PRESS RELEASE

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Cascades Reports Third Quarter 2026 Results

Kingsey Falls, Québec, November 5, 2026 - Cascades Inc. (TSX: CAS) reports its unaudited financial results for the three-month period ended September 30, 2026.

Q3 2026 Highlights

- Sales of $1,267 million (compared with $1,219 million in Q2 2026 and $1,238 million in Q3 2025);
- Operating income of $78 million (compared with $58 million in Q2 2026 and $73 million in Q3 2025);
- Net earnings per common share of $0.30 (compared with $0.21 in Q2 2026 and $0.29 in Q3 2025);
- Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA (A))[1] of $162 million (compared with $140 million in Q2 2026 and $159 million in Q3 2025);
- Adjusted net earnings per common share[1] of $0.33 (compared with $0.24 in Q2 2026 and $0.38 in Q3 2025);
- Net debt[1] of $1,863 million as of September 30, 2026 (compared with $1,879 million as of June 30, 2026). Net debt to EBITDA (A) ratio[1] of 3.2x, down from 3.3x as of June 30, 2026;
- Total capital expenditures of $47 million in Q3 2026, compared to $40 million in Q2 2026 and $30 million in Q3 2025. The Corporation's 2026 forecasted capital expenditures before disposals will be in a range of $150 million to $175 million.
- The Company generated $11 million in asset sale proceeds during the third quarter, bringing total proceeds to $165 million for the 2025 - 2026 period. The Company's objective of generating $230 million is progressing well and is now expected to be achieved in early 2027.

Hugues Simon, President and CEO, commented: "Our third quarter results were in line with our expectations despite significant headwinds from ongoing tariff-related disruptions, cost inflation and continued uncertainty in the economic environment. Our Packaging segment faced headwinds from higher raw material and transportation costs, combined with tariff impacts of approximately $4 million, which more than offset the benefits of our operational and pricing improvement initiatives. Packaging volumes remained generally in line with our assumptions, although customer demand remained uneven across certain end markets. In Tissue, results came in ahead of our expectations. Realization of previously announced selling price increases largely offset ongoing inflationary pressures and lower volume in our Away-from-Home business, while our continued focus on productivity and cost reduction initiatives supported profitability. Corporate activities performed better than anticipated, reflecting the benefits of cost reduction initiatives and an improved contribution from our Recovery and Recycling operations. Overall, we remained disciplined in managing the aspects of the business within our control, while continuing to strengthen the resilience and efficiency of our operating platform. Our financial position remained stable during the quarter, supported by prudent capital allocation and continued focus on debt reduction and cash generation."

Discussing near-term outlook, Mr. Simon commented, "Looking ahead, we remain prudent regarding demand and inflationary costs, given the uncertain macroeconomic environment and the continued impact of tariffs on customer purchasing patterns. With market conditions remaining challenging, we expect consolidated fourth quarter results to be slightly lower sequentially, and anticipate continued pressure from raw material costs, transportation expenses and tariff-related impacts. Nevertheless, the ongoing realization of price increases, ongoing profitability improvement initiatives and contributions from our operational optimization efforts are expected to continue to help mitigate these pressures. In this environment, our priorities remain unchanged: maintaining disciplined capital management, enhancing productivity across our asset network, optimizing our customer portfolio and executing initiatives that strengthen the long-term resilience and competitiveness of the business."

1 Some information represents non-IFRS Accounting Standards Financial measures, other financial measures or non-IFRS Accounting Standards ratios which are not standardized under IFRS Accounting Standards and therefore might not be comparable to similar financial measures disclosed by other corporations. Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Financial Summary

Selected consolidated information

(in millions of Canadian dollars, except amounts per common share) (unaudited)	Q3 2026	Q2 2026	Q3 2025
Sales	**1,267**	1,219	1,238
As Reported			
Operating income	**78**	58	73
Net earnings	**30**	21	29
per common share (basic)	**$0.30**	$0.21	$0.29
Adjusted[1]			
Earnings before interest, taxes, depreciation and amortization (EBITDA (A))	**162**	140	159
Net earnings	**34**	24	39
per common share (basic)	**$0.33**	$0.24	$0.38
Margin (EBITDA (A) / Sales)	**12.8%**	11.5%	12.8%
Net debt[1]	**1,863**	1,879	2,023
Net debt / EBITDA (A) ratio[1]	**3.2x**	3.3x	3.6x

