



Interfor Corporation

Burnaby, B.C.

August 3, 2023

Interfor Reports Q2'23 Results Adjusted EBITDA of \$42 million and Net Loss of \$14 million

INTERFOR CORPORATION ("Interfor" or the "Company") (TSX: IFP) recorded a Net loss in Q2'23 of \$14.1 million, or \$0.27 per share, compared to \$41.3 million, or \$0.80 per share in Q1'23 and Net earnings of \$269.9 million, or \$4.92 per share in Q2'22.

Adjusted EBITDA was \$41.9 million on sales of \$871.8 million in Q2'23 versus \$26.1 million on sales of \$829.9 million in Q1'23 and \$428.6 million on sales of \$1.4 billion in Q2'22.

Notable items in the quarter:

- Record Lumber Shipments Outpaced Production
 - Lumber shipments were a record 1.1 billion board feet, or 112 million board feet higher than Q1'23, which outpaced production resulting in a 16% reduction in lumber inventories.
 - Lumber production totaled 1.0 billion board feet, representing a decrease of 8 million board feet quarter-over-quarter.
 - The U.S. South and U.S. Northwest regions accounted for 468 million board feet and 165 million board feet, respectively, compared to 473 million board feet and 142 million board feet in Q1'23. The Eastern Canada region produced 249 million board feet versus 250 million board feet in Q1'23. Production in the B.C. region decreased to 141 million board feet from 166 million board feet in Q1'23.
- Stabilizing Lumber Prices
 - Lumber prices continued to reflect softened demand driven by the elevated interest rate environment and several supply-side factors. However, lumber prices began to strengthen near the end of Q2'23 from the effects of industry production curtailments and reduced European imports combined with increased new home construction demand. Interfor's average selling price was \$649 per mfbm, up \$10 per mfbm versus Q1'23.
 - The SYP Composite and KD H-F Stud 2x4 9' increased quarter-over-quarter by US\$4 and US\$24 per mfbm to US\$446 and US\$452 per mfbm, respectively, while the Western SPF Composite decreased quarter-over-quarter by US\$27 per mfbm to US\$372 per mfbm. The ESPF Composite remained at US\$474 per mfbm quarter-over-quarter.
- Financial Flexibility Improved
 - Net debt at quarter-end was \$815.7 million, or 29.6% of invested capital, with available liquidity of \$366.1 million.
 - The net debt to invested capital leverage ratio improved compared to the end of Q1'23, driven by \$123.0 million of cash flow from operations, including \$97.4 million from inventory reductions.

- Liquidity is expected to be further strengthened during the remainder of 2023 by income tax refunds totaling approximately \$100.0 million related to over-installments for the 2022 tax year.
- Strategic Capital Investments
 - Capital spending was \$57.7 million, including \$40.2 million of discretionary investment focused on multi-year projects in the U.S. South region.
 - Total capital expenditures planned for 2023 remains unchanged from prior guidance at approximately \$210.0 million, with continued flexibility to adjust this based on various factors including market conditions.
- Ongoing Monetization of Coastal B.C. Operations
 - The Company is continuing to work with the Ministry of Forests to subdivide and transfer a number of forest tenures from its 1.57 million cubic metres of annual harvesting rights. The timing remains uncertain as to when Ministry approval will be received and certain contractual matters are finalized.
- Softwood Lumber Duties
 - Interfor expensed \$17.0 million of duties in the quarter, representing the full amount of countervailing (“CV”) and anti-dumping (“AD”) duties incurred on shipments of softwood lumber from its Canadian operations to the U.S. at a combined rate of 8.59%.
 - On August 1, 2023, the U.S. Department of Commerce (“DoC”) published the final rates for CV and AD duties based on the results of its fourth administrative review covering shipments for the year ended December 31, 2021. The final combined rate for 2021 was 7.99% compared to the cash deposit rate of 8.99% from January to November 2021 and 17.90% for December 2021. The finalization of the fourth administrative review rates indicated an overpayment of duty deposits in 2021 of \$18.6 million. The combined rate of 7.99% applied to new shipments effective August 1, 2023.
 - Interfor has cumulative duties of US\$530.9 million, or approximately \$9.97 per share on an after-tax basis, held in trust by U.S. Customs and Border Protection as at June 30, 2023. Except for US\$156.8 million recorded as a receivable in respect of overpayments arising from duty rate adjustments and the fair value of rights to duties acquired, Interfor has recorded the duty deposits as an expense.

