JEWETT-CAMERON TRADING COMPANY LTD.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)
(Unaudited – Prepared by Management)

NOVEMBER 30, 2024

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED BALANCE SHEETS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	November 30, 2024	August 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,039,391	$ 4,853,367
Accounts receivable, net of allowance of $0 (August 31, 2024 - $0)	4,183,710	3,668,815
Inventory, net of allowance of $550,000 (August 31, 2024 - $550,000) (note 3)	13,491,547	13,157,243
Asset held for sale (note 4)	566,022	566,022
Prepaid expenses	978,302	891,690
Prepaid income taxes	19,950	50,326
Total current assets	22,278,922	23,187,463
Property, plant and equipment, net (note 4)	3,806,242	3,849,800
Intangible assets, net (note 5)	112,014	112,222
Deferred tax assets (Note 6)	548,034	341,029
Total assets	$ 26,745,212	$ 27,490,514
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 1,102,166	$ 1,237,988
Accrued liabilities	1,450,619	1,401,382
Total liabilities	2,552,785	2,639,370
Stockholders' equity		
Capital stock (notes 8, 9)		
Authorized		
21,567,564 common shares, no par value		
10,000,000 preferred shares, no par value		
Issued		
3,504,802 common shares (August 31, 2024 – 3,504,802)	826,861	826,861
Additional paid-in capital	795,726	795,726
Retained earnings	22,569,840	23,228,557
Total stockholders' equity	24,192,427	24,851,144
Total liabilities and stockholders' equity	$ 26,745,212	$ 27,490,514

Subsequent event (Note 15)

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

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	Three Months Ended November 30, 2024	Three Months Ended November 30, 2023
SALES	$ 9,267,001	$ 9,805,841
COST OF SALES	7,573,099	7,849,760
GROSS PROFIT	1,693,902	1,956,081
OPERATING EXPENSES		
Selling, general and administrative expenses	809,213	948,481
Depreciation and amortization (notes 4, 5)	81,066	97,903
Wages and employee benefits	1,661,768	1,698,920
	2,552,047	2,745,305
Loss from operations	(858,145)	(789,224)
OTHER ITEMS		
Gain on sale of property, plant and equipment	800	89,655
Other income (note 14)	-	2,450,000
Interest income (expense)	21,998	(6,855)
Total other items	22,798	2,532,800
(Loss) income before income taxes	(835,347)	1,743,576
Income tax recovery (expense)	176,630	(452,035)
Net (loss) income	$ (658,717)	$ 1,291,541
Basic (loss) income per common share	$ (0.19)	$ 0.37
Diluted (loss) income per common share	$ (0.19)	$ 0.37
Weighted average number of common shares outstanding:		
Basic	3,504,802	3,498,899
Diluted	3,504,802	3,498,899

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

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	Capital Stock				
	Number of Shares	Amount	Additional paid-in capital	Retained earnings	Total
August 31, 2023	3,498,899	$ 825,468	$ 765,055	$ 22,506,804	$ 24,097,327
Net income	-	-	-	1,291,541	1,291,541
November 30, 2023	3,498,899	$ 825,468	$ 765,055	$ 23,798,345	$ 25,388,868
Share issued pursuant to compensation plans (note 9)	5,903	1,393	30,671	-	32,064
Net loss	-	-	-	(569,788)	(569,788)
August 31, 2024	3,504,802	$ 826,861	$ 795,726	$ 23,228,557	$ 24,851,144
Net loss	-	-	-	(658,717)	(658,717)
November 30, 2024	**3,504,802**	**$ 826,861**	**$ 795,726**	**$ 22,569,840**	**$ 24,192,427**

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

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	Three Months Ended November 30, 2024	Three Months Ended November 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	$ (658,717)	$ 1,291,541
Items not involving an outlay of cash:		
Depreciation and amortization	81,066	97,903
Gain on sale of property, plant and equipment	(800)	(89,655)
Write-down of intangible assets	-	21,790
Deferred income taxes	(207,005)	90,813
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(514,895)	2,269,494
(Increase) decrease in inventory	(334,304)	825,631
(Increase) decrease in prepaid expenses	(86,612)	17,430
Decrease in prepaid income taxes	30,376	-
(Decrease) in accounts payable and accrued liabilities	(86,585)	(95,032)
Increase in income taxes payable	-	202,116
Net cash provided by (used by) operating activities	(1,777,476)	4,632,031
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property, plant and equipment	800	101,700
Purchase of property, plant and equipment	(37,300)	-
Net cash provided by (used in) investing activities	(36,500)	101,700
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment of) proceeds from bank indebtedness	-	(1,259,259)
Net cash (used) provided by financing activities	-	(1,259,259)
Net (decrease) increase in cash	(1,813,976)	3,474,472
Cash, beginning of period	4,853,367	83,696
Cash, end of period	$ 3,039,391	$ 3,558,168

