GREENFIRST FOREST PRODUCTS INC.

Condensed Consolidated Interim Financial Statements

(In thousands of Canadian dollars unless otherwise stated)

For the Third Quarter and Three Quarters ended September 27, 2025

(Unaudited)

GREENFIRST FOREST PRODUCTS INC.

Condensed Consolidated Interim Statements of Financial Position (Unaudited)
(In thousands of Canadian Dollars)

As at	Note(s)	September 27, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents		**$ 3,487**	$ 27,756
Trade and other receivables	7	**19,602**	16,236
Inventory	8	**74,306**	70,388
Prepaid expenses and other current assets		**1,043**	2,569
		98,438	116,949
Non-current assets			
Property, plant and equipment		**90,856**	81,551
Timber licenses		**10,608**	10,830
Right of use assets		**6,052**	6,051
Investment	13	**1,429**	1,429
Pension plans in asset positions		**780**	2,252
Vendor take-back mortgage		**867**	1,404
Total assets		**$ 209,030**	$ 220,466
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$ 32,044**	$ 34,507
Other current liabilities		**13,585**	13,977
Lease liabilities, short-term		**1,477**	1,260
Long-term debt, current	9	**2,983**	2,816
		50,089	52,560
Non-current liabilities			
Long-term debt	9	**27,554**	10,888
Post-retirement obligations		**4,743**	4,708
Lease liabilities, long-term		**5,154**	5,174
Duties liability	10	**39,700**	—
Other long-term liabilities		**107**	1,520
Total liabilities		**127,347**	74,850
Shareholders' equity			
Share capital	11	**274,031**	273,991
Equity reserves		**14,430**	12,267
Accumulated other comprehensive loss		**(10,773)**	(10,693)
Accumulated deficit		**(196,005)**	(129,949)
Total shareholders' equity		**81,683**	145,616
Total liabilities and shareholders' equity		**$ 209,030**	$ 220,466

Note 2 - Going Concern

Note 17 - Subsequent Events

Approved and authorized by the Board of Directors on November 11, 2025:

"Paul Rivett"	**"William G. Harvey"**
Chairman	**Director**

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

GREENFIRST FOREST PRODUCTS INC.

Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss) (Unaudited)

(In thousands of Canadian Dollars, except per share amounts)

		Quarter ended		Three quarters ended	
		September 27,	September 28,	**September 27,**	September 28,
For the periods ended	**Note(s)**	**2025**	2024	**2025**	2024
Net sales	16	**$ 70,230**	$ 70,806	**$ 226,598**	$ 212,903
Cost of sales	8	**(75,578)**	(69,771)	**(217,751)**	(207,200)
Duties	10	**(42,730)**	14,992	**(56,718)**	8,069
Selling, general and administrative expenses	5	**(2,951)**	(3,542)	**(10,140)**	(9,320)
Other operating income (loss)		**124**	(423)	**(311)**	626
Operating income (loss)		**(50,905)**	12,062	**(58,322)**	5,078
Finance costs, net	6	**(6,543)**	1,924	**(7,780)**	(233)
Gain on sale of assets		**75**	—	**75**	554
Net income (loss), before income taxes		**(57,373)**	13,986	**(66,027)**	5,399
Deferred tax (expense) recovery		**(10)**	836	**(29)**	(382)
Net income (loss) from continuing operations		**(57,383)**	14,822	**(66,056)**	5,017
Net income (loss) from discontinued operations	4	**—**	(5,987)	**—**	(24,062)
Net income (loss)		**$ (57,383)**	$ 8,835	**$ (66,056)**	$ (19,045)
Other comprehensive income (loss)					
Items that will not be reclassified to earnings in future periods:					
Defined benefit pension plans adjustments, net of a tax recovery of $10 and $29 from continuing operations (2024 - net of tax recovery of $382 and expense of $834)		**(28)**	2,314	**(80)**	(1,062)
Comprehensive loss		**$ (57,411)**	$ 11,149	**$ (66,136)**	$ (20,107)
Basic earnings (loss) per share	11	**$ (2.54)**	$ 0.50	**$ (3.06)**	$ (1.07)
Basic earnings (loss) per share from continuing operations	11	**(2.54)**	0.83	**(3.06)**	0.28
Basic loss per share from discontinued operations	11	**—**	(0.34)	**—**	(1.36)
Diluted earnings (loss) per share	11	**(2.54)**	0.48	**(3.06)**	(1.07)
Diluted earnings (loss) per share from continuing operations	11	**(2.54)**	0.81	**(3.06)**	0.28
Diluted loss per share from discontinued operations	11	**—**	(0.33)	**—**	(1.35)

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

GREENFIRST FOREST PRODUCTS INC.

Condensed Consolidated Interim Statements of Cash Flow (Unaudited)
(In thousands of Canadian Dollars)

