

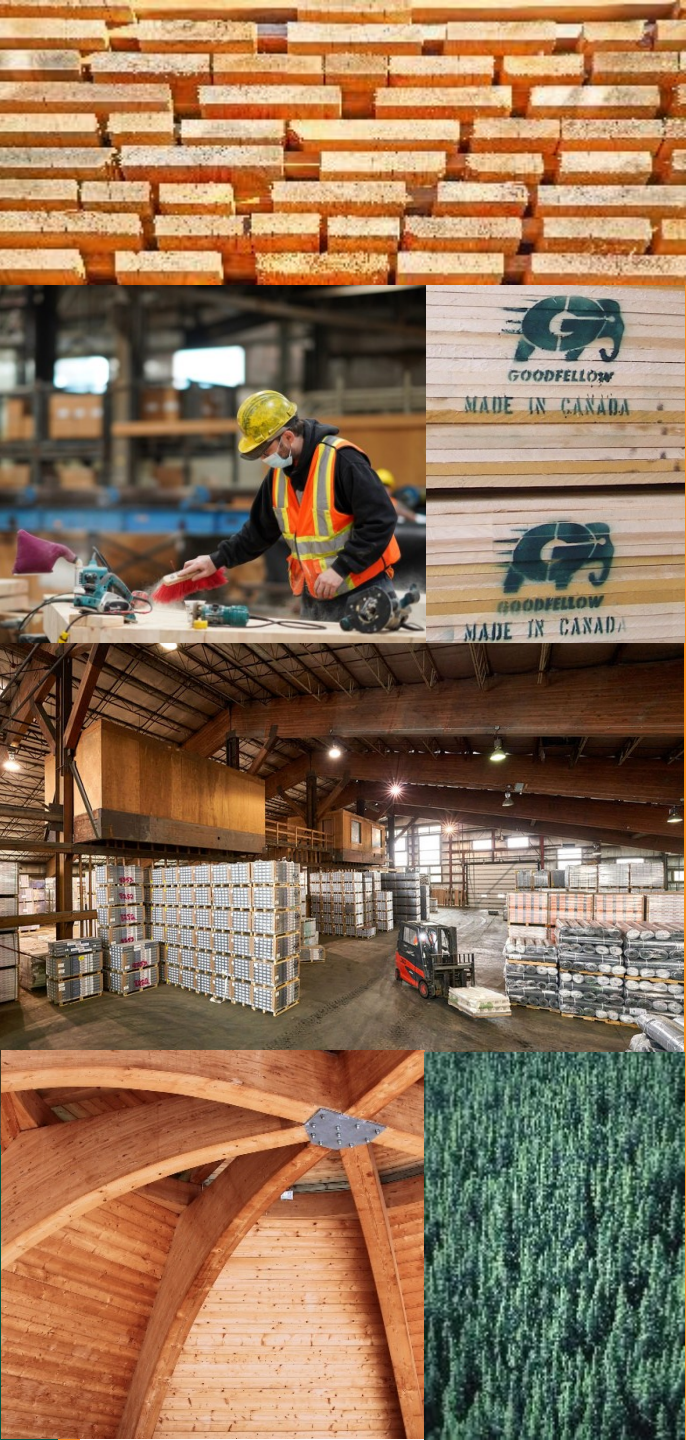


MAY 14, 2025

# ANNUAL MEETING OF SHAREHOLDERS



# WELCOME MESSAGE



## Directors and Officers

**Robert Hall** – Chair of the Board

**Alain Côté** – Director and Chair of the Audit Committee

**Sarah Prichard** – Director and Chair of the Compensation and Human Resources Committee

**Douglas Goodfellow** - Director

**David Goodfellow** – Director

**Marie-Hélène Nolet** – Director

**James Hewitt \*** – Director

*\* Final meeting*

**Patrick Goodfellow** – President and CEO

**Charles Brisebois** – CFO

**Olivia Goodfellow** – Corporate Secretary

# ANNUAL MEETING OF SHAREHOLDERS

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## AGENDA

- Opening of the Meeting
- Approval of Minutes of Previous Annual Meeting of Shareholders
- Reception of Financial Statements and Independent Auditor's Report
- Election of Directors
- Appointment of Auditors
- Management Presentation
- Question Period