Supplemental disclosure with respect to cash flows (Note 13)

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

1. NATURE OF OPERATIONS

Jewett-Cameron Trading Company Ltd. was incorporated in British Columbia on July 8, 1987 as a holding company for Jewett-Cameron Lumber Corporation (“JCLC”), incorporated September 1953. Jewett-Cameron Trading Company, Ltd. acquired all the shares of JCLC through a stock-for-stock exchange on July 13, 1987, and at that time JCLC became a wholly owned subsidiary. Effective September 1, 2013, the Company reorganized certain of its subsidiaries. JCLC’s name was changed to JC USA Inc. (“JC USA”), and a new subsidiary, Jewett-Cameron Company (“JCC”), was incorporated.

JC USA has the following wholly owned subsidiaries incorporated under the laws of the State of Oregon: Jewett-Cameron Seed Company, (“JCSC”), incorporated October 2000, Greenwood Products, Inc. (“Greenwood”), incorporated February 2002, and JCC, incorporated September 2013. Jewett-Cameron Trading Company Ltd. and its subsidiaries (the “Company”) have no significant assets in Canada.

The Company, through its subsidiaries, operates out of facilities located in North Plains, Oregon. JCC’s business consists of the manufacturing and distribution of pet, fencing and other products, wholesale distribution to home centers, other retailers, on-line as well as direct to end consumers located primarily in the United States. Greenwood is a processor and distributor of industrial wood and other specialty building products principally to customers in the marine and transportation industries in the United States. JCSC was a processor and distributor of agricultural seeds in the United States. JC USA provides professional and administrative services, including accounting and credit services, to its subsidiary companies.

Effective August 31, 2023, the Company ended seed cleaning operations at its JCSC. During the year ended August 31, 2024, JCSC ended its active operations and sold most of its remaining equipment in preparation of being wound-up.

The Company’s operations and general workforce can be negatively affected by a number of external factors. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions that may affect economies and financial markets globally. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company’s business, financial condition, or ability to raise funds.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These unaudited consolidated interim financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America (“US GAAP”) for interim financial information and the rules and regulations of the Securities and Exchange Commission (“SEC").

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its current wholly owned subsidiaries, JC USA, JCC, JCSC, and Greenwood, all of which are incorporated under the laws of Oregon, U.S.A.

All inter-company balances and transactions have been eliminated upon consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates incorporated into the Company's consolidated financial statements include the estimated useful lives for depreciable and amortizable assets, the estimated allowances for doubtful accounts receivable and inventory obsolescence, possible product liability and possible product returns, and litigation contingencies and claims. Actual results could differ from those estimates.

Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. At November 30, 2024, cash and cash equivalents were $3,039,391 compared to $4,853,367 at August 31, 2024.

Accounts receivable

Trade and other accounts receivable are reported at face value less any provisions for uncollectible accounts considered necessary. Accounts receivable primarily includes trade receivables from customers. The Company estimates doubtful accounts on an item-by-item basis and includes over aged accounts as part of allowance for doubtful accounts, which are generally ones that are ninety days or greater overdue.

The Company extends credit to domestic customers and offers discounts for early payment. When extension of credit is not advisable, the Company relies on either prepayment or a letter of credit.

Inventory

Inventory, which consists primarily of finished goods, is recorded at the lower of cost, based on the average cost method, and market. Market is defined as net realizable value. An allowance for potential non-saleable inventory due to excess stock or obsolescence is based upon a review of inventory components.

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation. The Company provides for depreciation over the estimated life of each asset on a straight-line basis over the following periods:

Office equipment	3-7 years
Warehouse equipment	2-10 years
Buildings	5-30 years

Intangibles

The Company's intangible assets have a finite life and are recorded at cost. Amortization is calculated using the straight-line method over the remaining life of the asset. The intangible assets are reviewed annually for impairment.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Asset retirement obligations

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development, and normal use of the long-lived assets. The Company also records a corresponding asset which is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost). The Company does not have any significant asset retirement obligations.

Impairment of long-lived assets and long-lived assets to be disposed of

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount and the fair value less costs to sell.

Currency and foreign exchange

These financial statements are expressed in U.S. dollars which is also the functional currency of the Company and its subsidiaries as the Company's operations are primarily based in the United States.

