Interim Condensed Consolidated Financial Statements
Supremex Inc.

For the three and nine-month periods ended September 30, 2026 and 2025

[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.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at [Unaudited] [in thousands of Canadian dollars]	Notes	September 30, 2026 $	December 31, 2025 $
ASSETS			
Current assets			
Cash		**2,929**	3,090
Accounts receivable		**40,374**	34,546
Income taxes recoverable		**1,337**	1,372
Inventories	**5**	**42,160**	31,129
Prepaid expenses		**4,700**	2,971
Total current assets		**91,500**	73,108
Property, plant and equipment		**39,565**	31,433
Deferred tax assets		**8,994**	8,302
Right-of-use assets		**68,201**	59,662
Accrued pension benefit net assets		**7,034**	8,183
Intangible assets		**38,899**	30,104
Goodwill		**52,180**	41,384
Total assets		**306,373**	252,176
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		**37,501**	29,214
Restructuring provisions	**6**	**623**	268
Income tax payable		**—**	4,149
Current portion of contingent consideration payable	**4**	**981**	265
Current portion of lease liabilities		**6,477**	5,987
Current portion of long-term debt	**7**	**6,495**	3,683
Total current liabilities		**52,077**	43,566
Contingent consideration payable	**4**	**269**	756
Long-term debt	**7**	**34,996**	389
Deferred income tax liabilities		**5,813**	3,433
Lease liabilities		**104,728**	95,367
Other long-term liabilities		**611**	459
Total liabilities		**198,494**	143,970
Total equity		**107,879**	108,206
Total liabilities and equity		**306,373**	252,176

See accompanying notes

On behalf of the Directors:

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

By: *signed (Paul V. Reilly)*
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, 2026 $	2025 $	Nine-month periods ended September 30, 2026 $	2025 $
Revenue		**76,237**	65,678	**222,636**	201,863
Operating expenses	**5**	**56,177**	49,484	**162,142**	147,070
Selling, general and administrative expenses		**11,716**	10,138	**34,875**	34,201
Operating earnings before depreciation, amortization and other items		**8,344**	6,056	**25,619**	20,592
Depreciation of property, plant and equipment		**1,469**	1,506	**3,829**	4,546
Depreciation of right-of-use assets		**2,064**	1,603	**5,580**	4,570
Amortization of intangible assets		**2,447**	1,667	**6,042**	5,017
Asset impairment		**—**	—	**—**	563
Restructuring expenses	**6**	**58**	4	**1,671**	289
Loss (gain) on disposal of property, plant and equipment and right-of-use assets		**55**	(68)	**40**	(207)
Operating earnings		**2,251**	1,344	**8,457**	5,814
Gain on sale and leaseback	**10**	**—**	(6,100)	**—**	(6,100)
Net financing charges	**7**	**2,133**	1,456	**5,300**	3,458
Earnings before income taxes		**118**	5,988	**3,157**	8,456
Income tax (recovery) expense		**(404)**	(3,139)	**881**	(2,282)
Net earnings		**522**	9,127	**2,276**	10,738
Basic and diluted net earnings per share		**0.02**	0.37	**0.09**	0.44
Weighted average number of shares outstanding		**24,308,172**	24,547,681	**24,327,943**	24,555,762