May 14, 2025

# ANNUAL MEETING OF SHAREHOLDERS

## Forward-Looking Financial Information

This presentation contains forward-looking statements relating, inter alia, to objectives, strategies, priorities, goals, plans, financial position, operating results, trends and activities of Goodfellow Inc. and its markets and industries. Forward-looking statements can be identified by words such as: “believe,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements regarding liquidity and risk management in the current economic conditions. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, these statements are forward-looking to the extent that they are based on the Company’s assessments, expectations and assumptions relative to, inter alia, to the state of the global economy and the economies of the regions in which the Company operates; the level of demand for the Company’s products including from its recurring client base, including bookings from customers; prices and margins for its products; competitors; reliability of supply chains; inflation; interest rates; foreign currency fluctuations; overhead expenses; working capital requirements and access to capital or funding to finance same; the collection of accounts receivable; the availability and sufficiency insurance coverage; the sufficiency and reliability of the Company’s workforce; the successful management of environmental and health and safety risk; the sufficiency, reliability and effectiveness of information systems; the sufficiency, reliability and effectiveness of internal and disclosure controls; and the absence of adverse change in the Company’s regulatory environment and legal proceedings. Although the Company believes that the assessments, expectations and assumptions underlying the forward-looking statements contained in the presentation are reasonable, there can be no assurance that such assessments, expectations and assumptions will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this presentation, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur or prove to be accurate. Actual results could differ significantly from management’s expectations if recognized or unrecognized risks and uncertainties affect results or if assessments or assumptions are inaccurate. These risks and uncertainties include, among other things: the effects of general economic and business conditions including the cyclical nature of its business; industry competition; inflation, credit, currency and interest rate risks; environmental risk; level of demand and financial performance of the manufacturing industry; competition from vendors; changes in customer demand; extent to which the Company is successful in gaining new long-term relationships with customers or retaining existing ones and the level of service failures that could lead customers to use competitors’ services; increased customer bankruptcies; dependence on key personnel; laws and regulation; information systems, cost structure and working capital requirements; changes in trade policies, including duties, barriers, restrictions, tariffs and any retaliatory measures; occurrence of hostilities, political instability or catastrophic events and other factors described in the Company’s public filings available at [www.sedarplus.ca](http://www.sedarplus.ca).

## Non-IFRS Measures

This presentation includes non-IFRS measures, non-IFRS ratios and supplementary financial measures, including Gross profit and Gross margin. These measures do not have a standardized meaning under IFRS and could be calculated differently by other companies and accordingly, may not be comparable. The Company believes that many readers analyze the financial performance of the Company’s activities based on these non-IFRS financial measures as such measures may allow for easier comparisons between periods. The Company also believes that these measures are useful indicators of the performance of its operations and its ability to meet its financial obligations. Furthermore, management also uses some of these non-IFRS financial measures to assess the performance of its activities and managers. These measures should be considered as a complement to financial performance measures in accordance with IFRS. They do not substitute and are not superior to them. For measures displayed per share, the Company divided the measures by the total number of outstanding shares at end of the reporting period.

May 14, 2025

# MESSAGE TO JIM

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Thank you Jim for the years of service to Goodfellow as part of its Board, including the Audit Committee.

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May 14, 2025

# ELECTION OF DIRECTORS

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## Election of Directors (6 seats)

Alain Côté

Robert Hall

David Goodfellow

Marie-Hélène Nolet

Douglas Goodfellow

Sarah Prichard

May 14, 2025

# APPOINTMENT OF AUDITORS

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# MANAGEMENT PRESENTATION



**Patrick Goodfellow**  
President and CEO

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**Charles Brisebois**  
CFO

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# MANAGEMENT REVIEW

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- 2024 Objectives
- 2024 Market Conditions
- 2024 Financials
- Q1 - 2025 Financials
- 2025 Outlook

