

NEWS RELEASE

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FOR IMMEDIATE RELEASE

GOODFELLOW REPORTS ITS RESULTS FOR THE THIRD QUARTER ENDED AUGUST 31, 2025

Delson, Quebec, October 14, 2025 — Goodfellow Inc. (TSX: GDL) (the “Company” or “Goodfellow”) announced today its financial results for the third quarter ended August 31, 2025.

For the three months ended August 31, 2025, the Company reported net earnings of \$3.7 million or \$0.45 per share compared to net earnings of \$5.8 million or \$0.68 per share a year ago. Consolidated sales were \$142 million compared to \$140 million last year.

For the nine months ended August 31, 2025, the Company reported net earnings of \$3.9 million or \$0.47 per share compared to net earnings of \$11 million or \$1.29 per share a year ago, while consolidated sales were \$406 million compared to \$385 million last year.

In the third quarter of 2025, Goodfellow navigated on-going varying economic conditions nationally by focusing on disciplined cost management, margin protection, and targeted growth opportunities in value-added products and specialty markets. These measures, combined with its diversified business model and customer-focused approach, resulted in higher turnover and sales.

The Board of Directors declared an eligible dividend of \$0.35 per share payable on November 11, 2025 to shareholders of record at the close of business on October 28, 2025. This dividend is designated as an eligible dividend under the Income Tax Act (Canada). The declaration, timing, amount and payment of future dividends remain at the discretion of the Board of Directors.

About Goodfellow

Goodfellow is a diversified manufacturer of value-added lumber products, as well as a wholesale distributor of building materials and floor coverings. With a distribution footprint from coast-to-coast in Canada and in the Northeastern U.S., Goodfellow effectively serves commercial and residential sectors through lumber yard retailer networks, manufacturers, industrial and infrastructure project partners, and floor covering specialists. Goodfellow also leverages its value-added product capabilities to serve lumber markets internationally. Goodfellow Inc. is a publicly traded company, and its shares are listed on the Toronto Stock Exchange under the symbol “GDL”.

GOODFELLOW INC.

Consolidated Statements of Comprehensive Income

For the three and nine months ended August 31, 2025 and 2024

(in thousands of dollars, except per share amounts)

Unaudited

	For the three months ended		For the nine months ended	
	August 31 2025	August 31 2024	August 31 2025	August 31 2024
	\$	\$	\$	\$
Sales	141,910	139,668	406,030	385,336
Expenses				
Cost of goods sold	106,690	105,280	312,594	294,025
Selling, administrative and general expenses	28,779	25,447	84,719	74,439
Net financial costs	1,242	955	3,240	1,662
	136,711	131,682	400,553	370,126
Earnings before income taxes	5,199	7,986	5,477	15,210
Income taxes	1,456	2,236	1,534	4,259
Total comprehensive income	3,743	5,750	3,943	10,951
Net earnings per share – Basic	0.45	0.68	0.47	1.29
Net earnings per share – Diluted	0.44	0.68	0.47	1.29

GOODFELLOW INC.
Consolidated Statements of Financial Position
(in thousands of dollars)
Unaudited

	As at August 31 2025	As at November 30 2024	As at August 31 2024
	\$	\$	\$
Assets			
Current Assets			
Cash	4,098	5,314	6,273
Trade and other receivables	64,632	56,601	73,775
Income taxes receivable	5,003	6,634	4,849
Inventories	148,403	131,284	131,853
Prepaid expenses	1,640	4,047	2,101
Total Current Assets	223,776	203,880	218,851
Non-Current Assets			
Property, plant and equipment	42,545	43,883	43,610
Intangible assets	483	896	1,044
Right-of-use assets	20,356	19,936	15,818
Defined benefit plan asset	21,385	21,925	15,325
Other assets	1,885	1,336	1,343
Total Non-Current Assets	86,654	87,976	77,140
Total Assets	310,430	291,856	295,991
Liabilities			
Current Liabilities			
Bank indebtedness	22,000	5,913	21,636
Trade and other payables	50,234	49,028	50,043
Provision	804	930	1,747
Current portion of lease liabilities	6,562	6,271	5,326
Total Current Liabilities	79,600	62,142	78,752
Non-Current Liabilities			
Lease liabilities	15,447	15,203	11,966
Deferred income taxes	8,303	8,303	4,112
Total Non-Current Liabilities	23,750	23,506	16,078
Total Liabilities	103,350	85,648	94,830
Shareholders' Equity			
Share capital	9,214	9,309	9,337
Retained earnings	197,866	196,899	191,824
	207,080	206,208	201,161
Total Liabilities and Shareholders' Equity	310,430	291,856	295,991