See accompanying notes

Supremex Inc.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

[Unaudited] [in thousands of Canadian dollars]	Notes	Three-month periods ended September 30, 2026 $	2025 $	Nine-month periods ended September 30, 2026 $	2025 $
Net earnings		**522**	9,127	**2,276**	10,738
Other comprehensive (loss) income					
Other comprehensive (loss) income to be reclassified to earnings in subsequent periods					
Unrealized gain on derivative financial instruments, net of income tax expense of $0 and $0 [2025 – $0 and $4]		**—**	—	**—**	12
Foreign currency translation adjustments		**(72)**	229	**1,649**	(515)
Net other comprehensive (loss) income to be reclassified to earnings in subsequent periods		**(72)**	229	**1,649**	(503)
Other comprehensive income reclassified to earnings					
Derivative financial instrument reclassified to earnings	**7**	**—**	213	**—**	213
Items not to be reclassified to earnings in subsequent periods					
Recognized actuarial (loss) gain on defined benefit pension plans, net of income tax recovery of $77 and $92 [2025 – expense of $63 and recovery of $97]		**(214)**	180	**(259)**	(277)
Recognized actuarial gain on other post-retirement benefit, net of income tax expense of $1 and $1 [2025 – expense of $0 and $0]		**2**	—	**2**	1
Net other comprehensive (loss) income not to be reclassified to earnings in subsequent periods		**(212)**	180	**(257)**	(276)
Other comprehensive (loss) income		**(284)**	622	**1,392**	(566)
Total comprehensive income		**238**	9,749	**3,668**	10,172

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]

	Notes	Share capital $	Contributed surplus $	Deficit $	Foreign currency translation reserve $	Total equity $
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	**11**	—	—	(15,962)	—	(15,962)
Shares repurchased and cancelled	**8**	(15)	(158)	—	—	(173)
As at September 30, 2025		**8,368**	**267,329**	**(167,809)**	**1,120**	**109,008**
As at December 31, 2025		8,324	266,900	(167,952)	934	108,206
Net earnings		—	—	2,276	—	2,276
Other comprehensive (loss) income		—	—	(257)	1,649	1,392
Total comprehensive income		—	—	2,019	1,649	3,668
Dividends declared	**11**	—	—	(3,649)	—	(3,649)
Shares repurchased and cancelled	**8**	(31)	(315)	—	—	(346)
As at September 30, 2026		**8,293**	**266,585**	**(169,582)**	**2,583**	**107,879**

See accompanying notes

Supremex Inc.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

[Unaudited] [in thousands of Canadian dollars]	Notes	For the three-month periods ended September 30, 2026 $	2025 $	For the nine-month periods ended September 30, 2026 $	2025 $
OPERATING ACTIVITIES					
Net earnings		**522**	9,127	**2,276**	10,738
Non-cash adjustments to reconcile net earnings to net cash flows					
Depreciation of property, plant and equipment		**1,469**	1,506	**3,829**	4,546
Depreciation of right-of-use assets		**2,064**	1,603	**5,580**	4,570
Amortization of intangible assets		**2,447**	1,667	**6,042**	5,017
Amortization of deferred financing costs	**7**	**61**	43	**174**	100
Gain on sale and leaseback	**10**	**—**	(6,713)	**—**	(6,713)
Loss (gain) on disposal of property, plant and equipment		**7**	(68)	**40**	(207)
Asset impairment		**—**	—	**—**	563
Interest on contingent consideration payable		**22**	6	**63**	6
Deferred income tax recovery		**(1,490)**	(10,267)	**(1,990)**	(11,798)
Restructuring (recovery) expenses		**(7)**	—	**863**	22
Net compensation expense	**9**	**38**	411	**411**	640
Change in accrued pension benefit net assets		**375**	33	**797**	512
Share-based compensation payments	**9**	**—**	—	**(97)**	(936)
Changes in non-cash working capital	**13**	**2,842**	2,046	**(5,708)**	(672)
Change in other long-term liabilities		**(5)**	(2)	**(9)**	273
Other operating activities		**10**	—	**(462)**	—
Net cash flows related to operating activities		**8,355**	(608)	**11,809**	6,661
INVESTING ACTIVITIES					
Business combinations, net of cash acquired	**4**	**54**	(7,919)	**(35,754)**	(7,919)
Acquisition of property, plant and equipment		**(3,477)**	(210)	**(5,197)**	(803)
Acquisition of intangible assets		**(49)**	(13)	**(49)**	(83)
Proceeds from sale and leaseback	**10**	**—**	53,000	**—**	53,000
Proceeds from disposal of property, plant and equipment		**—**	863	**3**	1,016
Net cash flows related to investing activities		**(3,472)**	45,721	**(40,997)**	45,211
FINANCING ACTIVITIES					
Net change in secured revolving credit facility	**7**	**(2,076)**	(28,824)	**37,822**	(31,261)
Repayment of term loans	**7**	**(60)**	(60)	**(185)**	(190)
Repayment of lease liabilities		**(1,715)**	(1,568)	**(4,683)**	(3,809)
Receipt of lease incentive		**131**	—	**143**	—
Dividends paid	**11**	**(1,216)**	(13,506)	**(3,649)**	(15,962)
Deferred financing costs	**7**	**(47)**	(80)	**(391)**	(103)
Purchase of share capital for cancellation	**8**	**(75)**	(173)	**(346)**	(173)
Payment of contingent consideration payable	**4**	**(314)**	—	**(314)**	—
Net cash flows related to financing activities		**(5,372)**	(44,211)	**28,397**	(51,498)
Net change in cash during the period		**(489)**	902	**(791)**	374
Net foreign exchange difference		**(124)**	(316)	**630**	474
Cash, beginning of period		**3,542**	2,056	**3,090**	1,794
Cash, end of period		**2,929**	2,642	**2,929**	2,642