Segmented sales

(in millions of Canadian dollars) (unaudited)	Q3 2026	Q2 2026	Q3 2025
Packaging Products	**807**	772	797
Tissue Papers	**415**	409	412
Inter-segment sales, Corporate, Recovery and Recycling activities	**45**	38	29
Sales	**1,267**	1,219	1,238

Segmented operating income (loss)

(in millions of Canadian dollars) (unaudited)	Q3 2026	Q2 2026	Q3 2025
Packaging Products	**64**	68	73
Tissue Papers	**32**	20	30
Corporate, Recovery and Recycling activities	**(18)**	(30)	(30)
Operating income	**78**	58	73

Segmented EBITDA (A)[1]

(in millions of Canadian dollars) (unaudited)	Q3 2026	Q2 2026	Q3 2025
Packaging Products	**126**	120	136
Tissue Papers	**47**	35	46
Corporate, Recovery and Recycling activities	**(11)**	(15)	(23)
EBITDA (A)[1]	**162**	140	159

1 Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Analysis of results for the three-month period ended September 30, 2026 (compared to the same period last year)

The Corporation's third quarter sales of $1,267 million increased by $29 million, or 2%, compared with the same period last year. This increase reflects consolidated net benefits of $42 million from higher average selling prices, a favourable sales mix of $24 million and a favourable average foreign exchange rate of $13 million. However, these factors were partially offset by a $50 million impact from lower volumes, primarily in the Tissue Papers segment, as well as the effects of business closures and asset dispositions completed in previous quarters within the Packaging Products segment.

The third quarter EBITDA (A)[1] totaled $162 million, an increase of $3 million, or 2%, from the $159 million generated in the same period last year. This increase was driven by higher average selling prices and cost reduction initiatives across the Corporation's businesses. These impacts were partially offset by higher raw material, transportation and energy costs.

The main specific items, before income taxes, that impacted our operating income and/or net earnings for the third quarter of 2026 were:

- $7 million of impairment on equipment related to a decision to discontinue a product line and for a recovery facility in Canada (operating income and net earnings);
- $8 million of gains related to the sale of the real estate from the 2025 closed recovery facility in Canada (operating income and net earnings);
- $3 million of an environmental cost related to a previously closed plant in the United States (operating income and net earnings);
- $4 million of restructuring costs related to a previously closed plant in the United States and corporate organizational changes (operating income and net earnings);
- $1 million of gains related to the sale of an investment in a non-significant associate (net earnings).

For the three-month period ended September 30, 2026, the Corporation posted net earnings of $30 million, or $0.30 per common share, compared to net earnings of $29 million, or $0.29 per common share, in the same period of 2025. On an adjusted basis[1], the Corporation posted net earnings of $34 million in the third quarter of 2026, or $0.33 per common share, compared to net earnings of $39 million, or $0.38 per common share, in the same period of 2025.

1 Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Dividend on common shares and normal course issuer bid

The Board of Directors of Cascades declared a quarterly dividend of $0.12 per common share to be paid on December 3, 2026 to shareholders of record at the close of business on November 19, 2026. This dividend is an "eligible dividend" as per the Income Tax Act (R.C.S. (1985), Canada). During the third quarter of 2026, Cascades purchased no common shares for cancellation.

2026 Third Quarter Results Conference Call Details

Management will discuss the 2026 third quarter financial results during a conference call today at 9:00 a.m. ET. The call can be accessed by dialing 1-800-990-4777 (international 1-289-819-1299). The conference call, including the investor presentation, will be broadcast live on the Cascades website (www.cascades.com) under the "Investors" section. A replay of the call will be available on the Cascades website and may also be accessed by phone until December 5, 2026 by dialing 1-888-660-6345 (international 1-289-819-1450), access code 80426 #.

Founded in 1964, Cascades offers sustainable, innovative and value-added packaging, hygiene and recovery solutions. The company employs approximately 8,900 women and men across a network of 60 operating facilities, including 17 Recovery and Recycling facilities which are part of Corporate Activities and joint ventures managed by the Corporation, in North America. Driven by its participative management, half a century of experience in recycling, and continuous research and development efforts, Cascades continues to provide innovative products that customers have come to rely on, while contributing to the well-being of people, communities and the entire planet. Cascades' shares trade on the Toronto Stock Exchange under the ticker symbol CAS. Certain statements in this release, including statements regarding future results and performance, are forward-looking statements based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for the Corporation's products, increases in raw material costs, fluctuations in selling prices and adverse changes in general market and industry conditions and other factors.

CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars) (unaudited)	**September 30, 2026**	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	**103**	48
Accounts receivable	**530**	426
Current income tax assets	**16**	12
Inventories	**737**	661
Current portion of financial assets	**6**	4
Current portion of other assets	**3**	—
	1,395	1,151
Long-term assets		
Investments in associates and joint ventures	**66**	66
Property, plant and equipment	**2,613**	2,649
Intangible assets with finite useful life	**26**	30
Financial assets	**2**	5
Other assets	**109**	107
Deferred income tax assets	**179**	174
Goodwill and other intangible assets with indefinite useful life	**501**	491
	4,891	4,673
Liabilities and Equity		
Current liabilities		
Trade and other payables	**792**	697
Current income tax liabilities	**5**	4
Current portion of long-term debt	**76**	70
Current portion of provisions for charges	**11**	8
Current portion of financial liabilities and other liabilities	**40**	28
	924	807
Long-term liabilities		
Long-term debt	**1,890**	1,874
Provisions for charges	**58**	58
Financial liabilities	**13**	8
Other liabilities	**63**	74
Deferred income tax liabilities	**105**	97
	3,053	2,918
Equity		
Capital stock	**631**	619
Contributed surplus	**16**	17
Retained earnings	**1,098**	1,042
Accumulated other comprehensive income	**64**	43
Equity attributable to Shareholders	**1,809**	1,721
Non-controlling interests	**29**	34
Total equity	**1,838**	1,755
	4,891	4,673

CONSOLIDATED STATEMENTS OF EARNINGS

(in millions of Canadian dollars, except per common share amounts and number of common shares) (unaudited)	For the 3-month periods ended September 30, 2026	2025	For the 9-month periods ended September 30, 2026	2025
Sales	**1,267**	1,238	**3,611**	3,579
Supply chain and logistics	**780**	744	**2,210**	2,125
Wages and employee benefits expenses	**272**	269	**806**	824
Depreciation and amortization	**78**	74	**226**	215
Maintenance and repair	**58**	62	**176**	193
Other operational costs (revenues)	**(5)**	4	**(1)**	16
Impairment charges	**7**	—	**15**	24
Other loss (gain)	**(5)**	10	**(57)**	15
Restructuring costs	**4**	6	**9**	12
Loss (gain) on derivative financial instruments	**—**	(4)	**10**	(4)
Operating income	**78**	73	**217**	159
Financing expenses	**31**	35	**90**	104
Share of results of associates and joint ventures	**(5)**	(5)	**(11)**	(11)
Earnings before income taxes	**52**	43	**138**	66
Provision for income taxes	**15**	8	**29**	16
Net earnings including non-controlling interests for the period	**37**	35	**109**	50
Net earnings attributable to non-controlling interests	**7**	6	**19**	17
Net earnings attributable to Shareholders for the period	**30**	29	**90**	33
Net earnings per common share				
Basic	**$0.30**	$0.29	**$0.89**	$0.33
Diluted	**$0.30**	$0.29	**$0.89**	$0.33
Weighted average basic number of common shares outstanding	**101,645,979**	101,257,276	**101,426,885**	101,135,376
Weighted average number of diluted common shares	**102,736,811**	101,338,740	**102,147,719**	101,309,725

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions of Canadian dollars) (unaudited)	For the 3-month periods ended September 30, 2026	2025	For the 9-month periods ended September 30, 2026	2025
Net earnings including non-controlling interests for the period	**37**	35	**109**	50
Other comprehensive income (loss)				
Items that may be reclassified subsequently to earnings				
Translation adjustments				
Change in foreign currency translation of foreign subsidiaries	**2**	24	**38**	(80)
Change in foreign currency translation related to net investment hedging activities	**(2)**	(13)	**(19)**	61
Cash flow hedges				
Change in fair value of commodity derivative financial instruments	**—**	(1)	**—**	(1)
Recovery of (provision for) income taxes	**1**	2	**3**	(3)
	1	12	**22**	(23)
Items that are not released to earnings				
Actuarial gain on employee future benefits	**4**	6	**3**	5
Provision for income taxes	**(1)**	(1)	**(1)**	(1)
	3	5	**2**	4
Other comprehensive income (loss)	**4**	17	**24**	(19)
Comprehensive income including non-controlling interests for the period	**41**	52	**133**	31
Comprehensive income attributable to non-controlling interests for the period	**7**	6	**20**	15
Comprehensive income attributable to Shareholders for the period	**34**	46	**113**	16