The Company does not have non-monetary or monetary assets and liabilities that are in a currency other than the U.S. dollar. Any statement of operations transactions in a foreign currency are translated at rates that approximate those in effect at the time of translation. Gains and losses from translation of foreign currency transactions into U.S. dollars are included in current results of operations.

Earnings (loss) per share

Basic earnings (loss) per common share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding in the period. Diluted earnings (loss) per common share takes into consideration common shares outstanding (computed under basic earnings per share) and potentially dilutive common shares.

(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Earnings (loss) per share (cont'd…)

The earnings (loss) for the three month periods ended November 30, 2024 and 2023 are as follows:

	Three Month Periods ended November 30, 2024	Three Month Periods ended November 30, 2023
Net (loss) income	$ (658,717)	$ 1,291,541
Basic weighted average number of common shares outstanding	3,504,802	3,498,899
Effect of dilutive securities		
Stock options	-	-
Diluted weighted average number of common shares outstanding	3,504,802	3,498,899

Comprehensive income (loss)

The Company has no items of other comprehensive income or loss in any period presented. Therefore, net income or loss presented in the consolidated statements of operations equals comprehensive income or loss.

Stock-based compensation

The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"). Equity awards are accounted for at their "fair value" which is measured on the grant date for stock-settled awards. For "full-value" awards, fair value is equal to the underlying value of the stock that have time vesting conditions.

Stock-based compensation to employees are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award. Stock-based compensation expense recognized during the period is based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period, or in the period of grant for awards that vest immediately without any future service condition. For awards that vest over time, previously recognized compensation cost is reversed if the service or performance conditions are not satisfied and the award is forfeited. The Company also grants employees and non-employees restricted stock awards ("RSAs"). The fair value of the RSAs is determined using the fair value of the common shares on the date of the grant. Forfeitures are accounted for as they occur.

The Company has not adopted a stock option plan and has not granted any stock options.

(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments

The Company uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values:

Cash and cash equivalents - the carrying amount approximates fair value because the amounts consist of cash held at a bank and cash held in short term investment accounts.

Accounts receivable - the carrying amounts approximate fair value due to the short-term nature and historical collectability.

Bank indebtedness - the carrying amount approximates fair value due to the short-term nature of the obligations.

Accounts payable and accrued liabilities - the carrying amount approximates fair value due to the short-term nature of the obligations.

The estimated fair values of the Company's financial instruments as of November 30, 2024 and August 31, 2024 follows:

	November 30, 2024		August 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	$ 3,039,391	$ 3,039,391	$ 4,853,367	$ 4,853,367
Accounts receivable, net of allowance	4,183,710	4,183,710	3,668,815	3,668,815
Accounts payable and accrued liabilities	2,552,785	2,552,785	2,639,370	2,639,370

The following table presents information about the assets that are measured at fair value on a recurring basis as of November 30, 2024 and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and included situations where there is little, if any, market activity for the asset:

	November 30, 2024	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 3,039,391	$ 3,039,391	$ —	$ —

The fair values of cash are determined through market, observable and corroborated sources.

(Expressed in U.S. Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes

A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Deferred tax expense (benefit) results from the net change during the year of deferred tax assets and liabilities.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Shipping and handling costs

The Company incurs certain expenses related to preparing, packaging and shipping its products to its customers, mainly third-party transportation fees. All costs related to these activities are included as a component of cost of sales in the consolidated statements of operations. All costs billed to the customer are included as sales in the consolidated statements of operations.

Revenue recognition

The Company recognizes revenue from the sales of lumber, building supply products, industrial wood products, specialty metal products, and other specialty products and tools, when the products are shipped, title passes, and the ultimate collection is reasonably assured. Revenue from the Company's seed operations was generated from seed processing, handling and storage services provided to seed growers, and by the sales of seed products. Revenue from the provision of these services and products is recognized when the services have been performed, products are sold, and collection of the amounts is reasonably assured.

Recent Accounting Pronouncements

The Company has evaluated all recently issued, but not yet effective, accounting pronouncements and determined that it does not believe that any, if currently adopted, would have a material effect on the Company's financial statements.

3. INVENTORY

A summary of inventory is as follows:

	November 30, 2024	August 30, 2024
Pet, fencing, and other products	$ 12,656,990	$ 12,407,495
Industrial wood products	834,557	749,748
	$ 13,491,547	$ 13,157,243

(Expressed in U.S. Dollars)

4. PROPERTY, PLANT AND EQUIPMENT

A summary of property, plant, and equipment is as follows:

	November 30, 2024	August 31 2024
Office equipment	$ 668,260	$ 668,260
Warehouse equipment	1,322,578	1,285,278
Buildings	5,211,588	5,211,588
Land	158,500	158,500
	7,360,926	7,323,626
Accumulated depreciation	(3,554,684)	(3,473,826)
Net book value	$ 3,806,242	$ 3,849,800

In the event that facts and circumstances indicate that the carrying amount of an asset may not be recoverable and an estimate of future discounted cash flows is less than the carrying amount of the asset, an impairment loss will be recognized. Management's estimates of revenues, operating expenses, and operating capital are subject to certain risks and uncertainties which may affect the recoverability of the Company's investments in its assets. Although management has made its best estimate of these factors based on current conditions, it is possible that changes could occur which could adversely affect management's estimate of the net cash flow expected to be generated from its operations.

