News Release.

For Immediate Release
February 17, 2026

Canfor announces asset write-down and impairment charge.

Vancouver, BC – Canfor Corporation ("the Company" or "Canfor") (TSX: CFP) announced today that it will record a non-cash asset write down and impairment charge totaling approximately $321 million in its fourth quarter of 2025 results. Of this amount, $215 million relates to the Company's lumber segment and $106 million relates to its pulp and paper segment.

In the lumber segment, the impairment is associated with the Company's European operations and reflects ongoing log supply pressures in the region, which have resulted in significant increases in log costs and reduced asset carrying values.

In the pulp segment, the impairment reflects sustained declines in global US-dollar pulp list prices as well as continued challenges in securing economically viable fibre necessary to support operations.

This impairment charge is non-cash in nature and does not affect Canfor's liquidity position, cash flows or day-to-day operations.

Additional Supplemental Disclosure in Canfor Pulp's Circular

As previously announced, Canfor is proposing to acquire all of the issued and outstanding shares of Canfor Pulp Products Inc. ("Canfor Pulp") that it does not already own pursuant to an arrangement agreement with Canfor Pulp dated December 3, 2025 (the "Proposed Transaction"). Canfor presently holds 54.8% of Canfor Pulp's outstanding shares. This news release is deemed to be incorporated by reference in the management information circular dated January 28, 2026 (the "Circular") in respect of Canfor Pulp's special meeting of shareholders to be held on March 6, 2026 (the "Meeting") where Canfor Pulp will be seeking shareholder approval of the Proposed Transaction. For further information regarding the Proposed Transaction and the Meeting, see the Circular filed on Canfor Pulp's SEDAR+ profile at sedarplus.ca.

Forward-looking statements.

Certain statements in this press release constitute "forward-looking statements" which involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Words such as "expects", "anticipates", "projects", "intends", "plans", "will", "believes", "seeks", "estimates", "should", "may", "could", and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are based on Management's current expectations and beliefs and actual events or results may differ materially. There are many factors that could cause such actual events or results expressed or implied by such forward-looking statements to differ materially from any future results expressed or implied by such statements. Forward-looking statements are based on current expectations and Canfor assumes no obligation to update such information to reflect later events or developments, except as required by law.

About Canfor.

Canfor is a global leader in the manufacturing of high-value low-carbon forest products including dimension and specialty lumber, engineered wood products, pulp and paper, wood pellets and green energy. Proudly headquartered in Vancouver, British Columbia, Canfor produces renewable products from sustainably managed forests, at more than 50 facilities across its diversified operating platform in Canada, the United States and Europe. The Company has a 77% stake in Vida AB, Sweden's largest privately owned sawmill company and also owns a 54.8% interest in Canfor Pulp Products Inc. Canfor shares are traded on The Toronto Stock Exchange under the symbol CFP. For more information visit canfor.com.

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