comprehensive income reclassified to earnings</i>				
Derivative financial instrument reclassified to earnings [note 7]	213	—	213	—
<i>Items not to be reclassified to earnings in subsequent periods</i>				
Recognized actuarial gain (loss) on defined benefit pension plans, net of income tax expense of \$63 and income tax recovery of \$97 [2024 – recovery of \$13 and \$74]	180	(38)	(277)	(213)
Recognized actuarial gain on other post-retirement benefit, net of income tax expense of \$0 and \$0 [2024 – recovery of \$1 and \$0]	—	(2)	1	—
Net other comprehensive income (loss) not to be reclassified to earnings in subsequent periods	180	(40)	(276)	(213)
Other comprehensive income (loss)	622	(679)	(566)	(101)
Total comprehensive income (loss)	9,749	(23,717)	10,172	(17,663)

See accompanying notes

Supremex Inc.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the nine-month periods ended September 30
 [Unaudited]
 [in thousands of Canadian dollars]

	Share capital \$	Contributed surplus \$	Deficit \$	Foreign currency translation reserve \$	Total equity \$
As at December 31, 2023	8,761	271,589	(145,894)	261	134,717
Net loss	—	—	(17,562)	—	(17,562)
Other comprehensive (loss) income	—	—	(213)	112	(101)
Total comprehensive (loss) earnings	—	—	(17,775)	112	(17,663)
Dividends declared [note 10]	—	—	(2,988)	—	(2,988)
Shares repurchased and cancelled [note 10]	(378)	(4,102)	—	—	(4,480)
As at September 30, 2024	8,383	267,487	(166,657)	373	109,586
As at December 31, 2024	8,383	267,487	(162,309)	1,410	114,971
Net earnings	—	—	10,738	—	10,738
Other comprehensive loss	—	—	(276)	(290)	(566)
Total comprehensive income	—	—	10,462	(290)	10,172
Dividends declared [note 10]	—	—	(15,962)	—	(15,962)
Shares repurchased and cancelled [note 10]	(15)	(158)	—	—	(173)
As at September 30, 2025	8,368	267,329	(167,809)	1,120	109,008