GOODFELLOW INC.
Consolidated Statements of Cash Flows
For the three and nine months ended August 31, 2025 and August 31, 2024
(in thousands of dollars)
Unaudited

	For the three months ended		For the nine months ended	
	August 31 2025	August 31 2024	August 31 2025	August 31 2024
	\$	\$	\$	\$
Operating Activities				
Net earnings	3,743	5,750	3,943	10,951
Adjustments for:				
Depreciation and amortization of:				
Property, plant and equipment	1,308	1,099	3,857	2,816
Intangible assets	147	148	438	443
Right-of-use assets	1,597	1,266	4,607	3,389
Gain on disposal of property, plant and equipment	(3)	(18)	(12)	(95)
Provision	16	(1,027)	(126)	(1,042)
Income taxes	1,456	2,236	1,534	4,259
Interest expense	610	519	1,442	894
Interest on lease liabilities	362	212	1,068	486
Funding in excess (deficit) of pension plan expense	169	(61)	540	22
Share-based compensation	89	-	89	-
Other	(4)	(19)	(185)	(11)
	9,490	10,105	17,195	22,112
Changes in non-cash working capital items	30,034	17,964	(21,600)	(38,912)
Interest paid	(979)	(706)	(2,447)	(1,413)
Income taxes recovered (paid)	107	201	97	(2,822)
	29,162	17,459	(23,950)	(43,147)
Net Cash Flows from Operating Activities	38,652	27,564	(6,755)	(21,035)
Financing Activities				
Net (decrease) increase in bank loans	-	(6,000)	2,000	-
Net (decrease) increase in CORRA loans	(35,000)	(3,000)	20,000	15,000
Payment of lease liabilities	(1,488)	(1,322)	(4,307)	(3,778)
Redemption of shares	(216)	(368)	(1,055)	(537)
Dividends paid	-	-	(2,105)	(4,256)
Net Cash Flows from Financing Activities	(36,704)	(10,690)	14,533	6,429
Investing Activities				
Acquisition of property, plant and equipment	(1,009)	(10,082)	(2,519)	(13,982)
Increase in intangible assets	(15)	-	(25)	-
Proceeds on disposal of property, plant and equipment	3	22	12	412
Other assets	9	(116)	(549)	(566)
Net Cash Flows from Investing Activities	(1,012)	(10,176)	(3,081)	(14,136)
Net cash (outflow) inflow	936	6,698	4,697	(28,742)
Cash position, beginning of period	3,162	(7,061)	(599)	28,379
Cash position, end of period	4,098	(363)	4,098	(363)
Cash position is comprised of				
Cash	4,098	6,273	4,098	6,273
Bank overdraft	-	(6,636)	-	(6,636)
	4,098	(363)	4,098	(363)

GOODFELLOW INC.
Consolidated Statements of Changes in Shareholders' Equity
For the nine months ended August 31, 2025 and August 31, 2024
(in thousands of dollars)
Unaudited

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance as at November 30, 2023	9,379	185,624	195,003
Net earnings	-	10,951	10,951
Total comprehensive income	-	10,951	10,951
Dividend	-	(4,256)	(4,256)
Redemption of Shares	(42)	(495)	(537)
Balance as at August 31, 2024	9,337	191,824	201,161
Balance as at November 30, 2024	9,309	196,899	206,208
Net earnings	-	3,943	3,943
Total comprehensive income	-	3,943	3,943
Dividend	-	(2,105)	(2,105)
Share-based compensation	-	89	89
Redemption of Shares	(95)	(960)	(1,055)
Balance as at August 31, 2025	9,214	197,866	207,080