In connection with the wind-up of the Company’s JCSC operations, the Company listed for sale in July 2024 its 11.6 acre property that formerly housed operations. The carrying value of this property of $566,022 is recorded as an asset held for sale as of November 30, 2024 ($566,022 – August 31, 2024).

5. INTANGIBLE ASSETS

A summary of intangible assets is as follows:

	November 30, 2024	August 31, 2024
Intangible assets	131,405	131,405
Accumulated amortization	(19,391)	(19,183)
Net book value	$ 112,014	$ 112,222

6. DEFERRED INCOME TAXES

Deferred income tax asset as of November 30, 2024 of $548,034 (August 31, 2024 - $341,029) reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

7. BANK INDEBTEDNESS

The Company has a line of credit agreement in the form of a Contract of Sale & Assignment Agreement with Northrim Funding Services (“Northrim”). Under the terms of the agreement, Northrim will provide short-term operating capital by either purchasing the Company’s accounts receivable invoices (“AR invoices”) or as a loan against the Company’s inventory position. The maximum amount of AR invoices Northrim will purchase at one time is limited to an amount equal to 80% of the net eligible accounts but is not to exceed $6,000,000. Borrowing against the Company’s inventory is computed as an amount equal to 25% of all eligible inventory but is not to exceed $4,000,000. The maximum total draw the Company may borrow under the line is $6,000,000. Interest is computed at the prime rate plus 4.75% with floor of 11% and is secured by certain assets of the Company. The line expires on June 30, 2025. As of November 30, 2024 and August 31, 2024, the Company’s indebtedness under the line of credit was $Nil.

Prior to June 2024, the Company formerly had a different Bank Line of Credit of $5,000,000, which was reduced from $10,000,000 in March 2024. The line was secured by an assignment of accounts receivable and inventory. Calculation of the interest rate was based on the one-month Secured Overnight Financing Rate (SOFR) of the one-month SOFR plus 157 basis points, which as of November 30, 2023 was 6.90% (5.33% + 1.57%). All amounts borrowed under this former line were repaid in full during the first quarter of fiscal 2024, and indebtedness under the line as of November 30, 2023 was $Nil.

8. CAPITAL STOCK

Common Stock

Holders of common stock are entitled to one vote for each share held. There are no restrictions that limit the Company's ability to pay dividends on its common stock. The Company has not declared any dividends since incorporation.

9. RESTRICTED SHARE PLAN

The Company has a Restricted Share Plan (the “Plan”) as approved by shareholders on February 8, 2019. The Plan allows the Company to grant, from time to time, restricted shares as compensation to directors, officers, employees and consultants of the Company. The Restricted Shares are subject to restrictions, including the period under which the shares will be restricted (the “Restricted Period”) and subject to forfeiture which is determined by the Board at the time of the grant. The recipient of Restricted Shares is entitled to all of the rights of a shareholder, including the right to vote such shares and the right to receive any dividends, except that the shares granted under the Plan are nontransferable during the Restricted Period.

The maximum number of Common Shares reserved for issuance under the Plan will not exceed 1% of the then issued and outstanding number of Common Shares at the time of the grant. As of November 30, 2024 the maximum number of shares available to be issued under the Plan was 16,072.

The Board of Directors has set the compensation for non-executive Directors under the Plan at 25 common shares for each quarter of service. The cumulative amount of shares earned each fiscal year to be granted shortly after the close of that fiscal year. Non-executive Directors also received a one-time initial grant of 225 common shares which were issued in December 2020.

During the year ended August 31, 2023, 3,557 common shares were issued under the Plan at an average price of $6.55 per share. 500 shares were granted to Directors without a Restricted Period under the Company’s S-8 Registration Statement. 3,057 common shares were granted to Officers and Employees and have a three-year Restricted Period.

(Expressed in U.S. Dollars)

9. RESTRICTED SHARE PLAN (cont'd…)

During the year ended August 31, 2024, 5,903 common shares were issued under the Plan at an average price of $5.43 per share. 575 were granted to Officers and Directors without a Restricted Period under the Company's S-8 Registration Statement. 5,328 common shares were granted to Officers and Employees and have a three-year Restricted Period.