See accompanying notes

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

[Unaudited] [in thousands of Canadian dollars]	Notes	For the three-month periods ended September 30		For the nine-month periods ended September 30	
		2025	2024	2025	2024
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Net earnings (loss)		9,127	(23,038)	10,738	(17,562)
Non-cash adjustments to reconcile net earnings to net cash flows					
Depreciation of property, plant and equipment		1,506	1,755	4,546	5,118
Depreciation of right-of-use assets		1,603	1,575	4,570	4,407
Amortization of intangible assets		1,667	1,777	5,017	5,202
Amortization of deferred financing costs	7	43	29	100	121
Gain on Sales Leaseback	9	(6,713)	—	(6,713)	—
(Gain) loss on disposal of property, plant and equipment		(68)	7	(207)	10
Asset impairment		—	23,337	563	23,412
Interest on contingent consideration payable	4	6	3	6	9
Deferred income tax recovery		(10,267)	(2,106)	(11,798)	(3,466)
Restructuring (recovery) expenses		—	(60)	22	(60)
Change in accrued pension benefit net assets		33	338	512	989
Change in contingent consideration payable		—	(58)	—	(232)
Change in short-term portion of PSU liability		(657)	155	(625)	848
Change in DSU liability		326	254	433	150
Change in other long-term liabilities		87	57	180	(473)
		(3,307)	4,025	7,344	18,473
Variations in working capital accounts					
Variation in accounts receivable		38	(2,205)	(1,157)	(1,724)
Variation in income taxes recoverable or payable		5,279	(159)	4,896	(829)
Variation in inventories		1,409	2,584	(1,369)	2,775
Variation in prepaid expenses		(513)	(312)	(1,054)	(977)
Variation in accounts payable and accrued liabilities		(3,486)	1,391	(1,595)	3,360
Variation in restructuring provisions		(24)	2,249	(393)	1,822
Change in other long-term liabilities		(4)	(5)	(11)	(14)
Net cash flows related to operating activities		(608)	7,568	6,661	22,886
INVESTING ACTIVITIES					
Business combinations, net of cash acquired	4	(7,919)	(138)	(7,919)	(2,528)
Acquisition of property, plant and equipment		(210)	(190)	(803)	(1,025)
Acquisition of intangible assets		(13)	(10)	(83)	(76)
Proceeds from sale and leaseback	9	53,000	—	53,000	—
Proceeds from disposal of property, plant and equipment		863	1	1,016	1,237
Net cash flows related to investing activities		45,721	(337)	45,211	(2,392)
FINANCING ACTIVITIES					
Net change in secured revolving credit facility		(28,824)	(2,153)	(31,261)	(6,965)
Repayment of term loans		(60)	(61)	(190)	(182)
Repayment of lease liabilities		(1,568)	(1,170)	(3,809)	(3,576)
Receipt of lease incentive		—	171	—	171
Dividends paid	10	(13,506)	(976)	(15,962)	(2,988)
Deferred financing costs		(80)	—	(103)	(23)
Purchase of share capital for cancellation	8	(173)	(1,196)	(173)	(4,480)
Payment of contingent consideration payable		—	(88)	—	(138)
Net cash flows related to financing activities		(44,211)	(5,473)	(51,498)	(18,181)
Net change in cash during the period		902	1,758	374	2,313
Net foreign exchange difference		(316)	156	474	(186)
Cash, beginning of period		2,056	1,279	1,794	1,066
Cash, end of period		2,642	3,193	2,642	3,193
Supplemental information⁽¹⁾					
Interest paid		1,342	1,381	3,520	3,906
Interest received		—	34	3	56
Income taxes paid		2,240	1,503	5,359	5,297
Income taxes received		334	22	692	44

⁽¹⁾ Amounts paid and received for interest and for income taxes were reflected as cash flows from operating activities in the interim consolidated statements of cash flows.

See accompanying notes

Supremex Inc.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2025 and 2024

[Unaudited, expressed in thousands of Canadian dollars, except per share amounts]

1. CORPORATE INFORMATION

Supremex Inc. (the “Company” or “Supremex”) was incorporated on March 31, 2006 under the *Canadian Business Corporations Act*. The common shares of the Company are listed on the Toronto Stock Exchange (“TSX”) under the symbol SXP. The Company’s registered office is located at 7213 Cordner Street in LaSalle, in Quebec.

Supremex is a leading North American manufacturer and marketer of envelopes and a growing provider of paper-based packaging solutions and specialty products. Supremex’ revenue is subject to the seasonal advertising and mailing patterns of its customers. The number of envelopes sold by Supremex is generally higher during fall and winter mainly due to the higher number of mailings related to events including the return to school, fundraising, the holidays and tax seasons. The number of envelopes sold by Supremex is generally lower during spring and summer in anticipation of a slowdown in mailing activities of businesses during the summer.

Most revenue from packaging and specialty products is not subject to seasonal patterns (i.e. specialty folding cartons for large multinational customers). Only a small portion, primarily the e-commerce offering, is subject to seasonal patterns related to the holidays. As such, there is currently little to no seasonal effect from packaging and specialty products on Supremex’ total revenue.

As a result, Supremex’ revenue and financial performance for any single quarter may not be indicative of revenue and financial performance which may be expected for the full year. To maintain production efficiencies, Supremex uses warehouse capabilities to stock envelopes as required and thereby counter predictable seasonal variations in sales volume.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation and statement of compliance

The unaudited interim condensed consolidated financial statements include the accounts of the Company and its subsidiaries. They are presented in Canadian dollars, which is the functional currency of the Company, and tabular amounts are rounded to the nearest thousand (\$000) except when otherwise indicated.