CONSOLIDATED STATEMENTS OF EQUITY

For the 9-month period ended September 30, 2026

(in millions of Canadian dollars) (unaudited)	CAPITAL STOCK	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance - Beginning of period	**619**	**17**	**1,042**	**43**	**1,721**	**34**	**1,755**
Comprehensive income							
Net earnings	**—**	**—**	**90**	**—**	**90**	**19**	**109**
Other comprehensive income	**—**	**—**	**2**	**21**	**23**	**1**	**24**
	—	**—**	**92**	**21**	**113**	**20**	**133**
Dividends	**—**	**—**	**(36)**	**—**	**(36)**	**(25)**	**(61)**
Stock options expense	**—**	**1**	**—**	**—**	**1**	**—**	**1**
Issuance of common shares upon exercise of stock options	**12**	**(2)**	**—**	**—**	**10**	**—**	**10**
Balance - End of period	**631**	**16**	**1,098**	**64**	**1,809**	**29**	**1,838**

For the 9-month period ended September 30, 2025

(in millions of Canadian dollars) (unaudited)	CAPITAL STOCK	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance - Beginning of period	616	16	1,019	73	1,724	47	1,771
Comprehensive income (loss)							
Net earnings	—	—	33	—	33	17	50
Other comprehensive income (loss)	—	—	4	(21)	(17)	(2)	(19)
	—	—	37	(21)	16	15	31
Dividends	—	—	(36)	—	(36)	(30)	(66)
Stock options expense	—	1	—	—	1	—	1
Issuance of common shares upon exercise of stock options	2	—	—	—	2	—	2
Balance - End of period	618	17	1,020	52	1,707	32	1,739

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of Canadian dollars) (unaudited)	For the 3-month periods ended September 30, 2026	2025	For the 9-month periods ended September 30, 2026	2025
Operating activities				
Net earnings attributable to Shareholders for the period	**30**	29	**90**	33
Adjustments for:				
Financing expenses	**31**	35	**90**	104
Depreciation and amortization	**78**	74	**226**	215
Impairment charges	**7**	—	**15**	24
Other loss (gain)	**(5)**	10	**(57)**	15
Restructuring costs	**4**	6	**9**	12
Loss (gain) on derivative financial instruments	**—**	(4)	**10**	(4)
Provision for income taxes	**15**	8	**29**	16
Share of results of associates and joint ventures	**(5)**	(5)	**(11)**	(11)
Net earnings attributable to non-controlling interests	**7**	6	**19**	17
Net financing expenses paid	**(49)**	(33)	**(112)**	(107)
Net income taxes paid	**—**	(2)	**(9)**	(9)
Dividends received	**—**	19	**7**	26
Payments, net of provisions, for charges and other liabilities, and other non-cash items	**4**	(27)	**(14)**	(78)
	117	116	**292**	253
Changes in non-cash working capital components	**(25)**	65	**(66)**	(57)
	92	181	**226**	196
Investing activities				
Disposals in associates and joint ventures	**2**	—	**2**	—
Payments for property, plant and equipment	**(47)**	(30)	**(115)**	(110)
Proceeds from disposals of property, plant and equipment	**9**	—	**43**	26
Change in intangible and other assets	**—**	(1)	**1**	—
Proceeds from business disposal	**—**	—	**62**	—
	(36)	(31)	**(7)**	(84)
Financing activities				
Bank loans and advances	**—**	(2)	**—**	(9)
Change in credit facilities	**26**	(38)	**25**	(110)
Change in credit facilities without recourse to the Corporation	**108**	(28)	**69**	93
Issuance of unsecured senior notes, net of related expenses	**—**	—	**—**	541
Repurchase of unsecured senior notes	**(140)**	—	**(140)**	(456)
Payments of other long-term debt, including lease obligations (2026 - $67 million for the 9-month period ($23 million for the 3-month period); 2025 - $59 million for the 9-month period ($20 million for the 3-month period))	**(23)**	(21)	**(67)**	(61)
Issuance of common shares upon exercise of stock options	**9**	—	**10**	2
Dividends paid to non-controlling interests	**(18)**	(3)	**(25)**	(30)
Dividends paid to the Corporation's Shareholders	**(12)**	(12)	**(36)**	(36)
	(50)	(104)	**(164)**	(66)
Net change in cash and cash equivalents during the period	**6**	46	**55**	46
Currency translation on cash and cash equivalents	**1**	1	**—**	—
Cash and cash equivalents - Beginning of the period	**96**	26	**48**	27
Cash and cash equivalents - End of the period	**103**	73	**103**	73