		Quarter ended		Three Quarters ended	
For the periods ended	**Note(s)**	**September 27, 2025**	September 28, 2024[1]	**September 27, 2025**	September 28, 2024[1]
Cash provided by (used in):					
Operating activities:					
Net income (loss)		**$ (57,383)**	$ 8,835	**$ (66,056)**	$ (19,045)
Adjustments for:					
Depreciation and amortization		**3,712**	4,286	**11,028**	12,434
Income taxes		**10**	(2,175)	**29**	382
Foreign exchange (gain) loss		**(124)**	540	**294**	(691)
Equity-based payments	12	**223**	320	**1,421**	727
Finance costs, net	6	**6,543**	(1,997)	**7,780**	160
Gain on settlement of pension assets		**—**	(824)	**—**	(824)
Gain on sale of assets		**(75)**	—	**(75)**	(554)
Inventory net realizable value adjustments		**8,166**	1,495	**8,575**	(174)
Duties expense (recovery)		**33,782**	(19,178)	**33,782**	(19,178)
Changes in non-cash working capital and other:					
Trade receivables and other receivables		**243**	1,067	**(3,366)**	669
Inventory		**853**	233	**(12,493)**	(7,098)
Accounts payable, accrued liabilities and other		**5,615**	7,510	**(769)**	9,401
Interest paid		**(420)**	(848)	**(1,089)**	(2,573)
Total cash provided by (used) in operating activities		**1,145**	(736)	**(20,939)**	(26,364)
Investing activities:					
Purchase of property, plant and equipment		**(7,370)**	(3,320)	**(18,861)**	(5,884)
Proceeds from sale of assets		**75**	—	**75**	506
Total cash (used in) investing activities		**(7,295)**	(3,320)	**(18,786)**	(5,378)
Financing activities:					
Net proceeds from revolving portion of credit facility	9	**6,500**	(200)	**19,000**	12,705
Proceeds from Equipment Term Loan	9	**—**	—	**—**	15,618
Repayment of Equipment Term Loan	9	**(746)**	(658)	**(2,128)**	(1,243)
Borrowings under Kap Term Loan	14	**—**	15,000	**—**	24,000
Repayment of revolving portion of the credit facility related to Kap Term Loan	14	**—**	(4,000)	**—**	(10,000)
Repayment of lease obligations		**(489)**	(269)	**(1,416)**	(748)
Total cash (used in) provided by financing activities		**5,265**	9,873	**15,456**	40,332
Increase (decrease) in cash and cash equivalents		**(885)**	5,817	**(24,269)**	8,590
Cash and cash equivalents, beginning of the period		**4,372**	5,198	**27,756**	2,425
Cash and cash equivalents, end of the period		**$ 3,487**	$ 11,015	**$ 3,487**	$ 11,015

[1] Please refer to Note 4 - Discontinued Operations for details related to the cash flow from discontinued operations.

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

GREENFIRST FOREST PRODUCTS INC.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Unaudited)
(In thousands of Canadian Dollars)

	Note(s)	Share Capital	Equity Reserves	Accumulated Other Comprehensive (Loss) Earnings	Accumulated Deficit	Total
Balance, January 1, 2025		**$ 273,991**	**$ 12,267**	**$ (10,693)**	**$ (129,949)**	**$ 145,616**
Net loss		—	—	—	(66,056)	(66,056)
Other comprehensive loss, net of tax		—	—	(80)	—	(80)
Shares issued on exercise of deferred share units		40	(40)	—	—	—
Equity-based payments		—	2,203	—	—	2,203
Balance, September 27, 2025		**$ 274,031**	**$ 14,430**	**$ (10,773)**	**$ (196,005)**	**$ 81,683**

	Note(s)	Share Capital	Equity Reserves	Accumulated Other Comprehensive (Loss) Earnings	Accumulated Deficit	Total
Balance, January 1, 2024		$ 254,728	$ 11,500	$ 1,661	$ (82,651)	$ 185,238
Net loss		—	—	—	(19,045)	(19,045)
Other comprehensive loss, net of tax		—	—	(1,062)	—	(1,062)
Equity-based payments		—	727	—	—	727
Balance, September 28, 2024		$ 254,728	$ 12,227	$ 599	$ (101,696)	$ 165,858

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

1. NATURE OF OPERATIONS

GreenFirst Forest Products Inc. ("GreenFirst", or the "Company") operates as a forest products business consisting of four operating sawmills located in Ontario. On July 2, 2024, GreenFirst announced its plan to spin-out Kap Corporation. Kap Corporation housed GreenFirst's paper mill operations until the spin-out. The spin-out was part of the natural progression of the decentralization and deconsolidation of the paper mill that was originally disclosed by GreenFirst in the fall of 2023. The spin-out of Kap Corporation was completed on November 4, 2024 and as a result the Company distributed the assets and liabilities associated with the Company's paper operations. The consolidated statements of income (loss) and comprehensive income (loss) and other relevant notes have been prepared to separately show the discontinued operations from the Company's continuing operations (Note 4).

The Company manufactures and markets a wide range of spruce-pine-fir ("SPF") lumber products for use in residential and commercial construction with by-products from production sold to pulp-producers.

The Company's head office and registered records office is 222 McIntyre St W Unit 200, North Bay, ON P1B 2Y8. The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the trading symbol "GFP".

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements ("Financial Statements") are prepared in accordance and in compliance with International Accounting Standards ("IAS 34"), *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB").

Our fiscal year is the calendar year ending December 31. The Company's fiscal quarters are the 13-week periods ending on the closest Saturday to the end of March, June, and September with the fourth quarter ending December 31. References to the third quarter ended September 27, 2025 relate to the 13-week period ended September 27, 2025 and references to the three quarters ended September 27, 2025 relate to the 39-week period ended September 27, 2025.

These Financial Statements were approved by the Company's Board of Directors ("Board") on November 11, 2025.

Basis of Presentation

These Financial Statements have been prepared under the historical cost basis, except for investments and cash settled DSUs which have been measured at fair value.

Going Concern

These Financial Statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and meet its obligations in the normal course of business as they become due.

For the third quarter and three quarters ended September 27, 2025, the Company reported a net loss from continuing operations of $57.4 million and $66.1 million, respectively. For the three quarters ended September 27, 2025, the Company reported cash used in operating activities of $20.9 million. As at September 27, 2025, the Company has working capital of $48.3 million including cash and cash equivalents of $3.5 million. In addition, as at September 27, 2025, the excess availability under the revolving portion of the credit facility was $30.4 million less $14.1 million of outstanding letters of credit.

The Company's ability to continue as a going concern is dependent on its ability to realize positive cash flows from operations. The ability to generate positive cash flows from operations is dependent on market prices for lumber, demand for the Company's products and/or increases in productivity resulting in higher volumes produced and lower costs. In addition, the Company is dependent on supply and demand factors related to the sale of its by-products in the region within which its sawmills are located. The financial viability of pulp and paper mills and their reliance on government assistance in the industry may reduce market demand for by-products, leading to lower market prices and possibly even sawmill closures and/or curtailments.

In addition, as a result of the amended duties and newly imposed tariffs on the Canadian softwood lumber market *(Note 17)*, the uncertainty and impacts of any such duties and tariffs related to generating positive cash flows from operations are unknown and indeterminable. The above are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

The Company has forecasted its cash flows over the next twelve months based on current lumber prices, duty rates, operating costs and production and sales volumes consistent with the past twelve months. Based on these forecasts, the Company believes that it has sufficient cash/working capital and available lines of credit to finance its operations for the next twelve months.