During the three-month period ended November 30, 2024, the Company issued no common shares (three months ended November 2023 – no common shares) to officers, directors and employees under the RSA.

10. PENSION AND PROFIT-SHARING PLANS

The Company has a deferred compensation 401(k) plan for all employees with at least 6 months of service pending a monthly enrollment time. The plan allows for a non-elective discretionary contribution plus matching employee contributions up to a specific limit. The percentages of contribution remain the discretion of the Board and are reviewed with management annually. For the three-month periods ended November 30, 2024 and 2023 the 401(k) compensation expense were $76,811 and $96,470, respectively.

11. SEGMENT INFORMATION

The Company has three principal reportable segments. These reportable segments were determined based on the nature of the products offered. Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company evaluates performance based on several factors, of which the primary financial measure is business segment income before taxes. The following tables show the operations of the Company's reportable segments.

Following is a summary of segmented information for the three-month periods ended November 30, 2024 and 2023.

	2024	2023
Sales to unaffiliated customers:		
Industrial wood products	$ 842,033	$ 1,134,351
Lawn, garden, pet and other	8,424,968	8,622,972
Seed processing and sales	-	48,518
	$ 9,267,001	$ 9,805,841
Income (loss) before income taxes:		
Industrial wood products	$ (23,830)	$ 61,617
Lawn, garden, pet and other	(920,237)	1,385,659
Seed processing and sales	-	33,043
Corporate and administrative	108,720	263,257
	$ (835,347)	$ 1,743,576
Identifiable assets:		
Industrial wood products	$ 1,327,943	$ 985,386
Lawn, garden, pet and other	16,682,685	20,359,711
Seed processing and sales	-	37,629
Corporate and administrative	8,734,584	8,555,243
	$ 26,745,212	$ 29,937,969

(Expressed in U.S. Dollars)

11. SEGMENT INFORMATION (cont'd…)

	2024	2023
Depreciation and amortization:		
Industrial wood products	$ -	$ -
Lawn, garden, pet and other	19,125	17,452
Seed processing and sales	-	870
Corporate and administrative	61,941	79,581
	$ 81,066	$ 97,903

The following table lists sales made by the Company to customers which were in excess of 10% of total sales for the three months ended November 30, 2024 and 2023:

	2024	2023
Sales	$ 6,875,719	$ 6,125,113

The Company conducts business primarily in the United States, but also has limited amounts of sales in foreign countries. The following table lists sales by country for the three months ended November 30, 2024 and 2023:

	2024	2023
United States	$ 8,929,258	$ 9,132,072
Canada	197,110	673,769
Mexico/Latin America/Caribbean	140,633	-

All of the Company's significant identifiable assets were located in the United States as of November 30, 2024 and 2023.

12. RISKS

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable. The Company places its cash with a high quality financial institution. The Company has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated geographically in the United States amongst a small number of customers.

At November 30, 2024, two customers accounted for accounts receivable greater than 10% of total accounts receivable at 52%. At November 30, 2023, two customers accounted for accounts receivable greater than 10% of total accounts receivable at 65%. The Company controls credit risk through credit approvals, credit limits, credit insurance and monitoring procedures. The Company performs credit evaluations of its commercial customers but generally does not require collateral to support accounts receivable.

Volume of business

The Company has concentrations in the volume of purchases it conducts with its suppliers. For the three months ended November 30, 2024, there were four suppliers that each accounted for 10% or greater of total purchases, and the aggregate purchases amounted to $5,280,375. For the three months ended November 30, 2023, there were three suppliers that each accounted for 10% or greater of total purchases, and the aggregate purchases amounted to $4,879,797.

(Expressed in U.S. Dollars)

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Certain cash payments for the three months ended November 30, 2024 and 2023 are summarized as follows:

		2024		2023
Cash paid during the periods for:				
Interest	$	1,246	$	29,671
Income taxes	$	-	$	173,717

There were no non-cash investing or financing activities during the periods presented.

14. CONTINGENCIES

In fiscal 2021, the Company initiated arbitration against a former distributor asserting a breach of the distribution agreement and seeking damages. The liability arbitration hearing was held in December 2022. In February 2023, the arbitrator issued its decision and ruled in favor of the Company on the majority of its claims. In September 2023, the Company settled the arbitration for a cash payment of $2,450,000 which was received by the Company in October 2023.

15. SUBSEQUENT EVENT

In December 2024, the Company issued 13,317 common shares to officers, directors and employees under the Company’s Restricted Share Plan. The value of these shares was $59,927.