2024

# GOODFELLOW AT A GLANCE

~ 800  
Employees



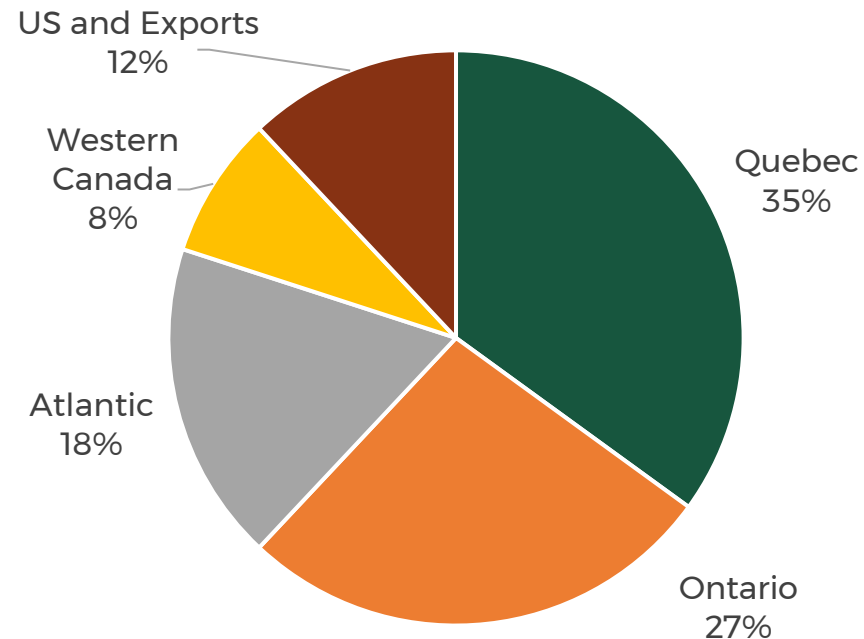
22  
Locations



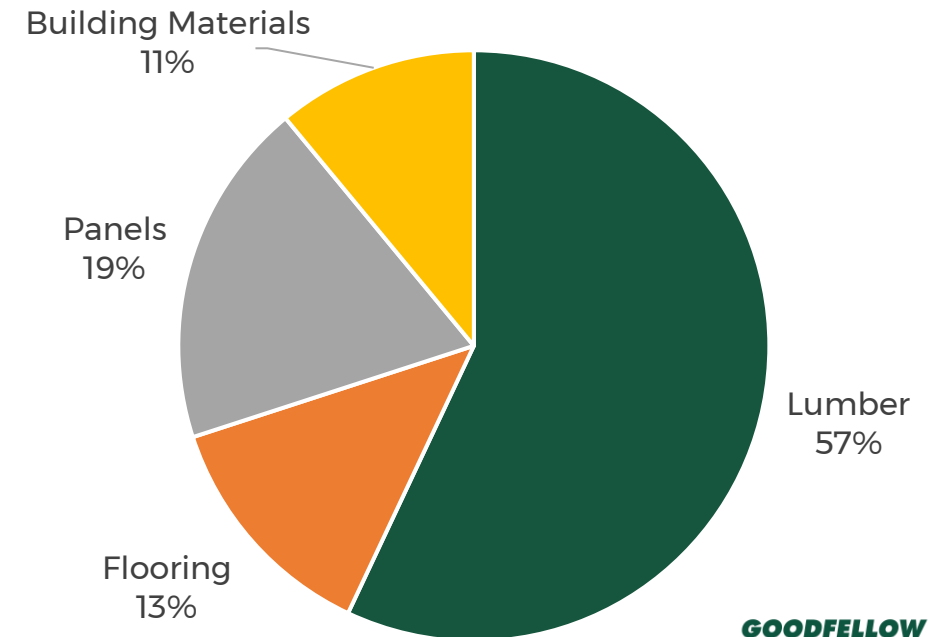
> 5,200  
Customers



## SALES BY LOCATION



## SALES BY PRODUCT CATEGORY





2024

## CORPORATE OBJECTIVES

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- Top line sales growth of 5%
- Maintain profitability > 3 % net return on sales
- Invest capital in responsible growth opportunities
- Strengthen core product and services offering
- Sustain robust balance sheet

# COMMENTARY ON 2024 MARKET CONDITIONS



## Q1

- Growth slowed - LBM and specialty flooring dealers
- Hardwood pricing and demand continued to recover

## Q2

- No market growth on retail front with increased competition
- Industrial and infrastructure demand remained strong

## Q3

- Housing starts softened, yet specialty demand increased
- Diversified product demand and consumer pref. shifted

## Q4

- Political disruption – government spending paused
- Hardwood demand spiked upwards