These Financial Statements do not include adjustments to the recoverability and classifications of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Basis of Consolidation

These Financial Statements include the accounts of the Company and the subsidiaries over which the Company exercises control. Control is achieved when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in these Financial Statements from when control commences until the date on which control ceases. The financial statements of the subsidiaries are prepared for the same reporting period and apply the same accounting policies as the Company. All transactions between consolidated entities are eliminated in the consolidation of these Financial Statements. Set out below is a list of subsidiaries of the Company:

Subsidiary	Jurisdiction	Direct or Indirect Ownership	Date of control and consolidation
2776034 Ontario Inc.	Ontario, Canada	100%	September 8, 2020
GreenFirst Forest Products (QC) Inc.	Quebec, Canada	100%	March 16, 2021
GreenFirst Forest Products (Ontario) Inc.	Ontario, Canada	100%	January 1, 2024

Use of Estimates and Judgments

The preparation of these Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosures at the date of these Financial Statements. It also requires management to exercise judgment in the process of applying accounting policies. Significant areas requiring estimation and judgment include: assessing the net realizable value of inventory based on estimated selling prices, costs of completion, applicable duties, transportation costs and disposal costs; recoverability of trade and other receivables; estimated useful lives of property, plant and equipment; recoverability of long-lived assets; and employee future benefits. Actual amounts could differ materially from these and other estimates, the impact of which would be recorded in future periods.

(In thousands of Canadian dollars unless otherwise stated)

Functional and Presentation Currency

These Financial Statements are presented in Canadian dollars, which is the Company's functional currency.

3. MATERIAL ACCOUNTING POLICIES AND ESTIMATES

These Financial Statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the IASB. The Financial Statements follow the same accounting policies as described in the consolidated financial statements for the year ended December 31, 2024.

New Accounting Pronouncements Adopted in 2025

We did not adopt any accounting pronouncements or amendments this period.

Recent Accounting Pronouncements Not Yet Adopted

Certain IASB pronouncements have been issued but are not mandatory for the current period and have not been early adopted. The standards applicable to the Company are not expected to have a material impact to these Financial Statements.

4. DISCONTINUED OPERATIONS

Kap Corporation

On November 4, 2024, the Company completed its spin-out transaction of its paper operations as the next step of its decentralization plan announced earlier in the year. As a result of the spin-out, the Company distributed the assets and liabilities associated with the Company's paper operations to Kap Paper Inc., a wholly owned subsidiary of Kap Corporation, at book value through an equity distribution. The Company closed the Plan of Arrangement that resulted in the distribution of the outstanding shares of Kap Corporation to the Company's shareholders on the basis of one common share of Kap Corporation for each ten common shares (post-consolidation) of the Company. The fair market value of these shares was equal to the equity distribution from the Company's share capital for the assets and liabilities distributed to the shareholders of Kap Corporation on November 4, 2024.

The comparative consolidated statement of income (loss) and comprehensive income (loss) along with all other relevant notes have been prepared to separately show the discontinued operations from the Company's continuing operations.

		November 4, 2024
Assets distributed to Kap Paper Inc	**$**	**61,682**
Liabilities distributed to Kap Paper Inc		**(55,427)**
Accumulated other comprehensive income distributed to Kap Paper Inc		**(1,104)**
Equity disbursements to Kap Paper Inc Spin-off		**(5,151)**
Loss on spin-off recorded in net loss from discontinued operations	**$**	**—**

Transactions related costs	**224**

(In thousands of Canadian dollars unless otherwise stated)

Transaction related costs amounting to $0.2 million was incurred by the Company in continuing operations and have been included in the equity disbursement to Kap Paper Inc as part of the spin-off during the year ended December 31, 2024.

	Quarter ended	Three quarters ended
For the periods ended	September 28, 2024	September 28, 2024
Net sales	$ 26,771	$ 79,054
Cost of sales	(33,575)	(101,552)
Selling, general and administrative expenses	(479)	(1,709)
Other operating income (expense)	(116)	72
Operating loss	(7,399)	(24,135)
Finance costs, net	73	73
Net loss from discontinued operations, before income taxes	(7,326)	(24,062)
Deferred tax recovery	1,339	—
Net loss from discontinued operations	$ (5,987)	$ (24,062)

	Quarter ended	Three quarters ended
For the periods ended	September 28, 2024	September 28, 2024
Total cash (used in) operating activities	(6,445)	$ (18,948)
Total cash (used in) investing activities	(317)	(586)
Total cash provided by financing activities	15,000	30,142

Chip sales to Kap Paper Inc

The Company sells a portion of its by-products to Kap Paper Inc. as a key input in its operations. These chip sales have previously, been recorded as intercompany chip transfers and eliminated on consolidation for the purposes of preparing the group financial statements. Since Kap Paper Inc. is an external third-party customer to the Company post spin-out, the consolidated statement of income (loss) and comprehensive income (loss) including other relevant financial statement notes have been revised to include chip sales to Kap Paper Inc. as external chip sales with the recognition of its associated cost of sales. The revenue associated with these transactions for the third quarter and three quarters ended September 27, 2025 was $2.0 million and $8.4 million respectively (September 28, 2024 - $3.6 million and $10.5 million respectively).

Transition Services Agreement (“TSA”)

There are certain overhead costs allocated to or from for the Company such as employee salaries, electricity usage and other overhead costs which are determined by the TSA agreement entered into with the Kap Paper Inc. In addition, the Company has a contractual agreement, whereby it leases land, buildings and services from Kap Paper Inc.