The unaudited interim condensed consolidated financial statements have been prepared by management in accordance with IAS 34, Interim Financial Reporting. Therefore, certain information and disclosures have been omitted or condensed. The accounting principles are consistent with those set out in the Company’s audited consolidated financial statements for the year ended December 31, 2024, prepared in accordance with International Financial Reporting Standards (“IFRS”). Accordingly, these unaudited interim condensed consolidated financial statements and the notes thereto should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2024.

These unaudited interim condensed consolidated financial statements were approved by the Company’s Board of Directors on November 5, 2025 and have not been audited or reviewed by the Company’s auditors.

3. SIGNIFICANT JUDGMENTS AND ACCOUNTING ESTIMATES

The preparation of the Company’s unaudited interim condensed consolidated financial statements requires management to make estimates, judgment and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period.

Supremex Inc.

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However, uncertainty about these assumptions and estimates, could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The areas involving key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are the same as those set out in the Company's audited consolidated financial statements for the year ended December 31, 2024.

4. BUSINESS COMBINATIONS

2025 Business combinations

Trans Graphique Inc.

On July 7, 2025, the Company concluded the acquisition of the assets of Trans Graphique, a folding carton company located in Boisbriand, Quebec, for a total maximum cash consideration of \$1,958 on a cash-free and debt-free basis. Trans Graphique has a strong, well-run business focused on in-home food packaging. In addition to the consideration paid, the Company has a contingent consideration payable to the previous owner on the realization of certain financial targets over a two-year period, fair valued at the acquisition date at an amount of \$514. The fair value of the contingent consideration payable as of September 30, 2025 is \$520 and represents the maximum amount of the obligation.

The Company has not disclosed revenue or net earnings for Trans Graphique as it is impractical to do so given that the activities of the acquired business have been integrated into the pre-existing operations of the Company.

The goodwill related to the acquisition is composed of expected growth and operational synergies and is allocated to the packaging cash-generating unit. Goodwill deductible for tax purposes is expected to be in the amount of \$933.

Enveloppe Laurentide Inc.

On July 14, 2025, the Company concluded the acquisition of the assets of Enveloppe Laurentide, an envelope manufacturer company located in St-Laurent, Quebec, for a total cash consideration of \$5,961 on a cash-free and debt-free basis. Enveloppe Laurentide is a long-standing and strong player in Quebec envelope market.

The Company has not disclosed revenue or net earnings for Enveloppe Laurentide as it is impractical to do so given that the activities of the acquired business have been integrated into the pre-existing operations of the Company.

The goodwill related to the acquisition is composed of expected growth and operational synergies and is allocated to the envelope cash-generating unit. Goodwill deductible for tax purposes is expected to be in the amount of \$4,340.

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2024 Business Combination

Forest Envelope Group

On May 1, 2024, the Company acquired the assets of Forest Envelope Group (“Forest Envelope”), for a cash consideration of \$2,435 (US\$1,770), on a cash-free and debt-free basis. Forest Envelope is a regional leader in specialty envelope manufacturing in the Greater Chicago area.

The goodwill related to the acquisition is composed of expected growth and operational synergies and is allocated to the envelope cash-generating unit (“CGU”). Goodwill deductible for tax purposes is \$221 (US\$160).

Purchase Price Allocation

As at September 30, 2025, the Company had finalized the purchase price allocation of the consideration related to the Forest Envelope acquisition and the purchase price allocation below for that acquisition is final. The purchase price allocations related to the Trans Graphique Inc. and Enveloppe Laurentide Inc. have not been finalized due to them being recent acquisitions. The Company will finalize the allocations as it obtains further information on the fair value of certain assets and liabilities. The preliminary purchase price allocations that reflect the estimated fair value of assets acquired and liabilities assumed at the acquisition dates, using the acquisition method, are as follows:

	Preliminary purchase price allocation Trans Graphique \$	Preliminary purchase price allocation Enveloppe Laurentide \$	2025 Total \$	2024 Final purchase price allocation Forest \$
Net assets acquired				
Inventories	781	1,723	2,504	283
Total current assets	781	1,723	2,504	283
Property, plant and equipment	758	130	888	1,326
Customer relationships	—	—	—	743
Goodwill	933	4,340	5,273	221
Total assets	2,472	6,193	8,665	2,573
Accounts payable and accrued liabilities	—	119	119	—
Accrued Vacation	—	113	113	—
Net assets acquired	2,472	5,961	8,433	2,573
Less: Contingent consideration payable	514	—	514	—
Cash consideration	1,958	5,961	7,919	2,573
Acquisition-related costs recognized as an expense	42	94	136	105

5. INVENTORIES

	September 30, 2025 \$	December 31, 2024 \$
Raw materials	13,195	11,712
Work in progress	1,840	2,364
Finished goods	18,315	15,401
	33,350	29,477

Supremex Inc.

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[Unaudited, expressed in thousands of Canadian dollars, except per share amounts]

The cost of inventories recognized as an expense and included in operating expenses, including the related depreciation of property, plant and equipment and depreciation of right-of-use assets allocated to inventories during the three and nine-month periods ended September 30, 2025 are \$50,509 and \$149,740 respectively [2024 — \$50,843 and \$154,412].

6. PROVISIONS

In the third quarter of 2024, the Company announced optimization initiatives aimed at improving costs, overall efficiency, productivity and achieving synergies within its Envelope segment operations. The initiatives mainly include the ceased production at its facility in Niagara Falls, New York, and maintained the premises as a distribution centre. Additionally, the initiative included the closing of Concord, Ontario facility and the transfer of production equipment, primarily to its other Greater Toronto area envelope plants in Mississauga and Etobicoke. Restructuring expenses related to these initiatives, mainly comprised of employee related charges, decommissioning costs and costs to relocate machinery and inventory, amounted to \$325 during the nine-month period ended September 30, 2025. Included in restructuring expenses is a loss on disposal of assets of \$76.

During the nine-month period ended September 30, 2025, the Company had a net restructuring recovery of \$36 [2024 — restructuring recovery of \$226] related to optimization initiatives in its packaging and specialty products segment. The initiatives mainly include the closing of its Saint-Hyacinthe, Quebec, facility, acquired as part of the Impression Paragraph Inc. transaction completed in 2023. Included in the restructuring recovery is a gain from the remeasurement of lease liability of \$54.

The following is a summary of amounts accrued and paid relating to restructuring expenses:

	September 30, 2025	December 31, 2024
	\$	\$
Balance, beginning of year	683	582
Restructuring expenses	—	1,277
Payments	(393)	(1,176)
Balance, end of year	290	683

7. LONG-TERM DEBT

	September 30, 2025	December 31, 2024
	\$	\$
Secured revolving credit facility	10,990	42,251
Term loans	701	891
Total debt	11,691	43,142
Deferred financing costs	(162)	(159)
Current portion	(11,240)	(256)
Long-term portion	289	42,727

Supremex Inc.

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[Unaudited, expressed in thousands of Canadian dollars, except per share amounts]

Secured revolving credit facility

The Company has a three-year senior secured revolving credit facility of \$70,000 which bears interest at a floating rate based on the Canadian prime rate, the U.S. base rate, the Secured Overnight Financing Rate ("SOFR") or the Canadian Overnight Repo Rate Average ("CORRA"), plus an applicable margin that ranges between 0% and 2.75%. The agreement for this credit facility matures in May 2026 and no principal repayments are required prior to maturity. Although the Company may request that the agreement be extended by one year on every anniversary date, and the extension is dependent upon the approval of the lenders, no such extension had been requested as of September 30, 2025. As such, the credit facility has been classified as current liability in the interim consolidated statements of financial position as of September 30, 2025. The Company is currently in renegotiation with the lender regarding the renewal and expects the facility to be renewed prior to its maturity. As at September 30, 2025, the amount outstanding on the credit facility was \$10,990.