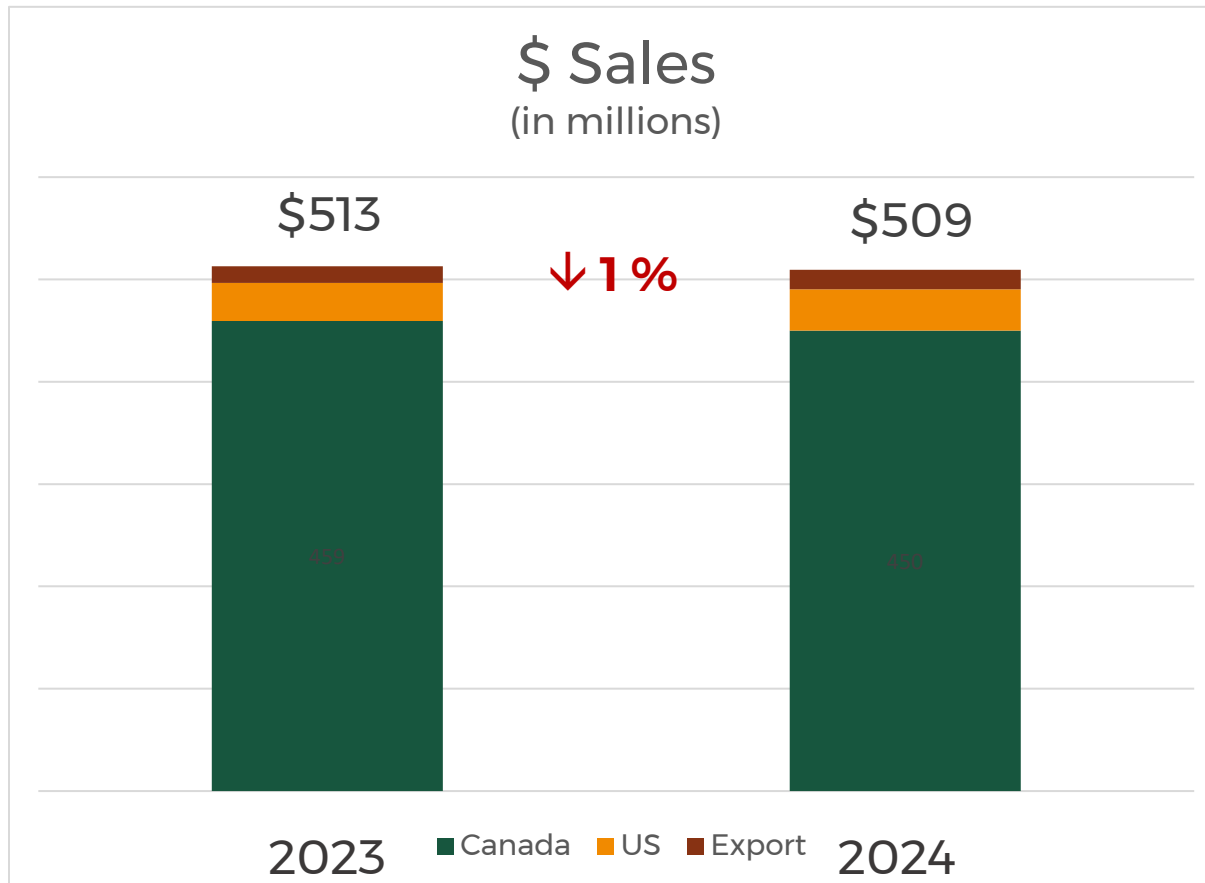


# 2024 YEAR-END RESULTS



2024

# SALES



## By Region:

- **Canada -2 %** :
  - Quebec +4 %
  - Ontario -5 %
  - Atlantic -10 %
  - Western Canada -1 %
- **US +8 %**
- **Export +17 %**

## By Category:

- **Panels +6 %**
- **Lumber +2 %**
- **BMATS -6 %**
- **Flooring -15 %**

- Average Transaction Value<sup>(1)</sup> ↓3 %, while volume of **transactions** ↑3% (vs. 2023)
- Relatively stable commodity pricing

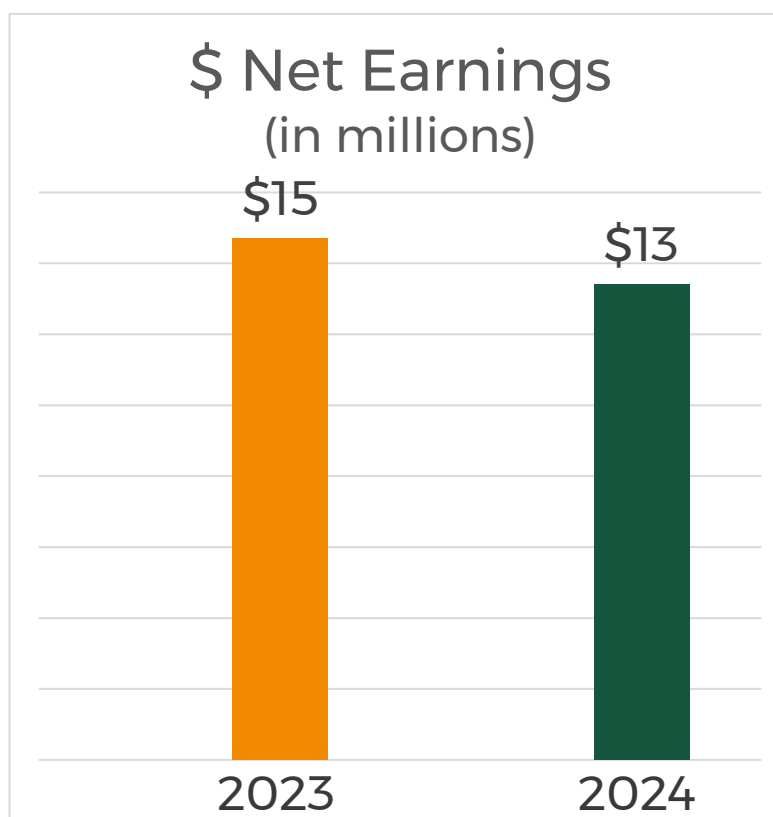
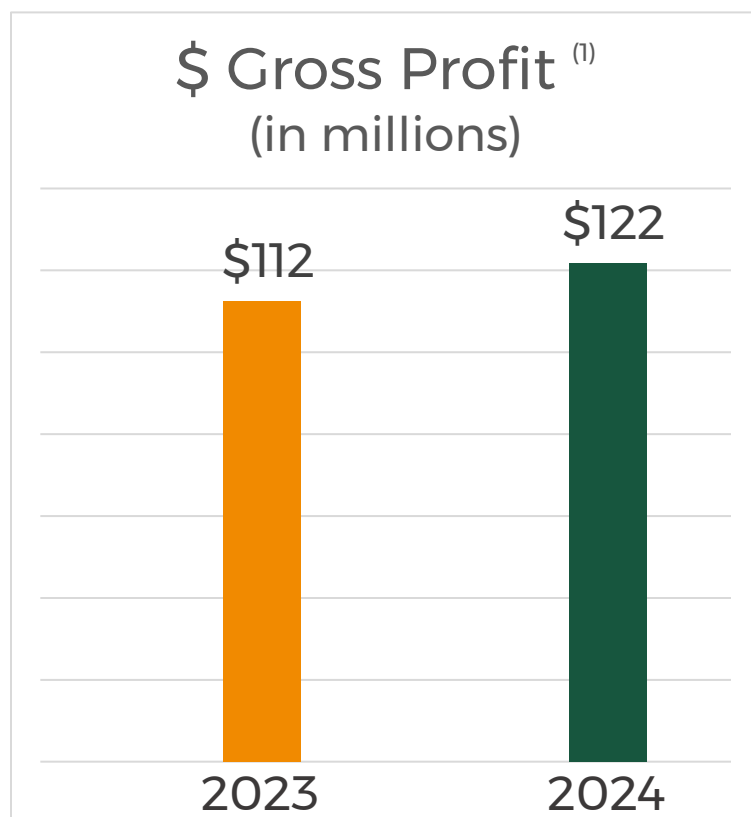
(1) Calculated by dividing sales for the period by the number of orders for the period.