(In thousands of Canadian dollars unless otherwise stated)

5. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

For the third quarter ended		September 27, 2025		September 28, 2024
Salaries and benefits	**$**	**838**	$	1,768
Third party fees and other services		**594**		1,204
Administration, office and facility costs		**1,519**		570
Total selling, general and administrative expenses	**$**	**2,951**	$	3,542

For the three quarters ended		September 27, 2025		September 28, 2024
Salaries and benefits	**$**	**3,362**	$	1,976
Third party fees and other services		**3,269**		4,773
Administration, office and facility costs		**3,509**		2,571
Total selling, general and administrative expenses	**$**	**10,140**	$	9,320

6. FINANCE COSTS, NET

For the third quarter ended		September 27, 2025		September 28, 2024
Interest on revolving portion of the credit facility	**$**	**197**	$	579
Interest on Equipment Term Loan		**232**		285
Amortization of capitalized financing fees (Note 9)		**2**		32
Interest (income)/expense on duties deposits/liability		**5,918**		(3,103)
Accretion expense for lease liabilities		**94**		21
Accretion expense related to Rayonier Credit Note		**39**		65
Interest income		**(49)**		(76)
Net interest expense (income) on pension plans and post-retirement obligations		**34**		(160)
Bank charges and other		**76**		433
Finance costs, net	**$**	**6,543**	$	(1,924)

For the three quarters ended		September 27, 2025		September 28, 2024
Interest on revolving portion of the credit facility	**$**	**417**	$	1,930
Interest on Equipment Term Loan		**738**		550
Amortization of capitalized financing fees (Note 9)		**4**		130
Interest (income)/expense on duties deposits/liability		**5,918**		(3,466)
Accretion expense for lease liabilities		**289**		62
Accretion expense related to Rayonier Credit Note		**154**		259
Interest income		**(297)**		(175)
Net interest expense (income) on pension plans and post-retirement obligations		**103**		(482)
Bank charges and other		**454**		1,425
Finance costs, net	**$**	**7,780**	$	233

(In thousands of Canadian dollars unless otherwise stated)

7. TRADE AND OTHER RECEIVABLES

As at	September 27, 2025	December 31, 2024
Accounts receivable, trade	$ 11,660	$ 7,327
Value added tax receivable	1,591	2,540
Accounts receivable, other	6,509	6,527
Allowance for expected credit losses	(158)	(158)
Total trade and other receivables	**$ 19,602**	$ 16,236

8. INVENTORY

As at	September 27, 2025	December 31, 2024
Finished goods	**$ 29,470**	$ 26,938
Work-in-process	**18,988**	16,574
Raw materials	**24,575**	25,617
Manufacturing and maintenance supplies	**1,273**	1,259
Total inventory	**$ 74,306**	**$** 70,388

As at September 27, 2025, the Company recorded an inventory valuation reserve of $8.6 million (December 31, 2024 - $0.02 million) to reflect net realizable value being lower than cost. This is recorded in cost of sales in the condensed consolidated interim statement of income (loss) and comprehensive income (loss).

9. LONG-TERM DEBT

GFP Credit Facility

The Company's credit facility for as at September 27, 2025 is as follows:

Continuity of credit facility	
Balance, January 1, 2025	$ 13,704
Net proceeds from revolving portion of credit facility	19,000
Unamortized deferred financing charges on Credit Facility	(39)
Repayment of Equipment Term Loan	(2,128)
Carrying value of credit facility, September 27, 2025	**30,537**
Less: current portion of Credit Facility	(2,983)
Long-term portion of Credit Facility	**$ 27,554**

Contractual minimum principal repayments related to the credit facility are due as follows:

Less than 1 year	$ 2,983
1 - 3 years	25,624
Thereafter	1,930
Total	$ **30,537**

During the third quarter and three quarters ended September 27, 2025, the Company made a net drawdowns of $6.5 million and $19.0 million respectively, on the revolving portion of the credit facility. As at September 27, 2025, the Company has $11.6 million drawn down under the equipment financing portion of the credit facility in the form of a term loan. The Equipment Term Loan has a 60-month term, with monthly amortizing repayments that include both principal and interest. The borrowing is based on select strategic capital expenditure projects and value of existing equipment.

The Company remains subject to a maximum annual capital expenditure amount relative to budget, as these terms are defined in the Credit Agreement. The Company can draw down on the facility based on a prescribed percentage of accounts receivable and its inventory carrying value, less reserves. As at September 27, 2025, the Company is in compliance with all covenants under the credit facility.

Under the amended and restated credit agreement, the Company's maximum borrowing capacity under the revolving portion of the credit facility is $60.0 million (December 31, 2024 - $60.0 million) and equipment financing portion of $25.0 million (December 31, 2024 - $25.0 million).

During the third quarter and three quarters ended September 27, 2025, $2 thousand and $4 thousand respectively, (September 28, 2024 - $32 thousand and $130 thousand respectively) of deferred financing costs were amortized relating to the credit facility.

At September 27, 2025, there were $14.1 million (December 31, 2024 - $8.3 million) of outstanding standby letters of credit issued, which reduces the amounts available to draw under the credit facility. Additionally, as at September 27, 2025, the Company also had $6.6 million (December 31, 2024 - $5.4 million) of outstanding standby letters of credit issued backstopped by another third party, thereby not impacting the amounts available to draw under the credit facility. The Company had $3.9 million of letter of credit as at September 27, 2025 issued to Kap Paper Inc. as the applicant was issued and guaranteed (December 31, 2024 - $5.0 million) by a financial institution for which the Company has indemnified the financial institution.

10. U.S. COUNTERVAILING ("CVD") AND ANTI-DUMPING DUTY ("ADD") DEPOSIT

In late 2016, a petition was filed by the U.S. Lumber Coalition and other petitioners seeking CVD and ADD on Canadian softwood lumber imports to the U.S. On January 6, 2017, a preliminary determination was announced by the U.S. International Trade Commission ("ITC") that there was reasonable indication that the U.S. industry is materially injured by imports of softwood lumber products from Canada and the U.S. Department of Commerce ("DOC") imposed duties on Canadian shipments of softwood lumber into the U.S.

The initial duty deposit rate, totaling 20.23%, was imposed upon the Company's acquisition of its sawmill assets on August 28, 2021.