The secured credit facility is used for working capital, capital expenditure, acquisitions and other general corporate purpose. It is collateralized by mortgage and a security interest covering all assets of the Company and its subsidiaries and is subject to certain covenants, which the Company is required, among other conditions, to meet. The Company was in compliance with these covenants as at September 30, 2025.

Term loans

The Company has four term loans totaling \$701 as at September 30, 2025 [\$891 as at December 31, 2024], that were assumed following the acquisition of Impression Paragraph Inc. on January 16, 2023. The loans bear interest at a rate of 4.69% and are repayable in monthly instalments totaling \$22, including capital and interest. The loans mature between March 2026 and July 2028.

Other

The effective interest rate on the secured credit facility was 4.79% as at September 30, 2025 [5.27% as at December 31, 2024].

The following table presents a reconciliation between the opening and closing balances of the total debt, excluding deferred financing costs:

	Three-month periods		Nine-month periods	
	ended September 30, 2025	ended September 30, 2024	ended September 30, 2025	ended September 30, 2024
	\$	\$	\$	\$
Interest on secured credit facility	161	821	1,278	2,434
Interest on lease liabilities	1,156	560	2,185	1,470
Interest income on defined benefit plans obligations	(114)	(120)	(341)	(374)
Realized loss on derivative financial instruments	194	—	194	—
Other interest (income) expense	16	(20)	42	27
Amortization of deferred financing costs	43	29	100	121
	1,456	1,270	3,458	3,678

Prior to the third quarter of 2025, the Company had entered into three interest rate swap agreements covering a total of \$28,000 of its outstanding credit facility (details on the agreements is disclosed in Note 25 – Financial Instruments in the Company's audited consolidated financial statements for the year ended December 31, 2024). The Company had designated this derivative instrument as an eligible hedging instrument for accounting purposes.

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During the third quarter of 2025, the Company repaid \$31,500 of its outstanding credit facility, resulting in the derecognition of the hedge item and the discontinuation of hedge accounting. Upon derecognition, the fair value of this financial instrument presented in accumulated other comprehensive income (loss) in equity amounted to an unrealized loss of \$213. As a result, the unrealized loss of \$213 recognized in other comprehensive income (loss) was transferred to net financing charges.

Subsequent to the discontinuation of the hedge item, the fair value of the derivative financial instrument liability was \$208. The interest rate swap agreements were settled for a cash payment of \$189, resulting in a realized gain of \$19 recognized in profit or loss for the period.

8. SHARE CAPITAL

The change in share capital was as follows:

	Number of common shares	Share capital \$
Balance, as at December 31, 2023	25,666,269	8,761
Purchase of share capital for cancellation	(1,106,400)	(378)
Balance, as at September 30, 2024	24,559,869	8,383
Balance, as at December 31, 2024	24,559,869	8,383
Purchase of share capital for cancellation	(43,827)	(15)
Balance, as September, 2025	24,516,042	8,368

On August 7, 2025, the Company announced that it had received approval from the TSX to purchase by way of a normal course issuer bid ("NCIB") for cancellation, up to 1,507,850 of its common shares, representing approximately 10.0% of its "public float" (within the meaning of the TSX Company Manual) as of July 28, 2025, for a period of twelve months, beginning on August 11, 2025 and ending on August 10, 2026. As at July 28, 2025, there were 24,559,869 issued and outstanding common shares, of which 15,078,500 common shares were comprising the public float.

During the three and nine-month periods ended September 30, 2025, the Company repurchased 43,827 and 43,827 common shares [2024 — 295,000 and 1,106,400] for cancellation in consideration of \$173 and \$173 [2024 — \$1,196 and \$4,480]. The excess of the purchase price over the carrying value in the amount of \$158 and \$158 [2024 — \$1,096 and \$4,102] was recorded as a reduction of contributed surplus.