2024

# GP<sup>(1)</sup>, NET EARNINGS AND EPS<sup>(2)</sup>

Cost inflation 2024 reflected in net earnings



(1) Non-IFRS Measure. See “Non-IFRS Financial Measures”.

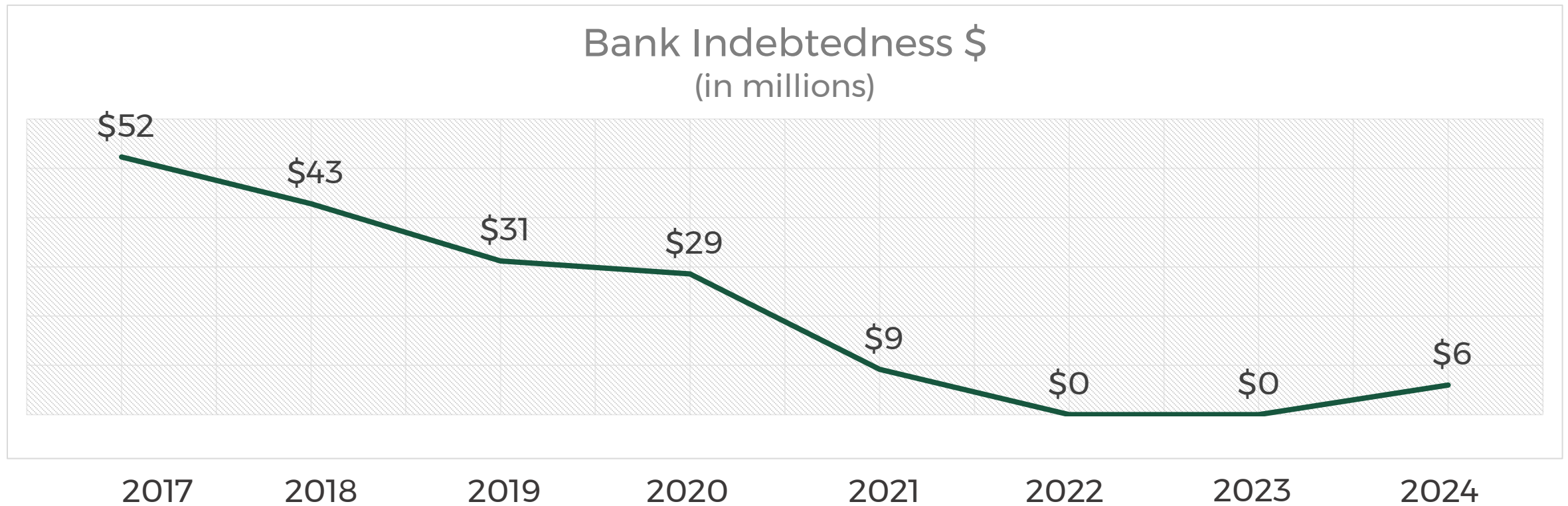
(2) EPS = Net Earnings per Share



8-YEAR COMPARATIVE

# BANK INDEBTEDNESS

U.S. operational asset acquisitions \$10M and working capital \$10M



2024

# SUMMARY OF YEAR-END OUTCOMES

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Preserved  
Strong  
Balance  
Sheet

Achieved  
**2.6 %** Net  
Return on  
Sales  
(goal 3%)

Launched  
several new  
product  
distribution  
lines

Successful  
Acquisitions  
of U.S. Assets

No Sales  
Growth  
Overall  
(goal 5%)

