ALGOMA CENTRAL CORPORATION

2026 INTERIM REPORT TO SHAREHOLDERS

For the Three and Nine Months Ended September 30, 2026 and 2025

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TABLE OF CONTENTS

General	1
Business Profile	1
Important Information About This MD&A	1
Select Financial and Operational Highlights	3
Business Segment Discussion	
Domestic Dry-Bulk	5
Product Tankers	6
Ocean Self-Unloaders	7
Global Short Sea Shipping	8
Corporate	10
Consolidated	10
Contingencies	11
Capital Resources	11
Financial Condition, Liquidity and Capital Resources	11
Normal Course Issuer Bid	12
Commitments	12
Disclosure Controls and Procedures and Internal Controls over Financial Reporting	12
Adoption of New and Amended Accounting Pronouncements	13
Accounting Pronouncements Issued But Not Yet Effective	13
Notice of Disclosure of No Audit Review	14
Interim Condensed Consolidated Statement of Earnings	15
Interim Condensed Consolidated Statement of Comprehensive Earnings	15
Interim Condensed Consolidated Balance Sheet	16
Interim Condensed Consolidated Statement of Changes in Equity	17
Interim Condensed Consolidated Statement of Cash Flows	18
Notes to the Interim Condensed Consolidated Financial Statements	19

General

This Management's Discussion and Analysis ("MD&A") of the Company should be read in conjunction with its Interim Condensed Consolidated Financial Statements for the three and nine months ended September 30, 2026 and 2025 and related notes thereto and has been prepared as at November 5, 2026.

This MD&A has been prepared by reference to the disclosure requirements established under National Instrument 51-102 "Continuous Disclosure Obligations" of the Canadian Securities Administrators. Additional information on the Company, including its 2025 Annual Information Form, is available on SEDAR's website at www.sedarplus.ca and on the Company's website at www.algonet.com.

Business Profile

Algoma Central Corporation owns and operates the largest fleet of dry and liquid bulk carriers operating on the Great Lakes - St. Lawrence Seaway, including self-unloading dry-bulk carriers, gearless dry-bulk carriers and product tankers. Algoma also owns and operates ocean-going self-unloading dry-bulk vessels trading in international markets and holds interests in global joint ventures that own diversified portfolios of dry and liquid bulk fleets operating internationally. Across the global fleet, Algoma holds an ownership interest in over 100 vessels. In addition to its ownership interests, the Company provides operational management for other vessels.

The Company reports the results of its operations for five business units or segments. The largest is the Domestic Dry-Bulk segment, which includes the Company's 24 Canadian dry-bulk carriers. This segment serves a wide variety of major industrial sectors, including iron and steel producers, aggregate producers, cement and building material producers, salt producers, and agricultural product distributors.

The Product Tankers fleet consists of ten product tankers employed in Canadian flag service. The segment also includes the Company's 50% interest in an international joint venture comprising ten tankers with two additonal tankers committed for delivery between 2028 and 2029, and an interest in a foreign-flagged tanker operation comprising two product tankers. Customers include major oil refiners, leading wholesale distributors, and large consumers of petroleum products.

The Company's international Ocean Self-Unloaders segment consists of nine ocean-going self-unloading vessels which are part of a Pool comprising the world's largest fleet of ocean-going self-unloaders, which at the end of the period totalled 19 vessels. An additional ocean self-unloader is currently under construction, with delivery expected in 2027, and set to replace an older Algoma-owned vessel in the Pool. The segment also includes joint venture interests in three self-unloaders and two additional vessels currently under construction, with expected deliveries in 2028.

The Global Short Sea Shipping segment, which consists of the Company's NovaAlgoma joint ventures, focuses on niche marine transportation markets featuring specialized equipment or services. The cement carrier operation holds a 49% interest in pneumatic cement carriers servicing large global cement manufacturers that support construction and infrastructure projects. The short sea mini-bulker fleet comprises owned ships, chartered vessels, and vessels operated under third-party management contracts. The fleet supports the agricultural, cement, construction, energy, and steel industries worldwide. The handy-size fleet is an opportunistic vessel sales and purchase venture. Three mini-bulkers and three pneumatic cement carriers are currently under construction for these joint ventures, with expected deliveries between 2027 and 2028.