SEGMENTED INFORMATION

The Corporation's operations are managed in two segments: Packaging Products and Tissue Papers. The accounting policies of the reportable segments are the same as the Corporation's accounting policies described in the most recent Audited Consolidated Financial Statements for the year ended December 31, 2025.

The Corporation's operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The Chief Executive Officer has authority for resource allocation and management of the Corporation's performance and is therefore the CODM. The CODM assesses the performance of each reportable segment based on sales and earnings before interest, taxes, depreciation and amortization, adjusted to exclude specific items (EBITDA (A)). The CODM considers EBITDA (A) to be the best performance measure of the Corporation's activities.

Sales for each segment are prepared on the same basis as those of the Corporation. Inter-segment operations are recorded on the same basis as sales to third parties, which are at fair market value.

EBITDA (A) does not have a standardized meaning under IFRS Accounting Standards; accordingly, it may not be comparable to similarly named measures used by other companies. Investors should not view EBITDA (A) as an alternative measure to, for example, net earnings, or as a measure of operating results, which are IFRS Accounting Standards measures.

Sales by business segment are shown in the following table:

For the 3-month periods ended September 30 (in millions of Canadian dollars) (unaudited)	SALES					
	2026			2025		
	Total	Inter-segment	External	Total	Inter-segment	External
Packaging Products	**807**	**(6)**	**801**	797	(13)	784
Tissue Papers	**415**	**—**	**415**	412	—	412
Corporate, Recovery and Recycling activities	**81**	**(30)**	**51**	69	(27)	42
	1,303	**(36)**	**1,267**	1,278	(40)	1,238

For the 9-month periods ended September 30 (in millions of Canadian dollars) (unaudited)	SALES					
	2026			2025		
	Total	Inter-segment	External	Total	Inter-segment	External
Packaging Products	**2,294**	**(18)**	**2,276**	2,322	(37)	2,285
Tissue Papers	**1,204**	**—**	**1,204**	1,168	—	1,168
Corporate, Recovery and Recycling activities	**215**	**(84)**	**131**	215	(89)	126
	3,713	**(102)**	**3,611**	3,705	(126)	3,579

EBITDA (A) by business segment is reconciled to the IFRS Accounting Standards measure, namely operating income (loss), and is shown in the following table:

(in millions of Canadian dollars) (unaudited)	For the 3-month period ended September 30, 2026			
	Packaging Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	**64**	**32**	**(18)**	**78**
Depreciation and amortization	**54**	**15**	**9**	**78**
Impairment charges	**3**	**—**	**4**	**7**
Other loss (gain)	**3**	**—**	**(8)**	**(5)**
Restructuring costs	**1**	**—**	**3**	**4**
Loss (gain) on derivative financial instruments	**1**	**—**	**(1)**	**—**
EBITDA (A)	**126**	**47**	**(11)**	**162**
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	**641**	**351**	**60**	**1,052**

(in millions of Canadian dollars) (unaudited)	For the 3-month period ended September 30, 2025 Packaging Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	73	30	(30)	73
Depreciation and amortization	48	16	10	74
Other loss	10	—	—	10
Restructuring costs	5	—	1	6
Gain on derivative financial instruments	—	—	(4)	(4)
EBITDA (A)	136	46	(23)	159
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	619	345	49	1,013

(in millions of Canadian dollars) (unaudited)	**For the 9-month period ended September 30, 2026** **Packaging Products**	**Tissue Papers**	**Corporate, Recovery and Recycling activities**	**Consolidated**
Operating income (loss)	**220**	**72**	**(75)**	**217**
Depreciation and amortization	**156**	**43**	**27**	**226**
Impairment charges	**11**	**—**	**4**	**15**
Other gain	**(47)**	**—**	**(10)**	**(57)**
Restructuring costs	**2**	**—**	**7**	**9**
Loss on derivative financial instruments	**7**	**—**	**3**	**10**
EBITDA (A)	**349**	**115**	**(44)**	**420**
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	**1,819**	**1,032**	**165**	**3,016**