See accompanying notes including supplementary cash flow information in note 13

1. CORPORATE INFORMATION

Supremex Inc. (the "Company" or "Supremex") is a provider of paper-based packaging solutions and specialty products, a key component of the Company's expansion strategy, as well as a leading North American manufacturer and marketer of envelopes. 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, Quebec.

Most revenue from Supremex's 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.

Supremex' envelope 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.

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.

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, 2025, 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, 2025.

These unaudited interim condensed consolidated financial statements were approved by the Company's Board of Directors on November 4, 2026, and have not been audited or reviewed by the Company's auditors.

New and amended standard adopted by the Company

Amendments to IFRS 9 and IFRS 7 – *Classification and Measurement of Financial Instruments (IFRS 9 Financial Instruments and IFRS 7 Financial Instruments Disclosures)*, clarify the timing of recognition and derecognition of financial assets and liabilities, including clarification that a financial liability is derecognized on the settlement date. The amendments also introduce the accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date, if the Company has transferred control of the cash and no longer retains settlement-related risks. Additional clarifications relate to the assessment of contractual cash flow characteristics, including the classification and disclosure of financial

assets with environmental, social, and governance linked or other contingent features, non-recourse loans and contractually linked instruments.

The Company adopted these amendments as of January 1, 2026, with no material impact to its consolidated financial statements. The Company elected the accounting policy option to derecognize financial liabilities settled through electronic payment systems prior to the settlement date when the specific criteria described above are met.

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. 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, 2025.

4. BUSINESS COMBINATIONS

2026 Business Combinations

Fantasia Printing Ltd ("Fantasia")

On April 20, 2026, the Company acquired all of the issued and outstanding shares of Fantasia, doing business as iFlex Labels ("iFlex"), a label manufacturing company located in Saint-Laurent, Quebec, for a total consideration of $2,415. The consideration includes a contingent consideration payable to the previous owner upon the realization of certain financial targets over a two-year period, fair valued at the acquisition date at an amount of $462. The contingent consideration is based on revenue targets and was measured using a probability-weighted discounted cash flow model. Key assumptions include forecast financial performance and discount rates reflecting the risk profile of the obligation. The fair value of the contingent consideration payable as at September 30, 2026, is $476 and represents the maximum amount of the obligation.

The fair value of trade receivables acquired is $428, which approximates the gross contractual amounts receivable. No amount was considered uncollectible at the acquisition date.

The Company's consolidated statements of earnings include revenue and earnings before income taxes from Fantasia of $1,466 and $302, respectively, since the acquisition date.