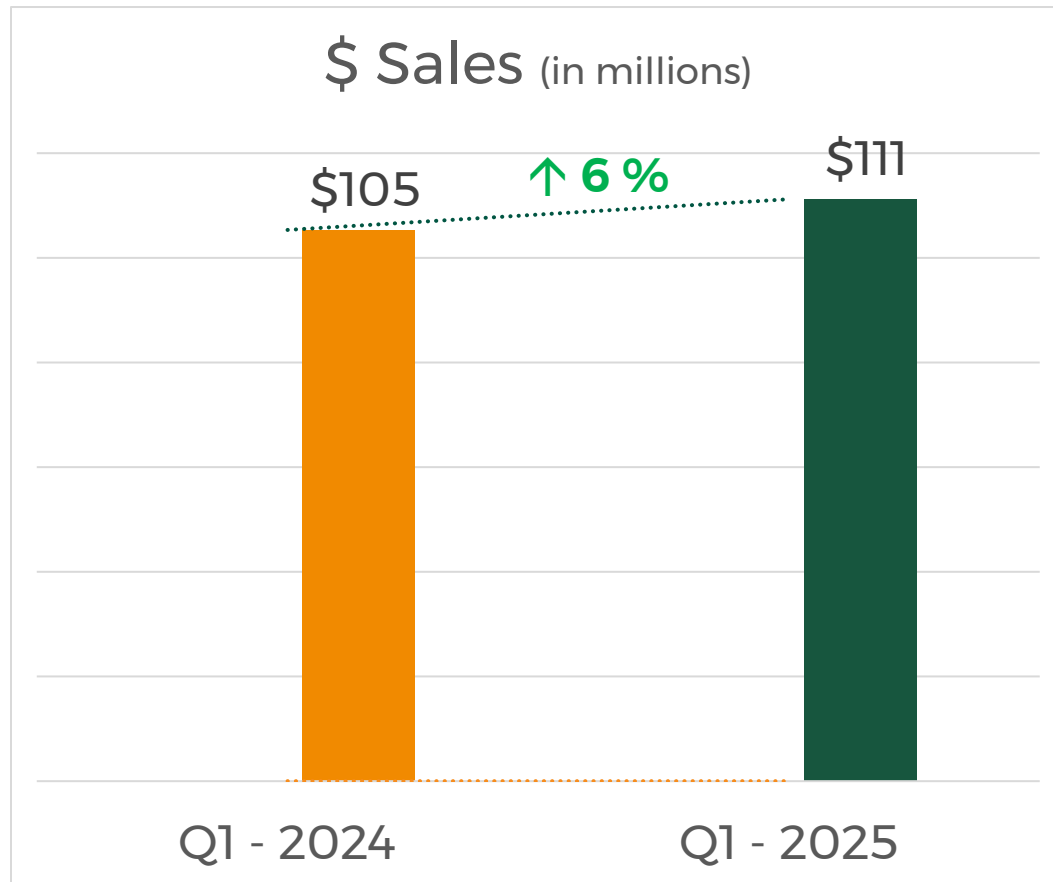


# Q1 – 2025 RESULTS



Q1 - 2025

# SALES



## By Region:

- **Canada +3 % :**
  - Quebec +5 %
  - Ontario -3 %
  - Atlantic +7 %
  - Western Canada +6 %
- **US +3 %**
- **Export +70 %**

## By Category:

- **Panels -3 %**
- **Lumber +9 %**
- **BMATS -8 %**
- **Flooring +11 %**

- Same number of transactions as last year, but Average Value per Transaction<sup>(1)</sup> ↑ 12 %
- Focus on core value-added lumber categories