(in millions of Canadian dollars) (unaudited)	For the 9-month period ended September 30, 2025 Packaging Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	179	79	(99)	159
Depreciation and amortization	143	43	29	215
Impairment charges	23	—	1	24
Other loss (gain)	16	(1)	—	15
Restructuring costs	6	—	6	12
Gain on derivative financial instruments	(3)	—	(1)	(4)
EBITDA (A)	364	121	(64)	421
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	1,816	980	153	2,949

Payments for property, plant and equipment by business segment are shown in the following table:

	PAYMENTS FOR PROPERTY, PLANT AND EQUIPMENT			
	For the 3-month periods ended September 30,		**For the 9-month periods ended September 30,**	
(in millions of Canadian dollars) (unaudited)	**2026**	2025	**2026**	2025
Packaging Products	**33**	25	**113**	92
Tissue Papers	**21**	9	**44**	31
Corporate, Recovery and Recycling activities	**4**	4	**25**	11
Total acquisitions	**58**	38	**182**	134
Right-of-use assets acquisitions (non-cash)	**(13)**	(9)	**(70)**	(43)
	45	29	**112**	91
Acquisitions for property, plant and equipment included in "Trade and other payables"				
Beginning of the period	**16**	14	**17**	32
End of the period	**(14)**	(13)	**(14)**	(13)
Payments for property, plant and equipment	**47**	30	**115**	110
Proceeds from disposals of property, plant and equipment	**(9)**	—	**(43)**	(26)
Payments for property, plant and equipment net of proceeds from disposals	**38**	30	**72**	84

SUPPLEMENTAL INFORMATION ON NON-IFRS ACCOUNTING STANDARDS MEASURES AND OTHER FINANCIAL MEASURES

SPECIFIC ITEMS

The Corporation incurs some specific items that adversely or positively affect its operating results. We believe it is useful for readers to be aware of these items as they provide additional information to measure performance, compare the Corporation's results between periods, and assess operating results and liquidity, notwithstanding these specific items. Management believes these specific items are not necessarily reflective of the Corporation's underlying business operations in measuring and comparing its performance and analyzing future trends. Our definition of specific items may differ from that of other corporations and some of these items may arise in the future and may reduce the Corporation's available cash.

They include, but are not limited to, charges for (reversals of) impairment of assets, restructuring gains or costs, loss on refinancing and repurchase of long-term debt, some deferred tax asset provisions or reversals, premiums paid on repurchase of long-term debt, gains or losses on the acquisition or sale of a business unit, gains or losses on the share of results of associates and joint ventures, unrealized and realized gains or losses on derivative financial instruments that do not qualify for hedge accounting, unrealized gains or losses on interest rate hedge instruments and option fair value revaluation, foreign exchange gains or losses on long-term debt and financial instruments, fair value revaluation gains or losses on investments, specific items of discontinued operations and other significant items of an unusual, non-cash or non-recurring nature.

RECONCILIATION AND USES OF NON-IFRS ACCOUNTING STANDARDS MEASURES AND OTHER FINANCIAL MEASURES

To provide more information for evaluating the Corporation's performance, the financial information included in this analysis contains certain data that are not performance measures under IFRS Accounting Standards ("non-IFRS Accounting Standards measures"), which are also calculated on an adjusted basis to exclude specific items. We believe that providing certain key performance and capital measures, as well as non-IFRS Accounting Standards measures, is useful to both Management and investors, as they provide additional information to measure the performance and financial position of the Corporation. This also increases the transparency and clarity of the financial information. The following non-IFRS Accounting Standards measures and other financial measures are used in our financial disclosures:

Non-IFRS Accounting Standards measures

- Adjusted earnings before interest, taxes, depreciation and amortization or EBITDA (A): represents the operating income (as published in the Consolidated Statements of Earnings (Loss) of the Consolidated Financial Statements) before depreciation and amortization excluding specific items. Measure used to assess recurring operating performance and the contribution of each segment on a comparable basis.
- Adjusted net earnings: Measure used to assess the Corporation's consolidated financial performance on a comparable basis.
- Adjusted cash flow: Measure used to assess the Corporation's capacity to generate cash flows to meet financial obligations and/or discretionary items such as share repurchases, dividend increases and strategic investments.
- Free cash flow: Measure used to calculate the excess cash the Corporation generates by subtracting capital expenditures (excluding strategic projects) from EBITDA (A).
- Working capital: Measure used to assess the short-term liquidity of the Corporation.