The following table summarizes the cash deposit rates that were in effect along with the preliminary and final revised rates by period:

(In thousands of Canadian dollars unless otherwise stated)

Effective dates for combined CVD and ADD	Cash deposit rates in effect	Final Rate
Fourth administrative review		
August 28, 2021 - December 31, 2021	20.23 %	8.05 %
Fifth administrative review		
January 1, 2022 - December 31, 2022	20.23 %	14.40 %
Sixth administrative review		
January 1, 2023 - August 1, 2023	20.23 %	35.16 %
August 2, 2023 - December 31, 2023	8.05 %	35.16 %
Seventh administrative review		
January 1, 2024 - August 18, 2024	8.05 %	Pending
August 19, 2024 - September 18, 2024	14.54 %	Pending
September 19, 2024 - December 31, 2024	14.40 %	Pending
Eighth administrative review		
January 1, 2025 - July 28, 2025	14.40 %	Pending
July 29, 2025 - August 11, 2025	27.30 %	Pending
August 12, 2025 - September 7, 2025	35.19 %	Pending
September 8, 2025 - September 27, 2025	35.16 %	Pending

Each Period of Inquiry ("POI") is subject to independent administrative review by the US DOC, and the results of each POI may not be offset but the results within a POI in respect of ADD and CVD may be offset.

For accounting purposes, a net duty deposit receivable/liability is recorded reflecting differences between the cash deposit rates and the Company's combined accrual rates for each period of review, plus accrued interest receivable/payable.

On August 8, 2025, the US DOC's Final Determination of its Sixth Administrative Review ("AR6") with respect to imports of softwood lumber products from Canada for 2023 assessed a duty rate higher than what the Company was assessed in 2023. Based on this final rate, calculated to be 35.16%, the Company recorded a duty expense of $33.8 million (US$24.6 million), plus accrued interest of $5.9 million (US$4.3 million) during the third quarter and three quarters ended September 27, 2025. The total duties liability as at September 27, 2025 was $39.7 million (December 31, 2024 – nil). Cash deposits are paid at the most recent final ADD and CVD duty rates. Amounts paid to date remain held in trust by the US DOC. The Company has filed a continued suspension of liquidation of entries subject to the rates established in the final results of AR6. The duties liability is represented as follows:

Duties liability		
Balance, December 31, 2024	$	—
Export duties related to AR6 recognized as duties liability		33,782
Interest expense related to AR 6 recognized on duties liability		5,918
Balance, September 27, 2025	**$**	**39,700**

Notwithstanding the deposit rates assigned under the investigations, our final liability for CVD and ADD will not be determined until each annual administrative review process is complete and related appeals processes are concluded.

The Company will continue to reassess the duties receivable/liability estimate at each quarter-end applying the US DOC's methodology to updated sales and cost data as this becomes available. Quarterly

(In thousands of Canadian dollars unless otherwise stated)

revisions to the duties deposit rate may result in a material adjustment to the consolidated statement of income (loss) and comprehensive income (loss) while the Administrative Reviews are taking place. Changes to the US DOC's existing countervailing duties and anti-dumping duties rates during the course of each administrative review may also result in material adjustments to the consolidated statement of income (loss) and comprehensive income (loss).

The following table summarizes the impact of duties, net in the statement of income (loss) and comprehensive income (loss):

For the third quarter ended		**September 27, 2025**		September 28, 2024
Duties, cash deposits	**$**	**(8,948)**	$	(4,186)
Duties expense attributed to AR6		**(33,782)**		—
Duties recovery attributed to AR5		**—**		19,178
Duties	**$**	**(42,730)**	$	14,992

For the three quarters ended		**September 27, 2025**		September 28, 2024
Duties, cash deposits	**$**	**(22,936)**	$	(11,109)
Duties expense attributed to AR6		**(33,782)**		—
Duties recovery attributed to AR5		**—**		19,178
Duties	**$**	**(56,718)**	$	8,069

Sales of 2021 & 2022 Duties Deposit

On December 16, 2024 the Company entered into a strategic agreement with Mahogany Investors, LLC regarding the sale of its entitlements for refunds of cash duty deposits, including accrued interest, related to duties imposed on softwood lumber exported from Canada to the United States during the specified period of 2021 and 2022.

The agreed sale price for these entitlements was US$17.4 million ($24.8 million CAD), with the potential for additional proceeds based on the timing and resolution of the ongoing trade dispute. The Company had a nil balance for duty receivable/liability as at December 31, 2024.

11. SHAREHOLDERS' EQUITY

Share Capital

Authorized

- Unlimited number of common voting shares with no par value.
- 100,000,000 preferred shares with no par value, none of which are outstanding for the reporting periods presented.

(In thousands of Canadian dollars unless otherwise stated)

Issued and outstanding

Changes to common shares and share capital issued and outstanding are as follows:

	Number of Common Shares	Amount
Balance, December 31, 2024	22,602,750	273,991
Shares issued in relation to warrant exercises	4,162	40
Balance, September 27, 2025	**22,606,912**	**274,031**

Warrants

Changes in outstanding common share purchase warrants were as follows:

	Number of Warrants	Weighted Average Exercise Price[(1)]	Carrying Amount in reserves
Balance, December 31, 2024	3,175,262	$ 16.23	$ 9,132
Balance, September 27, 2025	**3,175,262**	**$ 16.23**	**$ 9,132**

(1) In dollars per common share.

As at September 27, 2025 the Company had 1,606,012 warrants expiring on October 22, 2025 and 1,569,250 expiring on July 30, 2026. Refer to the Subsequent Events *(Note 17)* for further details regarding exercises after the reporting period.