The accounting for the Fantasia business combination is preliminary as at September 30, 2026, as the Company has not yet finalized the valuation of certain assets acquired and liabilities assumed, including certain identifiable intangible assets, such as customer relationships, and the related deferred income tax effects. Accordingly, the amounts recognized for these items and goodwill are provisional and may be adjusted during the measurement period as additional information about facts and circumstances that existed at the acquisition date becomes available. The measurement period will not exceed one year from the acquisition date. The goodwill related to the acquisition is composed of expected growth and operational synergies and is allocated to the Packaging & Specialty Products cash-generating unit ("CGU").

Goldrich Printpak Inc. ("Goldrich")

On June 5, 2026, the Company acquired all of the issued and outstanding shares of Goldrich, a provider of folding carton packaging solutions based in Toronto, Ontario, for a total consideration of $33,344. There is no contingent consideration in connection with this acquisition.

The fair value of trade receivables acquired is $3,616, which approximates the gross contractual amounts receivable. No amount was considered uncollectible at the acquisition date.

The Company's consolidated statements of earnings include revenue and earnings before income taxes from Goldrich of $7,868 and $509, respectively, since the acquisition date.

The accounting for the Goldrich business combination is preliminary as at September 30, 2026, as the Company has not yet finalized the valuation of certain assets acquired and liabilities assumed, including certain identifiable intangible assets, such as customer relationships, and the related deferred income tax effects. Accordingly, the amounts recognized for these items and goodwill are provisional and may be adjusted during the measurement period as additional information about facts and circumstances that existed at the acquisition date becomes available. The measurement period will not exceed one year from the acquisition date. The goodwill related to the acquisition is composed of expected growth and operational synergies and is allocated to the Packaging & Specialty Products CGU.

Preliminary Purchase Price Allocations – 2026 acquisitions

The preliminary purchase price allocations reflecting the estimated fair value of assets acquired and liabilities assumed at the respective acquisition dates are as follows:

	Fantasia $	Goldrich $	2026 Total $
Net assets acquired			
Cash	51	393	444
Accounts receivable	428	3,616	4,044
Inventories	268	5,690	5,958
Prepaid expenses	12	503	515
Property, plant and equipment	614	5,969	6,583
Right-of-use assets	237	—	237
Intangible assets	1,340	13,100	14,440
Goodwill[(1)]	534	9,892	10,426
Total assets	**3,484**	**39,163**	**42,647**
Accounts payable and accrued liabilities	240	2,406	2,646
Income tax payable	42	126	168
Current portion of lease liabilities	59	—	59
Lease liabilities	246	—	246
Deferred tax liabilities	482	3,287	3,769
Total liabilities	**1,069**	**5,819**	**6,888**
Net assets acquired	**2,415**	**33,344**	**35,759**
Less: Contingent consideration payable	(462)	—	(462)
Less: Holdback payable	(300)	—	(300)
Plus: Working capital adjustment receivable	72	1,024	1,096
Cash consideration	**1,725**	**34,368**	**36,093**

(1) None of the goodwill recognized is deductible for tax purposes.

If these acquisitions had occurred on January 1, 2026, the Company's revenue and earnings before income taxes for the nine-month period ended September 30, 2026, would have been approximately $234,743 and $2,759, respectively.

2025 Business Combinations

Trans Graphique Inc., Enveloppe Laurentide Inc. and Elite Envelope & Graphics

The Company completed three acquisitions during the year ended December 31, 2025: Trans Graphique Inc. ("Trans Graphique") on July 7, 2025, Enveloppe Laurentide Inc. ("Enveloppe Laurentide") on July 14, 2025, and Elite Envelope & Graphics ("Elite Envelope") on December 8, 2025. The accounting for Elite Envelope's business combination remains preliminary as at September 30, 2026, as the assessment of certain assets acquired and liabilities assumed, including the identification and measurement of intangible assets and the finalization of working capital balances, is ongoing and the respective measurement period is not yet closed. The purchase price allocations for Trans Graphique and Enveloppe Laurentide's business combinations are finalized with no adjustments from those recognized at December 31, 2025, and accordingly, the amounts disclosed for those two acquisitions in the Company's annual consolidated financial statements continue to represent management's best estimates.