Deferred Share Unit ("DSU") Plan

As at September 30, 2025, the financial liability resulting from the DSU plan of \$2,070 [December 31, 2024 — \$1,916] is presented under "Accounts payable and accrued liabilities".

During the nine-month period ended September 30, 2025, no amount of variable executive compensation was allocated in DSU [2024 — nil] and an amount of \$279 was paid out [2024 — \$335]. During the three and nine-month periods ended September 30, 2025, the net compensation expense for the DSU plan amounted to \$326 and \$433 respectively [2024 — expense of \$253 and \$149] and is recognized under "Selling, general and administrative expenses".

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[Unaudited, expressed in thousands of Canadian dollars, except per share amounts]

Performance Share Unit (“PSU”) Plan

As at September 30, 2025, no amount from PSU Plan [December 31, 2024 — \$625] is presented under “Accounts payable and accrued liabilities” and \$239 [December 31, 2024 — \$64] is presented under “Other long-term liabilities”.

During the three and nine-month periods ended September 30, 2025, the net compensation expense for the PSU Plan amounted to \$85 and \$207 [2024 — \$211 and \$371] and is recognized under “Selling, general and administrative expenses”.

9. SALE AND LEASEBACK

During 2024, the Company confirmed its intention to sell two properties located in Ville LaSalle, Quebec, and Etobicoke, Ontario. Accordingly, these properties were presented separately as current assets in the statement of financial position and were stated at the carrying amount measured immediately before the reclassification, which is \$3,579 for land and \$5,455 for buildings and leasehold improvements.

During the third quarter of 2025, the Company entered into an agreement to sell and leaseback these two properties. The proceeds of disposition of \$53,000 represent their fair value. The Company recognized a right-of-use asset of \$7,691 and lease obligation of \$44,943 at inception. In addition, a gain on sale of \$6,100 was recognized in the consolidated statements of earnings as gain on sale and leaseback. The gain is net of selling costs of \$613.

10. DIVIDENDS

Dividends declared from January 1, 2025 to September 30, 2025 were as follows:

Declaration date	Record date	Payment date	Per share \$	Dividend \$
February 19, 2025	March 20, 2025	April 4, 2025	0.05	1,228
May 7, 2025	June 5, 2025	June 20, 2025	0.05	1,228
August 6, 2025	September 4, 2025	September 19, 2025	0.05	1,228
August 6, 2025	September 10, 2025	September 25, 2025	0.50	12,278
Total				15,962

On August 6, 2025, the Board of Directors declared a special dividend of \$0.50 per common share, payable on September 25, 2025, to shareholders of record at the close of business on September 10, 2025 totalling \$12,278. The special dividend was in addition to the regular quarterly dividends.

Dividends declared from January 1, 2024 to September 30, 2024 were as follows:

Declaration date	Record date	Payment date	Per share \$	Dividend \$
February 21, 2024	March 21, 2024	April 5, 2024	0.04	1,014
May 8, 2024	June 6, 2024	June 21, 2024	0.04	998
August 7, 2024	September 5, 2024	September 20, 2024	0.04	976
Total				2,988

Supremex Inc.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2025 and 2024

[Unaudited, expressed in thousands of Canadian dollars, except per share amounts]

11. SEGMENTED INFORMATION

The Company currently operates in two reporting segments: the manufacturing and sale of envelopes and the manufacturing and sale of paper-based packaging solutions and specialty products. The segmented information is prepared using the accounting policies described in Note 2 — Material accounting policy information in the Company's audited consolidated financial statements for the year ended December 31, 2024, prepared in accordance with IFRS.