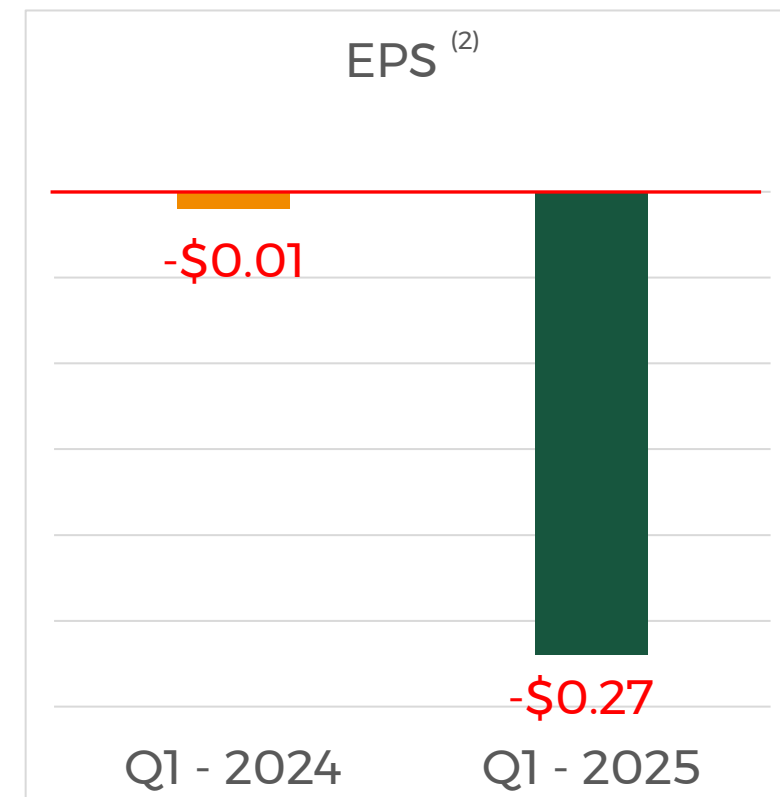
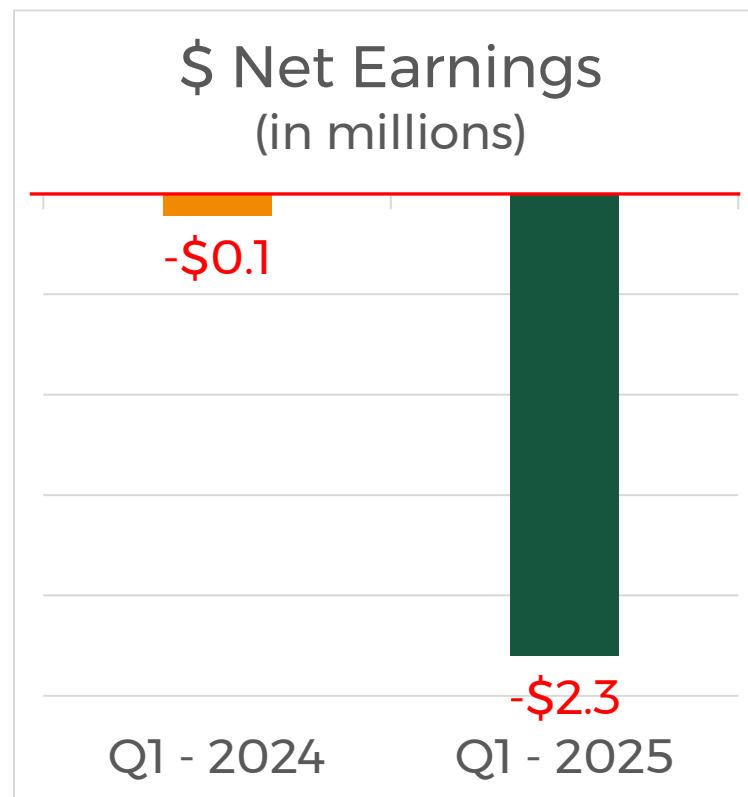
(1) Calculated by dividing sales for the period by the number of orders for the period.



Q1 - 2025

# GP<sup>(1)</sup>, NET EARNINGS AND EPS<sup>(2)</sup>

Accelerated 2025 inflation & start-up costs of asset additions



(1) Non-IFRS Measure. See "Non-IFRS Financial Measures".

(2) EPS = Net Earnings per Share

Q1 – 2025

# NET EARNINGS / LOSS CONTEXT



- Increased overhead
  - Leases, wages, energy and mechanization project expenses
- Integration costs of new U.S. assets
  - Start-up expenses, + 100 additional employees and facility upgrades
- Interest expense tied to increased inventory levels and U.S. asset acquisitions
- Additional CAN tariff effects on costs of logistics
- Negative exchange rate effects (inbound)
- New profitability threshold due to inflation



2025

# EXPECTED MARKET CONDITIONS



- Softening Q2 consumer seasonal demand
- Positive signs of new home construction in Q3 and Q4
- Uncertainty of industrial and government projects in Q3 and Q4
- Changing tariff conditions – U.S., Canada and International
- Domestic government incentives could boost economy





2025

# DRIVING STRATEGIC GROWTH

## Increase Top Line Sales

- Augment market share in Canada
- Grow sales in U.S.
- Expand exports, seek new international markets

## Strengthen Core Business

- Expand and develop new lines within existing distribution categories
- Increase custom-manufactured capabilities
- Enhance technical and engineering services
- Leverage J.I.T. service offering

## Enhance Operational Efficiency

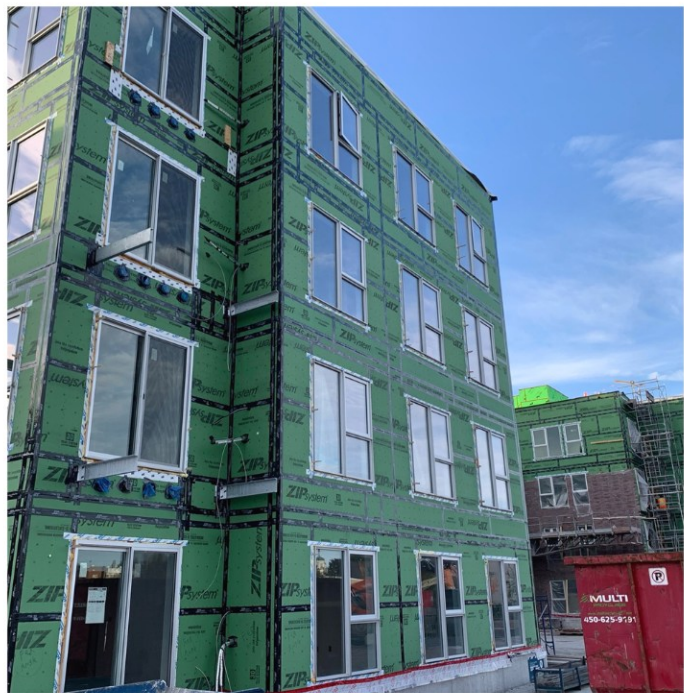
- Increase automated lumber handling
- Streamline distribution logistics
- Maximize production capacity of new U.S. assets
- Shorten lead times on industrial offering