During the nine-month period ended September 30, 2026, the Company recognized a measurement period adjustment to the provisional purchase price allocation of Elite Envelope. Following the finalization of the acquired net working capital, the cash consideration was increased by $105 (US$74) to $1,922 (US$1,389), with a corresponding adjustment to goodwill of the same amount.

The Trans Graphique and Elite Envelope acquisitions include contingent consideration arrangements, which are measured at fair value at each reporting date (see "Contingent consideration" below). For further details on these acquisitions and the provisional purchase price allocations, refer to Note 5 – Business Combinations in the Company's audited consolidated financial statements for the year ended December 31, 2025.

Contingent consideration

The contingent consideration arrangements relating to the Trans Graphique, Elite Envelope and Fantasia acquisitions are classified as financial liabilities measured at fair value through profit or loss (Level 3) and are remeasured at each reporting date until settled.

The fair value of each arrangement, which in each case represents the maximum amount of the obligation, is as follows:

Contingent consideration payable	**Acquisition date Fair Value $**	**September 30, 2026 Fair Value $**
Trans Graphique	501	226
Elite Envelope	505	548
Fantasia	462	476
Total	**1,468**	**1,250**

The aggregate fair value of contingent consideration payable increased from $1,021 as at December 31, 2025, to $1,250 as at September 30, 2026. The increase is attributable to the contingent consideration recognized on the Fantasia acquisition ($462 at the acquisition date) and to remeasurement and accretion of the existing arrangements during the period net of the partial payment of the contingent consideration of Trans Graphique.

The fair value measurements of contingent consideration are categorized within Level 3 of the fair value hierarchy and are based on significant unobservable inputs, including forecast financial performance and discount rates.

Acquisition-related costs

Acquisition-related costs of $132 and $530 were incurred and expensed during the three and nine-month periods ended September 30, 2026, and are presented within ''*Selling, general and administrative expenses*'' in the consolidated statements of earnings.

5. INVENTORIES

	September 30, 2026 $	December 31, 2025 $
Raw materials	**16,649**	11,867
Work in progress	**2,235**	3,476
Finished goods	**23,276**	15,786
	42,160	31,129

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, 2026, were $55,654 and $160,740 respectively [2025 — $50,509 and $149,426].

6. PROVISIONS

In January 2026, the Company announced the closure of its Envelope facility in Indianapolis, Indiana, with production volume transferred primarily to existing facilities in the Greater Toronto Area and, to a lesser extent, to other plants in the Supremex network. Restructuring expenses recognized in respect of this initiative during the three and nine-month periods ended September 30, 2026, amounted to $58 and $1,471 [three and nine-months period ended September 30, 2025 — nil], comprised mainly of employee-related charges and costs to relocate production. Also included in these expenses, all recognized in the first quarter of 2026, are the impairment of right-of-use assets of $695, gain on remeasurement of lease liabilities of $19, the impairment of property, plant and equipment of $187, and a gain on disposal of property, plant and equipment of $37.

During the second quarter of 2026, concurrently with the acquisition of Fantasia, the Company initiated a reorganization of its label business involving the planned closure of its label facility in Laval, Quebec and the leased facility acquired as part of the Fantasia acquisition, with all label operations to be consolidated into the Company's folding carton plant in Lachine, Quebec. Restructuring expenses recognized in respect of this initiative during the three and nine-month periods ended September 30, 2026, amounted to $0 and $200, comprised mainly of a provision for premises restoration (make-good) costs. The Company expects this initiative to generate annual cost savings in excess of $500.

The remaining Indianapolis-related provision is expected to be settled in cash during the second half of 2026, while the restoration obligation related to the label business reorganization is expected to be settled between the third quarter of 2026 and the second quarter of 2027.