Earnings (Loss) Per Share

For the third quarter ended	September 27, 2025	September 28, 2024
Net income (loss)	**$ (57,383)**	$ 8,835
Net income (loss) from continuing operations	**$ (57,383)**	$ 14,822
Net loss from discontinued operations	**$ —**	$ (5,987)
Basic weighted average number of common shares outstanding	**22,606,912**	17,757,227
Basic earnings (loss) per share	**$ (2.54)**	$ 0.50
Basic earnings (loss) per share from continuing operations	**$ (2.54)**	$ 0.83
Basic loss per share from discontinued operations	**$ —**	$ (0.34)

(In thousands of Canadian dollars unless otherwise stated)

For the third quarter ended		**September 27, 2025**		September 28, 2024
Net income (loss)	**$**	**(57,383)**	$	8,835
Net income (loss) from continuing operations	**$**	**(57,383)**	$	14,822
Net loss from discontinued operations	**$**	**—**	$	(5,987)
Basic weighted average number of common shares outstanding		**22,606,912**		17,757,227
Dilutive effect of exercisable warrants outstanding		**—**		606,543
Diluted weighted average number of common shares outstanding		**22,606,912**		18,363,771
Diluted earnings (loss) per share	**$**	**(2.54)**	$	0.48
Diluted earnings (loss) per share from continuing operations	**$**	**(2.54)**	$	0.81
Diluted loss per share from discontinued operations	**$**	**—**	$	(0.33)

For the three quarters ended		**September 27, 2025**		September 28, 2024
Net loss	**$**	**(66,056)**	$	(19,045)
Net income (loss) from continuing operations	**$**	**(66,056)**	$	5,017
Net loss from discontinued operations	**$**	**—**	$	(24,062)
Basic weighted average number of common shares outstanding		**21,615,204**		17,757,227
Basic loss per share	**$**	**(3.06)**	$	(1.07)
Basic loss per share from continuing operations	**$**	**(3.06)**	$	0.28
Basic loss per share from discontinued operations	**$**	**—**	$	(1.36)

For the three quarters ended		**September 27, 2025**		September 28, 2024
Net loss	**$**	**(66,056)**	$	(19,045)
Net income (loss) from continuing operations	**$**	**(66,056)**	$	5,017
Net loss from discontinued operations	**$**	**—**	$	(24,062)
Basic weighted average number of common shares outstanding		**21,615,204**		17,757,227
Diluted weighted average number of common shares outstanding		**21,615,204**		17,757,227
Diluted loss per share	**$**	**(3.06)**	$	(1.07)
Diluted earnings (loss) per share from continuing operations	**$**	**(3.06)**	$	0.28
Diluted loss per share from discontinued operations	**$**	**—**	$	(1.35)

(1) Certain prior period amounts have been restated as a result of a change in presentation for continuing and discontinued operations under IFRS. Please refer to Note 4 - Discontinued Operations

As at September 27, 2025, 403,298 stock options (September 28, 2024 - 451,647), granted by the Company were either not vested or not in-the-money and therefore non-exercisable (Note 12).

There were no shareholder dividends declared during the third quarter and three quarters ended September 27, 2025 and September 28, 2024.

12. EQUITY-BASED COMPENSATION

Omnibus Equity Incentive Plan

(In thousands of Canadian dollars unless otherwise stated)

In 2021, the Company established the 2021 Omnibus Equity Incentive Plan ("Omnibus Plan") for directors, officers, employees and contractors. Under the Omnibus Plan, the Company may grant stock options, Restricted Share Units ("RSUs"), Performance Share Units ("PSUs"), Deferred Share Units ("DSUs") and Dividend-Equivalent Rights. The maximum number of common shares which can be reserved for issuance under the Plan is 10% of the prevailing issued and outstanding shares of the Company. The Omnibus Plan was amended and restated in 2024.

Stock Options
During the third quarter and three quarters ended September 27, 2025 the Company granted nil stock options, under the Omnibus Plan (September 28, 2024 - nil). During the third quarter and three quarters ended September 27, 2025 the Company forfeited/expired nil stock options, due to terminations/ expirations under the Omnibus Plan (September 28, 2024 - nil and 100,000 respectively,). As at September 27, 2025, 403,298 stock options to directors, officers, employees and contractors were outstanding (September 28, 2024 - 451,647), of which 266,884 stock options were vested and exercisable (September 28, 2024 - 181,779).

	Number of Options		Weighted Average Exercise Price[(1)]	Years Before Expiration
Outstanding, December 31, 2024	403,298	$	16.81	2.38
Outstanding, September 27, 2025	**403,298**	**$**	**16.81**	**1.64**

(1) In dollars per option.

The Company recorded an expense related to the stock options outstanding under the Omnibus Plan for the third quarter and three quarters ended September 27, 2025 of $0.1 million and $0.2 million, respectively (September 28, 2024 - $0.1 million and $0.2 million).

Restricted Share Units
During the third quarter and three quarters ended September 27, 2025, the Company granted 36,496 and 85,766 RSUs, respectively (September 28, 2024 - 21,277 and 21,277). The RSUs granted in the third quarter ended September 27, 2025 were the granted at a share price of $2.74. During the third quarter and three quarters ended September 27, 2025, the Company recorded an expense of $0.1 million and $0.3 million, respectively (September 28, 2024 - $0.2 million and $0.6 million) related to the RSUs outstanding under the Omnibus Plan.

The RSUs are valued based on the fair market value of the Company's common shares at the date of grant, and the fair value of the awards is expensed over the vesting period.

As at September 27, 2025, the Company had 204,130 RSUs outstanding (September 28, 2024 - 118,364 RSUs) and as at September 27, 2025 48,544 RSUs had vested (September 28, 2024 – nil).

Deferred Share Units (Equity-settled)
During the third quarter and three quarters ended September 27, 2025, the Company granted 39,579 and 248,914 DSU, respectively (September 28, 2024 - 36,087 and 72,330 DSUs).The DSUs granted in the third quarter ended September 27, 2025 were the granted at a share price of $3.66. During the third quarter and three quarters ended September 27, 2025, the Company recorded an expense of $0.1 million and $1.8 million, respectively (September 28, 2024 - nil and nil) related to the issuance of equity-settled DSUs under the Omnibus Plan. The DSUs are valued based on the fair market value of the Company's common shares at the date of grant, and the fair value of the awards is expensed immediately.

As at September 27, 2025, the Company had 350,523 equity-settled DSUs outstanding (December 31, 2024 - 105,771 DSUs).