Interfor Appoints New Director

On May 19, 2023, the Interfor Board appointed Nicolle Butcher of Toronto, Ontario as a director of the Company. Ms. Butcher is the Chief Operating Officer of Ontario Power Generation, where she has held a wide range of roles with increasing responsibility over the past 22 years. Ms. Butcher’s appointment increased the number of directors to eleven and was in line with the Company’s Board succession plan.

Outlook

North American lumber markets over the near term are expected to remain volatile as the economy continues to adjust to inflationary pressures, elevated interest rates, labour shortages and geo-political uncertainty. Additionally, potential remains for supply-side disruption in the near term from the record wildfire season in progress in Canada as well as impacts from the protracted port strike in B.C.

Interfor expects that over the mid-term, lumber markets will continue to benefit from favourable underlying supply and demand fundamentals. Positive demand factors include the advanced age of the U.S. housing stock, a shortage of available housing and various demographic factors, while growth in lumber supply is expected to be limited by extended capital project completion and ramp-up timelines, labour availability and constrained global fibre availability.

Interfor's strategy of maintaining a diversified portfolio of operations in multiple regions allows the Company to both reduce risk and maximize returns on capital over the business cycle. Interfor is well positioned with its strong balance sheet and available liquidity to continue pursuing its strategic plans despite ongoing economic and geo-political uncertainty globally. In the event of a sustained lumber market downturn, Interfor maintains flexibility to significantly reduce capital expenditures and working capital levels, and to proactively adjust its lumber production to match demand.

Financial and Operating Highlights¹

	Unit	For the three months ended			For the six months ended	
		Jun. 30 2023	Jun. 30 2022	Mar. 31 2023	Jun. 30 2023	Jun. 30 2022
Financial Highlights ²						
Total sales	\$MM	871.8	1,389.1	829.9	1,701.7	2,738.1
Lumber	\$MM	723.2	1,190.8	642.5	1,365.7	2,403.3
Logs, residual products and other	\$MM	148.6	198.3	187.4	336.0	334.8
Operating earnings (loss)	\$MM	(20.8)	385.9	(36.2)	(57.1)	898.5
Net earnings (loss)	\$MM	(14.1)	269.9	(41.3)	(55.4)	666.9
Net earnings (loss) per share, basic	\$/share	(0.27)	4.92	(0.80)	(1.08)	11.68
Operating cash flow per share (before working capital changes) ^{3,5}	\$/share	0.68	4.43	0.47	1.15	10.68
Adjusted EBITDA ³	\$MM	41.9	428.6	26.1	67.9	998.7
Adjusted EBITDA margin ³	%	4.8%	30.9%	3.1%	4.0%	36.5%
Total assets	\$MM	3,603.9	3,269.5	3,695.1	3,603.9	3,269.5
Total debt	\$MM	918.5	372.6	946.2	918.5	372.6
Net debt ³	\$MM	815.7	102.0	880.0	815.7	102.0
Net debt to invested capital ³	%	29.6%	4.6%	30.7%	29.6%	4.6%
Annualized return on capital employed ³	%	(1.1%)	52.9%	(5.0%)	(3.1%)	69.4%
Operating Highlights						
Lumber production	million fbm	1,023	1,016	1,031	2,054	1,933
Lumber sales	million fbm	1,116	1,082	1,004	2,120	1,925
Lumber - average selling price ⁴	\$/thousand fbm	649	1,104	639	644	1,240
Average USD/CAD exchange rate ⁶	1 USD in CAD	1.3428	1.2768	1.3525	1.3477	1.2715
Closing USD/CAD exchange rate ⁶	1 USD in CAD	1.3240	1.2886	1.3533	1.3240	1.2886

Notes:

- 1 Figures in this table may not equal or sum to figures presented elsewhere due to rounding.
- 2 Financial information presented for interim periods in this release is prepared in accordance with IFRS and is unaudited.
- 3 Refer to the Non-GAAP Measures section of this release for definitions and reconciliations of these measures to figures reported in the Company's unaudited condensed consolidated interim financial statements.
- 4 Gross sales including duties and freight.
- 5 Financial information has been adjusted for a reclassification in the presentation of unrealized foreign exchange loss (gain) within cashflow from operations resulting in a \$/share change of \$0.45 – Q2 2022 and \$0.23 - YTD Q2 2022.
- 6 Based on Bank of Canada foreign exchange rates.