The following tables provide the segmented EBITDA before Corporate and other non-allocated expenses:

For the three-month periods ended September 30,

	2025 \$			2024 \$		
	Envelope	Packaging & Specialty Products	Total	Envelope	Packaging & Specialty Products	Total
Revenue	45,122	20,556	65,678	47,475	21,880	69,355
Operating expenses	34,951	15,136	50,087	35,081	15,814	50,895
Selling, general and administrative expenses	4,825	3,253	8,078	4,468	3,582	8,050
Segmented Adjusted EBITDA⁽¹⁾	5,346	2,167	7,513	7,926	2,484	10,410
Corporate and other non-allocated expenses			1,310			2,477
Depreciation of property, plant and equipment			1,506			1,755
Depreciation of right-of-use assets			1,603			1,575
Amortization of intangible assets			1,667			1,777
Asset impairment			—			23,337
Acquisition costs [note 4]			79			(6)
Restructuring (recovery) expenses [note 6]			4			2,064
Gain on sale and leaseback			(6,100)			—
Net financing charges [note 7]			1,456			1,270
Earnings (loss) before income taxes			5,988			(23,839)

⁽¹⁾ The Chief Executive Officer uses adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), as a measure of financial performance for assessing the performance of each of the Company's segments. Adjusted EBITDA equals EBITDA adjusted to remove items of significance that are not in the normal course of operations and/or do not reflect operating corporate and other non-allocated expenses, and are not indicative of core operating performance. These items of significance include, but are not limited to, charges for impairment of assets, restructuring expenses, value adjustment on inventory acquired and acquisition costs.

Supremex Inc.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2025 and 2024

[Unaudited, expressed in thousands of Canadian dollars, except per share amounts]

For the nine-month periods ended September 30,						
	2025			2024		
	\$			\$		
	Envelope	Packaging & Specialty Products	Total	Envelope	Packaging & Specialty Products	Total
Revenue	137,325	64,538	201,863	150,367	61,593	211,960
Operating expenses	103,032	46,332	149,364	108,662	45,189	153,851
Selling, general and administrative expenses	14,447	9,906	24,353	14,862	9,988	24,850
Segmented Adjusted EBITDA⁽¹⁾	19,846	8,300	28,146	26,843	6,416	33,259
Corporate and other non-allocated expenses			7,283			5,845
Depreciation of property, plant and equipment			4,546			5,118
Depreciation of right-of-use assets			4,570			4,407
Amortization of intangible assets			5,017			5,202
Asset impairment			563			23,412
Retroactive COVID-related ERC subsidies ⁽²⁾			71			—
Inventory revaluation related to business combinations			—			(54)
Acquisition costs [note 4]			135			105
Restructuring expenses [note 6]			289			2,125
Gain on Sale Leaseback			(6,100)			—
Net financing charges [note 7]			3,458			3,678
Earnings before income taxes			8,456			(16,579)

(1) The Chief Executive Officer uses adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), as a measure of financial performance for assessing the performance of each of the Company's segments. Adjusted EBITDA equals EBITDA adjusted to remove items of significance that are not in the normal course of operations and/or do not reflect operating corporate and other non-allocated expenses, and are not indicative of core operating performance. These items of significance include, but are not limited to, charges for impairment of assets, restructuring expenses, value adjustment on inventory acquired and acquisition costs.

(2) Employment Retention Credit ("ERC").

The Company's non-current assets amounted to \$115,255 in Canada and \$46,935 in the United States as at September 30, 2025 [\$108,939 and \$50,941, respectively, as at December 31, 2024]. The Company's revenue amounted to \$33,305 and \$106,499 in Canada and \$32,373 and \$95,364 in the United States for the three and nine-month periods ended September 30, 2025 based on the customer's locations [2024 — \$33,451 and \$112,073 in Canada and \$35,904 and \$99,887 in the United States].

12. SUBSEQUENT EVENT

Dividend declaration

On November 5, 2025, the Board of Directors declared a quarterly dividend of \$0.05 per common share, payable on December 19, 2025, to the shareholders of record at the close of business on December 4, 2025. This dividend is designated as an "eligible" dividend for the purpose of the *Income Tax Act* (Canada) and any similar provincial legislation.