(In thousands of Canadian dollars unless otherwise stated)

Deferred Share Units (Cash-settled)
During the third quarter and three quarters ended September 27, 2025, the Company granted nil and nil DSUs, (September 28, 2024 - nil and nil DSUs). During the third quarter and three quarters ended September 27, 2025, the Company recorded a recovery of $0.1 million and 0.7 million, respectively (September 28, 2024 - expense of $0.8 million and expense of $0.4 million) related to the change in the DSUs liability under the Omnibus Plan.

As at September 27, 2025, the Company had 79,421 liability-settled DSUs outstanding (December 31, 2024 - 185,197 DSUs). As at September 27, 2025, the liability related to DSUs is $0.2 million (December 31, 2024 - $1.0 million).

Performance Share Units (Equity-settled)
During the third quarter and three quarters ended September 27, 2025, the Company granted nil and 39,538 PSUs which are equity-settled (September 28, 2024 - nil and nil PSUs). During the third quarter and three quarters ended September 27, 2025, the Company recorded an expense of $14 thousand and $14 thousand, respectively (September 28, 2024 - nil and nil). The PSUs are expensed over their applicable vesting period.

As at September 27, 2025, the Company had 39,538 PSUs outstanding (September 28, 2024 - nil PSUs) and as at September 27, 2025 nil PSUs had vested (September 28, 2024 – nil PSUs).

13. RELATED PARTY TRANSACTIONS

Investment in Boreal Carbon Corporation

On November 30, 2021, the Company purchased 1,428,571 common shares in Boreal Carbon Corporation ("Boreal") for $0.5 million which is currently fair valued at $1.4 million. Boreal is an entity focused on acquiring and managing forestry projects in North America to generate carbon credits. The Chairman of GreenFirst is a member of the Boreal board. (*Note 14).*

There was no change in the investment carrying value during the third quarter and three quarters ended September 27, 2025 (September 28, 2024 - nil). This investment is accounted for at fair value with changes in fair value recorded in net income (loss).

Management Services Agreements

Certain directors of the Company, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies. Some of these companies transacted with the Company during the third quarter and three quarters ended September 27, 2025 and September 28, 2024. Following are the aggregate values of such transactions:

For the third quarter ended	**September 27, 2025[1]**	September 28, 2024[1]
Fees incurred for services – officers and companies controlled by officers	**168**	337

For the three quarters ended	**September 27, 2025[1]**	September 28, 2024[1]
Fees incurred for services – officers and companies controlled by officers	**342**	1,513

[1] Includes fees for management services, administrative support, and reimbursement of expenses.

(In thousands of Canadian dollars unless otherwise stated)

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 27, 2025, the Company's financial instruments categorization and values are as follows:

	Category
Cash and cash equivalents	Amortized cost
Trade and other receivables	Amortized cost
Long-term debt, current	Amortized cost
Long-term debt	Amortized cost
Vendor-takeback mortgage	Amortized cost
Other current liabilities, related to cash-settled DSU liability	Fair Value
Investment	Fair value

The Company has classified its investment in Boreal as fair value through profit and loss. The Company uses Level 3 inputs to assess the fair value of the investment at the reporting date as there is no public information available regarding the value of Boreal's common shares.

The Company's financial instruments expose the Company to credit, liquidity and market risk.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash deposits and receivables from customers.

The Company's maximum exposure to credit risk attributable to cash deposits as at September 27, 2025 is $3.5 million (December 31, 2024 - $27.8 million). The Company holds these deposits with a Canadian Schedule 1 financial institution.

The Company's exposure to credit risk with respect to accounts receivable is dependent upon individual characteristics of each customer. Each new customer is assessed for creditworthiness before payment and delivery terms and conditions are offered, with such review encompassing external ratings, and bank and other references. Purchase limits are established for each customer and are regularly reviewed. The Company does not require specific credit guarantees for its customers and mitigates the risk of potential losses through the active monitoring of its receivables, considering past experience with its customer base, current economic conditions and any known specific customer issues.

The Company regularly reviews the collectability of its accounts receivable and establishes an allowance for expected credit losses based on its best estimate of expected credit losses. At September 27, 2025, a $0.2 million (December 31, 2024 - $0.2 million) allowance for expected credit losses was recorded.

The carrying amount of accounts receivable, excluding value added tax, of $18.0 million, represents the maximum credit exposure for its accounts receivables as at September 27, 2025 (December 31, 2024 - $13.7 million).

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity to fulfill its obligations when due and monitors cash flow requirements daily and projections weekly.

The Company can draw down on the revolving portion of the credit facility based on a prescribed percentage of accounts receivable and its inventory carrying value, less reserves. The facility matures on

September 23, 2028. Drawings under the equipment financing portion are either project specific or based on a prescribed percentage of appraised equipment value.

The Company had drawn down $19.0 million on the revolving portion of the credit facility at September 27, 2025 (December 31, 2024 - nil). Additionally, the Company had excess liquidity of $30.4 million (December 31, 2024 - $39.3 million) less open letters of credit of $14.1 million (December 31, 2024 - $8.3 million) backed by the credit facility. Additionally, as at September 27, 2025, the Company also had $6.6 million (December 31, 2024 - $5.4 million) of outstanding standby letter of credit issued backstopped by another third party, thereby not impacting the amounts available to draw under the credit facility. The Company had $3.9 million of letter of credit as at September 27, 2025 issued to Kap Paper Inc. as the applicant was issued and guaranteed (December 31, 2024 - $5.0 million) by a financial institution for which the Company has indemnified the financial institution. The Company also had $11.6 million drawn against the equipment financing portion of the credit facility at September 27, 2025 (December 31, 2024 - $13.7 million) with an additional $13.4 million (December 31, 2024 - $11.3 million) available to draw down.

The Company also had surety bonds of $3.6 million outstanding as of September 27, 2025. These bonds are in support of the Ontario Ministry of the Environment for access to certain waste disposal sites both GreenFirst and Kap Paper Inc. as the applicant for which the Company has agreed to indemnify, respectively.

Market Risk

The Company is exposed to market risk primarily through changes in commodity prices, interest rates and the US dollar to Canadian dollar exchange rate.