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

	September 30, 2026 $	December 31, 2025 $
Balance, beginning of year	**268**	683
Additions	**599**	—
Payments	**(244)**	(415)
Balance, end of period	**623**	268

7. LONG-TERM DEBT

	September 30, 2026 $	December 31, 2025 $
Secured revolving credit facility	**17,884**	3,500
Acquisition term loan	**23,438**	—
Term loans	**450**	635
Total debt	**41,772**	4,135
Deferred financing costs	**(281)**	(63)
Current portion	**(6,495)**	(3,683)
Long-term portion	**34,996**	389

The Company has a senior secured credit agreement providing for total commitments of $70,000, comprising a three-year revolving credit facility of $45,000 and an acquisition term loan of $25,000. Borrowings under the credit agreement bear 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 2.25%. The credit agreement matures in July 2028. The Company may request that the agreement be extended by one year on every anniversary date, subject to the approval of the lenders. The credit agreement 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, 2026.

Secured revolving credit facility

The revolving credit facility is used for working capital, capital expenditures, acquisitions and other general corporate purposes. No principal repayments are required under the revolving credit facility prior to maturity.

Acquisition term loan

In connection with the acquisition of Goldrich completed on June 5, 2026 (see Note 4 – Business Combinations), the Company entered into an acquisition term loan of $25,000 under the credit agreement. The term loan is repayable in quarterly principal instalments of $1,562, which began in the third quarter of 2026, with the remaining balance due at maturity in July 2028.

Term loans

In addition to the credit agreement described above, the Company has two term loans 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 through July 2028.

Other

As at September 30, 2026, the Company had outstanding letters of credit totaling $241 [$241 as at December 31, 2025].

The effective interest rate on the secured credit facility was 4.75% as at September 30, 2026 [4.13% as at December 31, 2025].

The following table presents the components of net financing charges:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Interest on secured credit facility	**576**	161	**933**	1,278
Interest on lease liabilities	**1,547**	1,156	**4,391**	2,185
Interest income on defined benefit plans obligations	**(93)**	(114)	**(288)**	(341)
Realized loss on derivative financial instruments[(1)]	**—**	194	**—**	194
Other interest expense	**42**	16	**90**	42
Amortization of deferred financing costs	**61**	43	**174**	100
Net financing charges	**2,133**	1,456	**5,300**	3,458

(1) During the third quarter of 2025, following the repayment of $31,500 of its credit facility, the Company discontinued hedge accounting for its interest rate swap agreements covering $28,000 of the facility. The unrealized loss of $213 previously recognized in other comprehensive income (loss) was reclassified to net financing charges, and the swaps were settled for a cash payment of $189, resulting in a realized gain of $19, for a net realized loss of $194.

8. SHARE CAPITAL

The change in share capital was as follows:

	Number of common shares	Share capital $
Balance, as at December 31, 2024	24,559,869	8,383
Purchase of share capital for cancellation	(43,827)	(15)
Balance, as at September 30, 2025	**24,516,042**	**8,368**
Balance, as at December 31, 2025	24,388,771	8,324
Purchase of share capital for cancellation	(91,927)	(31)
Balance, as at September 30, 2026	**24,296,844**	**8,293**

On August 7, 2026, 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 1,483,187 of its common shares, representing approximately 10.0% of its "public float" (within the meaning of the TSX Company Manual) as of July 31, 2026, for a period of twelve months, beginning on August 11, 2026, and ending on August 10, 2027. As at July 31, 2026, there were 24,310,444 issued and outstanding common shares, of which 14,831,875 common shares were comprising the public float.

During the three and nine-month periods ended September 30, 2026, the Company repurchased 20,100 and 91,927 common shares [2025 — 43,827 and 43,827] for cancellation in consideration of $75 and $346 [2025 — $173 and $173]. The excess of the purchase price over the carrying value in the amount of $67 and $315 [2025 — $158 and $158] was recorded as a reduction of contributed surplus.

9. SHARE-BASED COMPENSATION

The following tables summarize the liabilities, net compensation expense (recovery) and disbursements under the Company's Deferred Share Unit ("DSU") Plan, Performance Share Unit ("PSU") Plan and Restricted Share Unit ("RSU") Plan.