# 2024 PROJECTS



PROJECTS

# GARDENIA



LACHINE, QC

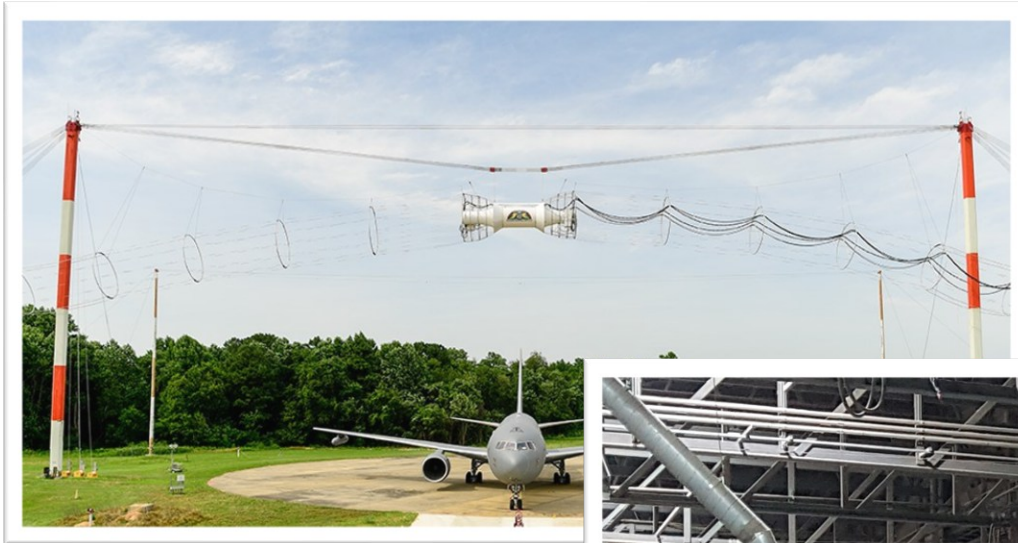
ZIP SYSTEM

GOODFELLOW 



## PROJECTS

# U.S. NAVY



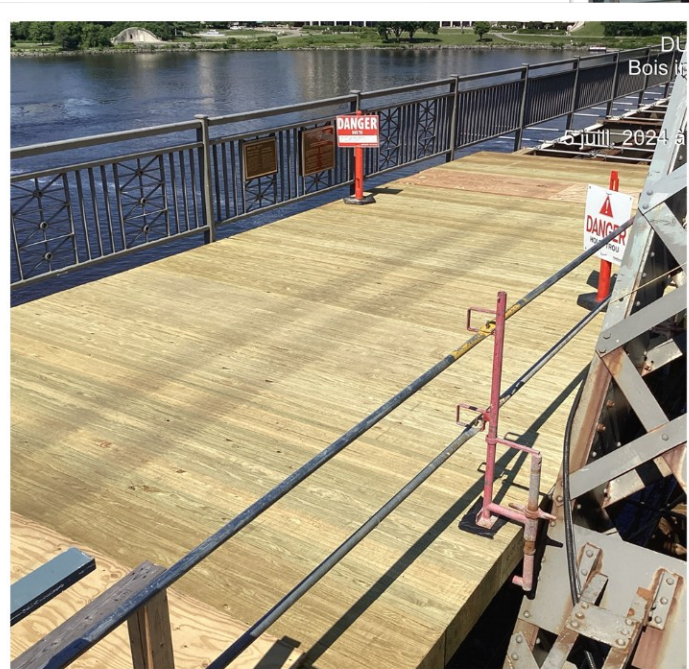
MARYLAND NAVAL – EMP TEST FACILITY

GLULAM



## PROJECTS

# ALEXANDRIA BRIDGE



OTTAWA, ON

CUSTOM TIMBERS

GOODFELLOW 



PROJECTS

# ESQUIMALT DOCKYARD JETTIES (DND)



VICTORIA, BC

CUSTOM TIMBERS





## PROJECTS

# GROS MORNE NATIONAL PARK VISITOR CENTRE



GROS MORNE, NL

GLULAM + LUMBER



PROJECTS

# ALPHONSE- NORMANDIN BRIDGE



ABITIBI-TEMISCAMINGUE, QC

GLULAM

GOODFELLOW 



## PROJECTS

# FARKAS OUTLET



PORTSMOUTH, NH

GLULAM





PROJECTS

# SPORTS CENTRE 2.0

MONTREAL-WEST, QC

GLULAM





PROJECTS

# FREDERICK HOUSE LAKE DAM (OPG)



TUNIS, ON

CUSTOM MANUF. LUMBER

GOODFELLOW 

QUESTION  
PERIOD