Commodity Prices

The Company's products are commodities that are widely available from other producers; because these products have few distinguishing qualities from producer to producer, competition is based primarily on price, which is determined by supply relative to demand. The Company attempts to minimize the economic impact of these changes through continuously looking for cost reductions in its operations and employing flexible manufacturing schedules that can increase or decrease in response to supply and demand fluctuations. The Company currently does not hedge its exposure to commodity prices.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has borrowings under its credit facility which creates interest rate risk exposure for the Company. The revolving portion of the credit facility bears a variable rate of Canadian Prime Rate plus a premium, currently at 5.45% annualized at September 27, 2025. The Equipment Term Loan portion of the credit facility bears a fixed rate of 7.70%.

As at September 27, 2025 a 100 basis point increase in the interest rate on the revolving portion of the credit facility would decrease the net earnings in the statement of income (loss) and comprehensive income (loss) by $0.2 million on an annual basis. Similarly, as at September 27, 2025 a 100 basis point reduction in the interest rate on the revolving portion of the credit facility would increase the net loss by $0.2 million on an annual basis.

Currency Risk

The Company is exposed to foreign exchange risk on revenues and expenditures denominated in foreign currencies, principally US dollars. The Company's US dollar denominated sales accounts for a significant

volume of its sales. Except for duties and transportation, the majority of the Company's expenditures are in Canadian dollars.

The Company is exposed to currency risk on US dollar cash and cash equivalents, accounts receivable and accounts payable balances.

As at September 27, 2025, the portion of the Company's monetary assets and liabilities held in US dollars are as follows:

As at (in thousands of US dollars)		September 27, 2025
Cash and cash equivalents	$	298
Accounts receivable		3,552
Accounts payable and other liabilities		(5,986)
Duties liability, including accrued interest		(28,883)
Net monetary assets in US Dollars	**$**	**(31,019)**

Based on the US dollar statement of financial position exposure at September 27, 2025, with other variables unchanged, if the Canadian dollar were to weaken against the US dollar by 1%, relative to the rate at September 27, 2025, the net earnings in the statement of income (loss) and comprehensive income (loss) would be approximately $0.4 million greater. If the Canadian dollar were to strengthen against the US dollar by 1%, relative to the rate at September 27, 2025, the net earnings in the statement of income (loss) and comprehensive income (loss) would be approximately $0.4 million less.

15. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to maintain a strong statement of financial position and to continuously improve its cost structure to maintain liquidity throughout commodity price cycle and to support access to additional capital for expansion. The Company defines capital as net debt and shareholders' equity.

As at		September 27, 2025
Total debt outstanding[1]	$	30,537
Less: cash and cash equivalents		(3,487)
Net debt		27,050
Shareholders' equity		81,683
Total capital	**$**	**108,733**

(1) Total debt outstanding consists of the carrying amounts of the Company's borrowings under the credit facility.

The Company manages its capital through detailed operating and capital expenditure budgeting combined with frequent forecasting. The Company's strategic capital expenditure decisions are predicated on adequate cash flow from operations and through sale of non-core assets to support those expenditures.

The Company's credit facility contains restrictive covenants that limit the Company's ability to undertake certain actions without the lender's consent, and it also includes the following financial covenant test performed quarterly: a maximum annual capital expenditure amount relative to budget, as defined in the Credit Agreement. The Company monitors its performance monthly as well as its future performance expectations, adjusting as required, so it remains in compliance with the covenants. The Company was in compliance with its covenants under the Credit Agreement as at September 27, 2025.

(In thousands of Canadian dollars unless otherwise stated)

16. SEGMENT AND GEOGRAPHICAL INFORMATION

The Company manages its business as a single operating segment, being lumber products. The Company harvests and purchases logs which are then either manufactured into lumber and other wood products at the Company's operations. All operations are located in Ontario in Canada.

For the third quarter and three quarters ended September 27, 2025, there was one customer that represented 10% or more of total net sales for the Company (September 28, 2024 - one customer).
The Company sells to both foreign and domestic markets as follows:

For the third quarter ended	**September 27, 2025**	September 28, 2024
Canada	**$ 14,026**	$ 18,635
United States	**56,204**	52,171
Total net sales	**$ 70,230**	$ 70,806

For the three quarters ended	**September 27, 2025**	September 28, 2024
Canada	**$ 40,645**	$ 51,007
United States	**185,953**	161,896
Total net sales	**$ 226,598**	$ 212,903

Sales by product line is as follows:

For the third quarter ended	**September 27, 2025**	September 28, 2024
Lumber products	**$ 64,899**	$ 64,153
Chips, by-products and other	**5,331**	6,653
Total net sales	**$ 70,230**	$ 70,806

For the three quarters ended	**September 27, 2025**	September 28, 2024
Lumber products	**$ 208,615**	$ 194,481
Chips, by-products and other	**17,983**	18,422
Total net sales	**$ 226,598**	$ 212,903

Accounts receivable, trade by product line is as follows:

As at	**September 27, 2025**	December 31, 2024
Lumber products	**$ 4,462**	$ 1,757
Chips, by-products and other	**7,198**	5,570
Accounts receivable, trade	**$ 11,660**	$ 7,327

17. SUBSEQUENT EVENTS

Tariffs

On September 29, 2025, the U.S. administration issued a proclamation that imposed a tariff of 10% under Section 232 of the Trade Expansion Act of 1962 on imported softwood timber and lumber into the U.S.,

effective October 14, 2025. This tariff will be in addition to the existing softwood lumber duties applied to U.S. imports of Canadian lumber.

Warrant Exercises

On September 18, 2025 the Board approved the right to cashless exercise warrants expiring on October 22, 2025.

On October 22, 2025, the Company issued 4,020 common shares in relation to a cashless exercise of 566,642 warrants.

On October 20, 2025, the Company issued 500,000 common shares in relation to a cash exercise of 500,000 warrants at a price of $2.3965.

On October 23, 2025, 539,370 warrants with an exercise price of $2.3965 expired.

Net Drawdown on Revolving Portion of the Credit Facility

Subsequent to September 27, 2025 the Company made net repayments of $1.5 million on the revolving portion of its credit facility.