Liquidity

Balance Sheet

Interfor's Net debt at June 30, 2023 was \$815.7 million, or 29.6% of invested capital, representing an increase of \$95.4 million from the level of Net debt at December 31, 2022.

As at June 30, 2023 the Company had net working capital of \$482.6 million and available liquidity of \$366.1 million, based on the available borrowing capacity under its \$600.0 million Revolving Term Line ("Term Line").

The Term Line and Senior Secured Notes are subject to financial covenants, including a net debt to total capitalization ratio and an EBITDA interest coverage ratio.

Management believes, based on circumstances known today, that Interfor has sufficient working capital and liquidity to fund operating and capital requirements for the foreseeable future.

Millions of Canadian Dollars	For the three months ended Jun. 30,		For the six months ended Jun. 30,	
	2023	2022	2023	2022
Net debt				
Net debt (cash), period opening	\$880.0	\$340.2	\$720.3	\$(162.9)
Repayment of Senior Secured Notes	(7.1)	(7.0)	(7.1)	(7.0)
Term Line net drawings (repayments)	-	(35.0)	149.5	(3.9)
(Increase) decrease in cash and cash equivalents	(40.0)	(201.9)	(29.2)	276.4
Foreign currency translation impact on U.S. Dollar denominated cash and cash equivalents and debt	(17.2)	5.7	(17.8)	(0.6)
Net debt, period ending	\$815.7	\$102.0	\$815.7	\$102.0

On December 16, 2022, the Company completed an expansion of its Term Line. The commitment under the Term Line was increased by \$100.0 million to a total of \$600.0 million.

On December 1, 2022, the Company issued US\$200.0 million of Series H Senior Secured Notes, bearing interest at 7.06% with principal payments of US\$66.7 million due on December 26, 2031, 2032 and on final maturity in 2033.

Capital Resources

The following table summarizes Interfor's credit facilities and availability as of June 30, 2023:

Millions of Canadian Dollars	Revolving Term Line	Senior Secured Notes	Total
Available line of credit and maximum borrowing available	\$600.0	\$640.5	\$1,240.5
Less:			
Drawings	278.0	640.5	918.5
Outstanding letters of credit included in line utilization	58.7	-	58.7
Unused portion of facility	\$263.3	\$ -	263.3
Add:			
Cash and cash equivalents			102.8
Available liquidity at June 30, 2023			\$366.1

Interfor's Term Line matures in December 2026 and its Senior Secured Notes have maturities in the years 2024-2033.

As of June 30, 2023, the Company had commitments for capital expenditures totaling \$135.5 million for both maintenance and discretionary capital projects.

Non-GAAP Measures

This MD&A makes reference to the following non-GAAP measures: EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Net debt to invested capital, Operating cash flow per share (before working capital changes), and Annualized return on capital employed which are used by the Company and certain investors to evaluate operating performance and financial position. These non-GAAP measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers.

The following table provides a reconciliation of these non-GAAP measures to figures as reported in the Company's audited consolidated financial statements (unaudited for interim periods) prepared in accordance with IFRS:

Millions of Canadian Dollars except number of shares and per share amounts	For the three months ended			For the six months ended	
	Jun. 30 2023	Jun. 30 2022	Mar. 31 2023	Jun. 30 2023	Jun. 30 2022
Adjusted EBITDA					
Net earnings (loss)	\$(14.1)	\$269.9	\$(41.3)	\$(55.4)	\$666.9
Add:					
Depreciation of plant and equipment	46.7	41.6	45.1	91.8	74.8
Depletion and amortization of timber, roads and other	9.9	9.2	12.2	22.1	18.3
Finance costs	13.3	4.4	10.9	24.2	9.5
Income tax expense (recovery)	(8.1)	89.4	(11.5)	(19.6)	221.5
EBITDA	47.7	414.5	15.4	63.1	991.0
Add:					
Long-term incentive compensation expense (recovery)	2.8	(10.4)	2.6	5.4	(6.7)
Other foreign exchange loss (gain)	(13.7)	20.3	-	(13.7)	7.5
Other expense excluding business interruption insurance	5.0	3.1	6.5	11.4	2.6
Asset write-downs and restructuring costs	0.1	1.1	1.6	1.7	4.3
Adjusted EBITDA	\$41.9	\$428.6	\$26.1	\$67.9	\$998.7
Sales	\$871.8	\$1,389.1	\$829.9	\$1,701.7	\$2,738.1
Adjusted EBITDA margin	4.8%	30.9%	3.1%	4.0%	36.5%
Net debt to invested capital					
Net debt					
Total debt	\$918.5	\$372.6	\$946.2	\$918.5	\$372.6
Cash and cash equivalents	(102.8)	(270.6)	(66.2)	(102.8)	(270.6)
Total net debt	\$815.7	\$102.0	\$880.0	\$815.7	\$102.0
Invested capital					
Net debt	\$815.7	\$102.0	\$880.0	\$815.7	\$102.0
Shareholders' equity	1,943.2	2,106.1	1,985.2	1,943.2	2,106.1
Total invested capital	\$2,758.9	\$2,208.1	\$2,865.2	\$2,758.9	\$2,208.1
Net debt to invested capital ¹	29.6%	4.6%	30.7%	29.6%	4.6%
Operating cash flow per share (before working capital changes)²					
Cash provided by (used in) operating activities	\$123.0	\$393.8	\$(84.6)	\$38.5	\$674.9
Cash used in (generated from) operating working capital	(88.4)	(150.7)	108.8	20.5	(65.3)
Operating cash flow (before working capital changes)	\$34.6	\$243.1	\$24.2	\$59.0	\$609.6
Weighted average number of shares - basic (millions)	51.4	54.9	51.4	51.4	57.1
Operating cash flow per share (before working capital changes)	\$0.68	\$4.43	\$0.47	\$1.15	\$10.68
Annualized return on capital employed					
Net earnings (loss)	\$(14.1)	\$269.9	\$(41.3)	\$(55.4)	\$666.9
Add:					
Finance costs	13.3	4.4	10.9	24.2	9.5
Income tax expense (recovery)	(8.1)	89.4	(11.5)	(19.6)	221.5
Earnings (loss) before income taxes and finance costs	\$(8.9)	\$363.7	\$(41.9)	\$(50.8)	\$897.9
Capital Employed					
Total assets	\$3,603.9	\$3,269.5	\$3,695.1	\$3,603.9	\$3,269.5
Current liabilities	(318.9)	(421.4)	(343.0)	(318.9)	(421.4)
Less:					
Current portion of long-term debt	44.1	7.0	52.4	44.1	7.0
Current portion of lease liabilities	15.8	14.8	14.8	15.8	14.8
Capital employed, end of period	\$3,344.9	\$2,869.9	\$3,419.3	\$3,344.9	\$2,869.9
Capital employed, beginning of period	3,419.3	2,630.5	3,316.0	3,316.0	2,303.2
Average capital employed	\$3,382.1	\$2,750.2	\$3,367.7	\$3,330.4	\$2,586.5
Earnings (loss) before income taxes and finance costs divided by average capital employed	(0.3%)	13.2%	(1.2%)	(1.5%)	34.7%
Annualization factor	4.0	4.0	4.0	2.0	2.0
Annualized return on capital employed	(1.1%)	52.9%	(5.0%)	(3.1%)	69.4%

Notes:

- 1 Net debt to invested capital as of the period end.
- 2 Financial information has been adjusted for a reclassification in the presentation of unrealized foreign exchange loss (gain) within cashflow from operations resulting in a \$/share change of \$0.45 - Q2 2022 and \$0.23 - YTD Q2 2022.



CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)
For the three and six months ended June 30, 2023 and 2022 (unaudited)

(millions of Canadian Dollars except per share amounts)

	Three Months Jun. 30, 2023	Three Months Jun. 30, 2022	Six Months Jun. 30, 2023	Six Months Jun. 30, 2022
Sales	\$871.8	\$1,389.1	\$1,701.7	\$2,738.1
Costs and expenses:				
Production	798.5	899.3	1,575.3	1,633.1
Selling and administration	17.6	16.1	34.8	33.7
Long-term incentive compensation expense (recovery)	2.8	(10.4)	5.4	(6.7)
U.S. countervailing and anti-dumping duty deposits	17.0	46.3	27.7	82.1
Depreciation of plant and equipment	46.7	41.6	91.8	74.8
Depletion and amortization of timber, roads and other	9.9	9.2	22.1	18.3
	892.5	1,002.1	1,757.1	1,835.3
Operating earnings (loss) before asset write-downs and restructuring costs	(20.7)	387.0	(55.4)	902.8
Asset write-downs and restructuring costs	0.1	1.1	1.7	4.3
Operating earnings (loss)	(20.8)	385.9	(57.1)	898.5
Finance costs	(13.3)	(4.4)	(24.2)	(9.5)
Other foreign exchange gain (loss)	13.7	(20.3)	13.7	(7.5)
Other income (expense)	(1.8)	(1.9)	(7.4)	6.9
	(1.4)	(26.6)	(17.9)	(10.1)
Earnings (loss) before income taxes	(22.2)	359.3	(75.0)	888.4
Income tax expense (recovery):				
Current	(12.6)	92.8	(18.1)	215.4
Deferred	4.5	(3.4)	(1.5)	6.1
	(8.1)	89.4	(19.6)	221.5
Net earnings (loss)	\$(14.1)	\$269.9	\$(55.4)	\$666.9
Net earnings (loss) per share				
Basic	\$(0.27)	\$4.92	\$(1.08)	\$11.68
Diluted	\$(0.27)	\$4.90	\$(1.08)	\$11.64

