

## **Jewett-Cameron Announces 1st Quarter Financial Results**

NORTH PLAINS, Ore., Jan. 16, 2024 — Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF) today reported financial results for the first quarter of fiscal 2024 ended November 30, 2023.

Sales for the first quarter of fiscal 2024 totaled \$9.8 million compared to sales of \$12.5 million for the first quarter of fiscal 2023. Loss from operations was (\$789,224) compared to a loss of (\$6,798) in the year ago period. After a one-time gain from a favorable arbitration settlement and other items, net income for the current quarter was \$1,291,541, or \$0.37 per share, compared to a net loss of (\$73,760), or (\$0.02) per share, in the year-ago quarter.

“We are continuing to work through the effects of the pandemic and the high rate of inflation that has caused price disruptions and negatively affected consumer buying,” said CEO Chad Summers. “The pet segment continues to lag, but sales of our fencing products are meeting expectations. We officially launched our new MyEcoWorld® line of sustainable bag products in the 4<sup>th</sup> quarter and sales are growing. With the exception of pet products, we are approaching the desired inventory levels for most of our primary products as we sharpen our focus on our operational strengths and core product lines.”

As of November 30, 2023, the Company’s cash position was \$3.5 million, and there was no borrowing against its \$10.0 million line of credit. Based on the timing of accounts receivable and the available line of credit, the Company believes it has sufficient working capital available for the remainder of fiscal 2024.

Jewett-Cameron Trading Company is a holding company that, through its subsidiaries, operates out of facilities located in North Plains, Oregon. Jewett-Cameron Company’s business consists of the manufacturing and distribution of patented and patent pending specialty metal and sustainable bag products, and wholesale distribution of wood products. The Company’s brands include Lucky Dog®, for pet products; Adjust-A-Gate™, Fit-Right®, Perimeter Patrol®, Infinity Euro Fence, and Lifetime Post™ for gates and fencing; MyEcoWorld® for sustainable bag products; and Early Start, Spring Gardner™, Greenline®, and Weatherguard for greenhouses. Additional information about the Company and its products can be found the Company’s website at [www.jewettcameron.com](http://www.jewettcameron.com).

### **Forward-looking Statements**

The information in this release contains certain forward-looking statements that anticipate future trends and events. These statements are based on certain assumptions that may prove to be erroneous and are subject to certain risks, including but not limited to, the uncertainties of the Company’s new product introductions, the risks of increased competition and technological change in the Company’s industry, and other factors detailed in the

Company's SEC filings. Accordingly, actual results may differ, possibly materially, from predictions contained herein.

**JEWETT-CAMERON TRADING COMPANY LTD.**

CONSOLIDATED BALANCE SHEETS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	<b>November 30, 2023</b>	<b>August 31, 2023</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,558,168	\$ 83,696
Accounts receivable, net of allowance of \$0 (August 31, 2023 - \$0)	3,365,430	5,634,924
Inventory, net of allowance of \$410,325 (August 31, 2023 - \$497,884)	17,513,417	18,339,048
Prepaid expenses	613,358	630,788
Total current assets	25,050,373	24,688,456
<b>Property, plant and equipment, net</b>	<b>4,545,687</b>	<b>4,655,427</b>
<b>Intangible assets, net</b>	<b>112,847</b>	<b>134,845</b>
<b>Deferred tax assets</b>	<b>229,062</b>	<b>319,875</b>
<b>Total assets</b>	<b>\$ 29,937,969</b>	<b>\$ 29,798,603</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 2,802,837	\$ 2,181,194
Bank indebtedness	-	1,259,259
Income taxes payable	349,745	147,629
Accrued liabilities	1,396,519	2,113,194
<b>Total liabilities</b>	<b>4,549,101</b>	<b>5,701,276</b>
<b>Stockholders' equity</b>		
Capital stock		
Authorized		
21,567,564 common shares, no par value		
10,000,000 preferred shares, no par value		
Issued		
3,498,899 common shares (August 31, 2023 - 3,498,899)	825,468	825,468
Additional paid-in capital	765,055	765,055
Retained earnings	23,798,345	22,506,804
Total stockholders' equity	25,388,868	24,097,327
<b>Total liabilities and stockholders' equity</b>	<b>\$ 29,937,969</b>	<b>\$ 29,798,603</b>

**JEWETT-CAMERON TRADING COMPANY LTD.**

CONSOLIDATED STATEMENTS OF OPERATIONS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	<b>Three Months Ended November 30, 2023</b>	<b>Three Months Ended November 30, 2022</b>
<b>SALES</b>	<b>\$ 9,805,841</b>	<b>\$ 12,577,500</b>
<b>COST OF SALES</b>	<b>7,849,760</b>	<b>9,717,800</b>

<b>GROSS PROFIT</b>	1,956,081	2,859,700
<b>OPERATING EXPENSES</b>		
Selling, general and administrative expenses	948,481	826,807
Depreciation and amortization	97,903	111,536
Wages and employee benefits	1,698,920	1,928,155
	2,745,305	2,866,498
Loss from operations	(789,224)	(6,798)
<b>OTHER ITEMS</b>		
Gain on sale of property, plant and equipment	89,655	-
Other income	2,450,000	-
Interest expense	(6,855)	(86,552)
Total other items	2,532,800	(86,552)
Income (loss) before income taxes	1,743,576	(93,350)
Income tax (expense) recovery	(452,035)	19,590
<b>Net income (loss)</b>	\$ 1,291,541	\$ (73,760)
<b>Basic income (loss) per common share</b>	\$ 0.37	\$ (0.02)
<b>Diluted income (loss) per common share</b>	\$ 0.37	\$ (0.02)
<b>Weighted average number of common shares outstanding:</b>		
Basic	3,498,899	3,496,202
Diluted	3,498,899	3,496,202

**JEWETT-CAMERON TRADING COMPANY LTD.**

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	<b>Three Months Ended November 30, 2023</b>	<b>Three Months Ended November 30, 2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 1,291,541	\$ (73,760)
Items not involving an outlay of cash:		
Depreciation and amortization	97,903	111,536
Stock-based compensation expense	-	23,303
Gain on sale of property, plant and equipment	(89,655)	
Write-down of intangible assets	21,790	
Deferred income taxes	90,813	(20,002)
Changes in non-cash working capital items:		
Decrease in accounts receivable	2,269,494	1,954,249
Decrease (increase) in inventory	825,631	(1,370,146)
Decrease in prepaid expenses	17,430	488,461
Decrease in prepaid income taxes	-	412
(Decrease) in accounts payable and accrued liabilities	(95,032)	(419,811)
Increase in income taxes payable	202,116	-
Net cash provided by (used by) operating activities	4,632,031	694,242
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds on sale of property, plant and equipment	101,700	-

Purchase of property, plant and equipment	-	(36,223)
Net cash provided by (used in) investing activities	101,700	(36,223)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayment of) proceeds from bank indebtedness	(1,259,259)	600,000
Net cash (used) provided by financing activities	(1,259,259)	600,000
<b>Net increase in cash</b>	3,474,472	1,258,019
<b>Cash, beginning of period</b>	83,696	484,463
<b>Cash, end of period</b>	\$ 3,558,168	\$ 1,742,482

Contact: Chad Summers, President & CEO, (503) 647-0110

[View original](#)

content:<https://www.prnewswire.com/news-releases/jewett-cameron-announces-1st-quarter-financial-results-302036292.html>

SOURCE Jewett-Cameron Trading Company Ltd.