Other financial measures

- Total debt: Measure used to calculate all the Corporation's debt, including long-term debt and bank loans. Often put in relation to equity to calculate the debt-to-equity ratio.
- Net debt: Measure used to calculate the Corporation's total debt less cash and cash equivalents. Often put in relation to EBITDA (A) to calculate the net debt to EBITDA (A) ratio.

Non-IFRS Accounting Standards ratios

- Net debt to EBITDA (A) ratio: Ratio used to assess the Corporation's ability to pay its debt and evaluate financial leverage.
- EBITDA (A) margin: Ratio used to assess operating performance and the contribution of each segment on a comparable basis calculated as a percentage of sales.
- Adjusted net earnings per common share: Ratio used to assess the Corporation's consolidated financial performance on a comparable basis.
- Ratio of net debt / (total equity and net debt): Ratio used to evaluate the Corporation's financial leverage and the risk to Shareholders.
- Working capital as a percentage of sales: Ratio used to assess the Corporation's operating liquidity performance.
- Adjusted cash flow per common share: Ratio used to assess the Corporation's financial flexibility.

- Free cash flow ratio: Ratio used to measure the liquidity and efficiency of how much more cash the Corporation generates than it uses to run the business by subtracting capital expenditures (excluding strategic projects) from EBITDA (A) calculated as a percentage of sales.

Non-IFRS Accounting Standards measures and other financial measures are mainly derived from the consolidated financial statements, but do not have the meanings prescribed by IFRS Accounting Standards. These measures have limitations as an analytical tool and should not be considered on their own or as a substitute for an analysis of our results as reported under IFRS Accounting Standards. In addition, our definitions of non-IFRS Accounting Standards measures and other financial measures may differ from those of other corporations. Any such modification or reformulation may be significant.

The Corporation's operations are managed in two segments: Packaging Products and Tissue Papers.

The CODM assesses the performance of each reportable segment based on sales and earnings before interest, taxes, depreciation and amortization, adjusted to exclude specific items (EBITDA (A))[1]. The CODM considers EBITDA (A)[1] to be the best performance measure of the Corporation's activities.

EBITDA (A)[1] by business segment is reconciled to the IFRS Accounting Standards measure, namely operating income (loss), and is shown in the following table:

				Q3 2026
(in millions of Canadian dollars) (unaudited)	**Packaging Products**	**Tissue Papers**	**Corporate, Recovery and Recycling activities**	**Consolidated**
Operating income (loss)	**64**	**32**	**(18)**	**78**
Depreciation and amortization	**54**	**15**	**9**	**78**
Impairment charges	**3**	**—**	**4**	**7**
Other loss (gain)	**3**	**—**	**(8)**	**(5)**
Restructuring costs	**1**	**—**	**3**	**4**
Loss (gain) on derivative financial instruments	**1**	**—**	**(1)**	**—**
EBITDA (A)[1]	**126**	**47**	**(11)**	**162**
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	**641**	**351**	**60**	**1,052**

				Q2 2026
(in millions of Canadian dollars) (unaudited)	Packaging Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	68	20	(30)	58
Depreciation and amortization	53	15	9	77
Other gain	(3)	—	—	(3)
Restructuring costs	—	—	2	2
Loss on derivative financial instruments	2	—	4	6
EBITDA (A)[1]	120	35	(15)	140
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	610	354	55	1,019

1 Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

(in millions of Canadian dollars) (unaudited)	Q3 2025 Packaging Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	73	30	(30)	73
Depreciation and amortization	48	16	10	74
Other loss	10	—	—	10
Restructuring costs	5	—	1	6
Gain on derivative financial instruments	—	—	(4)	(4)
EBITDA (A)[1]	136	46	(23)	159
Supply chain and logistics and Wage and employee benefits expenses included in operating income (loss)	619	345	49	1,013

The following table reconciles net earnings and net earnings per common share, as reported, with adjusted net earnings[1] and adjusted net earnings per common share[1]:

(in millions of Canadian dollars, except per common share amounts and number of common shares) (unaudited)	NET EARNINGS			NET EARNINGS PER COMMON SHARE[2]		
	Q3 2026	Q2 2026	Q3 2025	**Q3 2026**	Q2 2026	Q3 2025
As reported	**30**	21	29	**$0.30**	$0.21	$0.29
Specific items:						
Impairment charges	**7**	—	—	**$0.05**	—	—
Other loss (gain)	**(5)**	(3)	10	**($0.04)**	($0.02)	$0.07
Restructuring costs	**4**	2	6	**$0.03**	$0.01	$0.05
Loss (gain) on derivative financial instruments	**—**	6	(4)	**—**	$0.04	($0.03)
Share of results of associates and joint ventures	**(1)**	—	—	**($0.01)**	—	—
Tax effect on specific items, other tax adjustments and attributable to non-controlling interest[2]	**(1)**	(2)	(2)	**—**	—	—
	4	3	10	**$0.03**	$0.03	$0.09
Adjusted[1]	**34**	24	39	**$0.33**	$0.24	$0.38
Weighted average basic number of common shares outstanding				**101,645,979**	101,346,974	101,257,276

The following table reconciles cash flow from operating activities with EBITDA (A)[1]:

(in millions of Canadian dollars) (unaudited)	**Q3 2026**	Q2 2026	Q3 2025
Cash flow from operating activities	**92**	116	181
Changes in non-cash working capital components	**25**	3	(65)
Net income taxes paid	**—**	5	2
Net financing expenses paid	**49**	11	33
Payments, net of provisions, for charges and other liabilities, and non-cash items, net of dividends received	**(4)**	5	8
EBITDA (A)[1]	**162**	140	159

1 Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

2 Specific amounts per common share are calculated on an after-tax basis and are net of the portion attributable to non-controlling interests. Per share amounts in line item "Tax effect on specific items, other tax adjustments and attributable to non-controlling interests" only include the effect of tax adjustments. Please refer to the "Provision for income taxes" section for more details.

The following table reconciles cash flow from operating activities with cash flow from operating activities (excluding changes in non-cash working capital components) and adjusted cash flow from operating activities[1]. It also reconciles adjusted cash flow from operating activities[1] to adjusted cash flow generated before specific items[1], which is also calculated on a per common share basis:

(in millions of Canadian dollars, except per common share amounts or otherwise noted) (unaudited)	**Q3 2026**	Q2 2026	Q3 2025
Cash flow from operating activities	**92**	116	181
Changes in non-cash working capital components	**25**	3	(65)
Cash flow from operating activities (excluding changes in non-cash working capital components)	**117**	119	116
Restructuring costs paid	**2**	4	21
Adjusted cash flow from operating activities[1]	**119**	123	137
Payments for property, plant and equipment	**(47)**	(40)	(30)
Change in intangible and other assets	**—**	2	(1)
Lease obligation payments	**(23)**	(23)	(20)
	49	62	86
Dividends paid to non-controlling interests	**(18)**	(3)	(3)
Dividends paid to the Corporation's Shareholders and to non-controlling interests	**(12)**	(12)	(12)
Adjusted cash flow generated before specific items[1, 2]	**19**	47	71
Adjusted cash flow generated before specific items per common share (in Canadian dollars)[1, 2]	**$0.19**	$0.46	$0.70
Weighted average basic number of common shares outstanding	**101,645,979**	101,346,974	101,257,276

The following table reconciles total debt[1] and net debt[1] with the ratio of net debt to adjusted earnings before interest, taxes, depreciation and amortization (EBITDA (A))[1]:

(in millions of Canadian dollars) (unaudited)	**September 30, 2026**	June 30, 2026	September 30, 2025
Long-term debt	**1,890**	1,897	2,027
Current portion of long-term debt	**76**	78	68
Bank loans and advances	**—**	—	1
Total debt[1]	**1,966**	1,975	2,096
Less: Cash and cash equivalents	**(103)**	(96)	(73)
Net debt[1] as reported	**1,863**	1,879	2,023
Last twelve months EBITDA (A)[1]	**575**	572	567
Net debt / EBITDA (A) ratio[1]	**3.2x**	3.3x	3.6x

1 Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.
2 "Adjusted cash flow generated (used) before specific items" has been aligned to conform with the current year's presentation.

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