The following table details the total share-based compensation liabilities:

	September 30, 2026 $	December 31, 2025 $
Accounts payable and accrued liabilities		
DSU Plan	**1,901**	1,895
PSU Plan	**241**	97
	2,142	1,992
Other long-term liabilities		
PSU Plan	**434**	346
RSU Plan	**76**	—
	510	346
Total share-based compensation liabilities	**2,652**	2,338

The following table details the net compensation expense (recovery) and disbursements related to these plans:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2026 $	2025 $	2026 $	2025 $
Net compensation expense (recovery)[1]				
DSU Plan	**(70)**	326	**6**	433
PSU Plan	**85**	85	**329**	207
RSU Plan	**23**	—	**76**	—
Total net compensation expense	**38**	411	**411**	640
Disbursements				
DSU Plan	**—**	—	**—**	279
PSU Plan	**—**	—	**97**	657
RSU Plan	**—**	—	**—**	—
Total	**—**	—	**97**	936

[1] Recognized under "Selling, general and administrative expenses".

No amount of variable compensation was allocated in DSUs during the three and nine-month periods ended September 30, 2026 and 2025.

10. SALE AND LEASEBACK

During the third quarter of 2025, the Company completed the sale and leaseback of its two properties located in Ville LaSalle, Quebec, and Etobicoke, Ontario, which had been presented as assets held for sale with a carrying amount of $9,034. The proceeds of disposition of $53,000 represented the fair value of the properties. At inception, the Company recognized a right-of-use asset of $7,691 and a lease liability of $44,943. At disposition, the Company recorded a gain on sale and leaseback of $6,100, net of selling costs of $613, in the consolidated statements of earnings for the three and nine-month periods ended September 30, 2025.

11. DIVIDENDS

Dividends declared from January 1, 2026, to September 30, 2026, were as follows:

Declaration date	Record date	Payment date	Per share $	Dividend $
February 18, 2026	March 19, 2026	April 2, 2026	0.05	1,217
May 6, 2026	June 4, 2026	June 18, 2026	0.05	1,216
July 30, 2026	August 27, 2026	September 11, 2026	0.05	1,216
Total				**3,649**

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[(1)]	September 10, 2025	September 25, 2025	0.50	12,278
Total				**15,962**

(1) 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.

12. SEGMENTED INFORMATION

The Company currently operates in two reporting segments: the manufacturing and sale of paper-based packaging solutions and specialty products, and the manufacturing and sale of envelopes. 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, 2025, 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,

			2026 $			2025 $
	Packaging & Specialty Products	Envelope	Total	Packaging & Specialty Products	Envelope	Total
Revenue	29,691	46,546	**76,237**	20,556	45,122	65,678
Operating expenses	21,631	34,106	**55,737**	15,006	34,423	49,429
Selling, general and administrative expenses	4,562	4,768	**9,330**	3,383	5,353	8,736
Segmented Adjusted EBITDA[(1)]	**3,498**	**7,672**	**11,170**	**2,167**	**5,346**	**7,513**
Corporate and other non-allocated expenses			**2,581**			1,310
Depreciation of property, plant and equipment			**1,469**			1,506
Depreciation of right-of-use assets			**2,064**			1,603
Amortization of intangible assets			**2,447**			1,667
Asset impairment			**—**			—
Inventory revaluation related to business combinations			**168**			—
Acquisition costs [*note 4*]			**132**			79
Restructuring expenses (recovery) [*note 6*]			**58**			4
Gain on sale and leaseback [*note 10*]			**—**			(6,100)
Net financing charges [*note 7*]			**2,133**			1,456
Earnings before income taxes			**118**			**5,988**

(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, when applicable, but are not limited to, charges for impairment of assets, restructuring expenses, value adjustment on inventory acquired, acquisition costs, and gain on sale and leaseback.