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
For the three and six months ended June 30, 2023 and 2022 (unaudited)

(millions of Canadian Dollars)

	Three Months Jun. 30, 2023	Three Months Jun. 30, 2022	Six Months Jun. 30, 2023	Six Months Jun. 30, 2022
Net earnings (loss)	\$(14.1)	\$269.9	\$(55.4)	\$666.9
Other comprehensive income (loss):				
Items that will not be recycled to Net earnings (loss):				
Defined benefit plan actuarial gain (loss), net of tax	-	(1.1)	0.7	1.7
Items that are or may be recycled to Net earnings (loss):				
Foreign currency translation differences for foreign operations, net of tax	(28.2)	52.6	(29.7)	27.9
Total other comprehensive income (loss), net of tax	(28.2)	51.5	(29.0)	29.6
Comprehensive income (loss)	\$(42.3)	\$321.4	\$(84.4)	\$696.5



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three and six months ended June 30, 2023 and 2022 (unaudited)

(millions of Canadian Dollars)

	Three Months Jun. 30, 2023	Three Months Jun. 30, 2022	Six Months Jun. 30, 2023	Six Months Jun. 30, 2022
Cash provided by (used in):				
Operating activities:				
Net earnings (loss)	\$(14.1)	\$269.9	\$(55.4)	\$666.9
Items not involving cash:				
Depreciation of plant and equipment	46.7	41.6	91.8	74.8
Depletion and amortization of timber, roads and other	9.9	9.2	22.1	18.3
Deferred income tax expense (recovery)	4.5	(3.4)	(1.5)	6.1
Current income tax expense (recovery)	(12.6)	92.8	(18.1)	215.4
Finance costs	13.3	4.4	24.2	9.5
Other assets	0.2	(2.4)	0.3	(2.5)
Reforestation liability	(6.8)	(1.7)	(2.0)	0.1
Provisions and other liabilities	1.5	(12.8)	(1.5)	(25.9)
Stock option vesting	0.2	0.2	0.4	0.5
Write-down of plant and equipment	-	1.1	1.5	2.3
Unrealized foreign exchange loss (gain)	(8.6)	18.5	(8.4)	8.2
Other expense (income)	1.8	1.9	7.4	(6.9)
Income taxes paid	(1.4)	(176.2)	(1.8)	(357.2)
	34.6	243.1	59.0	609.6
Cash generated from (used in) operating working capital:				
Trade accounts receivable and other	16.2	77.3	(37.7)	15.7
Inventories	97.4	54.3	64.9	32.9
Prepayments	(12.3)	(9.5)	(8.8)	(6.6)
Trade accounts payable and provisions	(12.9)	28.6	(38.9)	23.3
	123.0	393.8	38.5	674.9
Investing activities:				
Additions to property, plant and equipment	(57.5)	(61.0)	(120.6)	(112.0)
Additions to roads and bridges	(0.2)	(4.3)	(0.7)	(4.1)
Acquisitions, net of cash acquired	-	1.6	0.5	(536.1)
Proceeds on disposal of property, plant, equipment and other	0.6	10.2	4.7	11.4
Investment in GreenFirst Forest Products Inc.	-	(55.6)	-	(55.6)
Net proceeds from (additions to) deposits and other assets	0.4	(0.2)	1.3	0.2
	(56.7)	(109.3)	(114.8)	(696.2)
Financing activities:				
Issuance of share capital, net of expenses	-	-	0.1	0.4
Share repurchases, net of expenses	-	(32.9)	-	(227.2)
Interest payments	(15.0)	(4.3)	(28.1)	(9.3)
Lease liability payments	(4.2)	(3.3)	(8.7)	(7.8)
Debt refinancing costs	-	(0.1)	(0.2)	(0.3)
Term line net drawings (repayments)	-	(35.0)	149.5	(3.9)
Repayments of Senior Secured Notes	(7.1)	(7.0)	(7.1)	(7.0)
	(26.3)	(82.6)	105.5	(255.1)
Foreign exchange gain (loss) on cash and cash equivalents held in a foreign currency	(3.4)	5.8	(4.0)	8.4
Increase (decrease) in cash	36.6	207.7	25.2	(268.0)
Cash and cash equivalents, beginning of period	66.2	62.9	77.6	538.6
Cash and cash equivalents, end of period	\$102.8	\$270.6	\$102.8	\$270.6



CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2023 and December 31, 2022 (unaudited)

(millions of Canadian Dollars)	Jun. 30, 2023	Dec. 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$102.8	\$77.6
Trade accounts receivable and other	214.0	174.1
Income tax receivable	122.9	104.1
Inventories	327.8	396.9
Prepayments	34.0	25.9
	801.5	778.6
Employee future benefits	18.6	18.4
Deposits and other assets	268.7	281.6
Right of use assets	34.7	34.0
Property, plant and equipment	1,695.4	1,701.2
Roads and bridges	30.0	38.1
Timber licences	174.6	178.4
Goodwill and other intangible assets	576.7	588.1
Deferred income taxes	3.7	1.4
	\$3,603.9	\$3,619.8
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade accounts payable and provisions	\$237.8	\$285.5
Current portion of long-term debt	44.1	7.3
Reforestation liability	21.2	17.9
Lease liabilities	15.8	14.8
Income taxes payable	-	0.3
	318.9	325.8
Reforestation liability	27.1	28.7
Lease liabilities	20.3	20.5
Long-term debt	874.4	790.6
Employee future benefits	10.5	9.9
Provisions and other liabilities	22.3	24.2
Deferred income taxes	387.2	393.0
Equity:		
Share capital	408.9	408.7
Contributed surplus	5.8	5.5
Translation reserve	146.2	175.9
Retained earnings	1,382.3	1,437.0
	1,943.2	2,027.1
	\$3,603.9	\$3,619.8

Approved on behalf of the Board of Directors:

"L. Sauder"
 Director

"T.V. Milroy"
 Director

FORWARD-LOOKING STATEMENTS

This release contains forward-looking information about the Company's business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information may include words such as: will, could, should, believe, expect, anticipate, intend, forecast, projection, target, outlook, opportunity, risk or strategy. Readers are cautioned that actual results may vary from the forward-looking information in this release, and undue reliance should not be placed on such forward-looking information. Risk factors that could cause actual results to differ materially from the forward-looking information in this release are described in Interfor's second quarter and annual Management's Discussion and Analysis under the heading "Risks and Uncertainties", which are available on www.interfor.com and under Interfor's profile on www.sedar.com. Material factors and assumptions used to develop the forward-looking information in this release include volatility in the selling prices for lumber, logs and wood chips; the Company's ability to compete on a global basis; the availability and cost of log supply; natural or man-made disasters; currency exchange rates; changes in government regulations; Indigenous reconciliation; the softwood lumber trade dispute between Canada and the United States; environmental impacts of the Company's operations; labour availability; and information systems security. Unless otherwise indicated, the forward-looking statements in this release are based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information or statements, except as required by law.

ABOUT INTERFOR

Interfor is a growth-oriented forest products company with operations in Canada and the United States. The Company has annual lumber production capacity of approximately 5.2 billion board feet and offers a diverse line of lumber products to customers around the world. For more information about Interfor, visit our website at www.interfor.com.

The Company's unaudited condensed consolidated interim financial statements and Management's Discussion and Analysis for Q2'23 are available at www.sedar.com and www.interfor.com.

There will be a conference call on Friday, August 4, 2023 at 8:00 a.m. (Pacific Time) hosted by **INTERFOR CORPORATION** for the purpose of reviewing the Company's release of its second quarter 2023 financial results.

The dial-in number is **1-888-396-8049**. The conference call will also be recorded for those unable to join in for the live discussion and will be available until September 4, 2023. The number to call is **1-877-674-7070, Passcode 138247#**.

For further information:

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