For the nine-month periods ended September 30,

	2026 $			2025 $		
	Packaging & Specialty Products	Envelope	Total	Packaging & Specialty Products	Envelope	Total
Revenue	80,070	142,566	**222,636**	64,538	137,325	201,863
Operating expenses	57,849	103,592	**161,441**	45,730	101,455	147,185
Selling, general and administrative expenses	11,623	15,821	**27,444**	10,508	16,024	26,532
Segmented Adjusted EBITDA[1]	**10,598**	**23,153**	**33,751**	**8,300**	**19,846**	**28,146**
Corporate and other non-allocated expenses			**7,474**			7,283
Depreciation of property, plant and equipment			**3,829**			4,546
Depreciation of right-of-use assets			**5,580**			4,570
Amortization of intangible assets			**6,042**			5,017
Asset impairment			**—**			563
Inventory revaluation related to business combinations			**168**			—
Retroactive COVID-related ERC[2] subsidies			**—**			(71)
Acquisition costs [*note 4*]			**530**			135
Restructuring expenses [*note 6*]			**1,671**			289
Gain on sale and leaseback [*note 10*]			**—**			(6,100)
Net financing charges [*note 7*]			**5,300**			3,458
Earnings before income taxes			**3,157**			**8,456**

(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, when applicable, but are not limited to, charges for impairment of assets, restructuring expenses, value adjustment on inventory acquired, acquisition costs, and gain on sale and leaseback.

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

The Company's non-current assets amounted to $152,746 in Canada and $46,099 in the United States as at September 30, 2026 [$116,598 and $45,985, respectively, as at December 31, 2025]. The Company's revenue amounted to $41,910 and $122,763 in Canada and $34,327 and $99,873 in the United States for the three and nine-month periods ended September 30, 2026, based on the customer's locations [2025 — $33,305 and $106,499 in Canada and $32,373 and $95,364 in the United States].

13. SUPPLEMENTARY CASH FLOW INFORMATION

Changes in non-cash working capital are as follows:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2026 $	2025 $	2026 $	2025 $
Accounts receivable	**(988)**	38	**(687)**	(1,157)
Income taxes receivable or payable	**1,305**	5,279	**(4,282)**	4,896
Inventories	**(41)**	1,409	**(5,073)**	(1,369)
Prepaid expense	**993**	(513)	**(1,214)**	(1,054)
Accounts payable and accrued liabilities	**1,618**	(4,143)	**5,193**	(1,595)
Restructuring provisions	**(45)**	(24)	**355**	(393)
	2,842	2,046	**(5,708)**	(672)

Supplemental information[1]:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Interest paid	**2,196**	1,342	**5,325**	3,520
Interest received	**—**	—	**—**	3
Income taxes paid	**44**	2,240	**7,784**	5,359
Income taxes received	**301**	334	**742**	692

[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.

14. SUBSEQUENT EVENTS

Restructuring plan

On October 6, 2026, the Company announced a restructuring plan to reduce its cost base in response to current market conditions, which primarily reflect the impact of tariffs. The plan involves the elimination of approximately 60 positions across the organization and comprises the consolidation of certain activities across the Company's Canadian and U.S. envelope and folding carton locations as well as the accelerated deployment of technology across the business, including the modernization of back-office processes. In connection with the plan, the Company expects to recognize restructuring expenses of approximately $1,800 before taxes, in the fourth quarter of 2026, mainly related to severance and other employee-related costs.

This restructuring plan is a non-adjusting event after the reporting period. Accordingly, no restructuring provision related to this plan has been recognized in these interim condensed consolidated financial statements as at September 30, 2026.

Dividend declaration

On November 4, 2026, the Board of Directors declared a quarterly dividend of $0.05 per common share, payable on December 18, 2026, to the shareholders of record at the close of business on December 3, 2026. This dividend is designated as an "eligible" dividend for the purpose of the *Income Tax Act* (Canada) and any similar provincial legislation.

15. COMPARATIVE PERIOD INFORMATION

Certain comparative figures have been reclassified to conform with the current period's presentation. These reclassifications had no impact on net earnings, comprehensive income, financial position or cash flows as previously reported.