The Corporate segment consists of the Company's head office expenditures, third-party management services, other administrative functions of the Company, and earnings from a joint venture in a mechanical, machining, and fabrication shop.

Impact of Seasonality on the Company

The nature of the Company's business is such that the earnings in the first quarter of each year are not indicative of the results for the other three quarters in the year. Due to the closing of the canal system and the winter weather conditions on the Great Lakes - St. Lawrence Seaway, the majority of the Domestic Dry-Bulk fleet does not operate for most of the first quarter. In addition, significant repair and maintenance costs are incurred in the first quarter to prepare the Domestic Dry-Bulk fleet for the upcoming navigation season. As a result, first quarter revenues and earnings are significantly lower than those of the remaining quarters in the year.

Important Information About This MD&A

The reporting currency used is the Canadian dollar and all amounts are reported in thousands of Canadian dollars, except for per share data, and unless otherwise noted.

Forward-Looking Statements

Algoma Central Corporation's public communications often include written or oral forward-looking statements. Statements of this type are included in this document and may be included in other filings with Canadian securities regulators or in other communications. All such statements are made pursuant to the safe harbour provisions of any applicable Canadian securities legislation. Forward-looking statements may involve, but are not limited to, comments with respect to our objectives and priorities for 2026 and beyond, our strategies or future actions, our targets, expectations for our financial condition or share price and the results of or outlook for our operations or for the Canadian, U.S. and global economies. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to:

- global and North American trade conditions, including the imposition of tariffs and other trade barriers that may increase costs and disrupt the free movement of goods;
- labour disputes that could affect the operations infrastructure upon which the Company relies;

- the impact of climate change on markets served by our customers, including the impact of drought conditions on agricultural outputs and the impact of winter conditions on production and/or sale of certain commodities;
- general economic and market conditions in the countries in which we operate;
- our success in maintaining and securing our information technology systems, including communications and data processing from accidental and malicious threats;
- our success in securing contract renewals and maintaining existing freight rates with existing customers;
- our success in securing contracts with new customers at acceptable freight rates;
- evolving regulations focused on carbon emissions and ballast water treatment that could require capital investments and increase costs that may not be recoverable from revenues;
- our ability to attract and retain qualified employees;
- interest rate and currency value fluctuations;
- our ability to execute our strategic plans and to complete and integrate acquisitions;
- critical accounting estimates;
- operational and infrastructure risks, including on-going maintenance and operational reliability of the St. Lawrence Seaway;
- on-time and on-budget delivery of new ships from shipbuilders;
- general political conditions;
- labour relations with our unionized workforce;
- the possible effects on our business of war or terrorist activities;
- disruptions to public infrastructure, such as transportation, communications, power or water supply, including water levels;
- technological changes;
- significant competition in the shipping industry and from other transportation providers;
- reliance on partnering relationships;
- appropriate maintenance and repair of our existing fleet by third-party contractors;
- health and safety regulations that affect our operations can change and be onerous and the risk of safety incidents can affect results;
- a change in applicable laws and regulations, including environmental regulations, could materially affect our results;
- economic conditions may prevent us from realizing sufficient investment returns to fund our defined benefit plans at the required levels;
- our ability to raise new equity and debt financing, if required;
- general weather conditions or natural disasters;
- the seasonal nature of our business; and,
- risks associated with the lease and ownership of real estate.

This should not be considered a complete list of all risks to which the Company may be subject from time to time. When relying on forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider these factors, as well as other uncertainties and potential events and the inherent uncertainty of forward-looking statements.

The Company does not undertake to update any forward-looking statements, whether written or oral, that may be made, from time to time, by the organization or on its behalf, except as required by law. The forward-looking information contained in this document is presented for the purpose of assisting our shareholders in understanding our financial position as at the dates presented, our strategic priorities, and our objectives, and may not be appropriate for other purposes.

For more information, please see the discussion of risks and uncertainties in the Company's Annual Information Form for the year ended December 31, 2025, which outlines in detail, certain key factors that may affect the Company's future results. The Annual Information Form can be found on the Company's website at www.algonet.com and on SEDAR's website at www.sedarplus.ca.

Ocean Self-Unloaders

Algoma participates in the world's largest Pool of ocean-going self-unloaders (the "Pool"). The segment's results reflect the Company's 50% pro-rata share of Pool revenue and vessel operating costs. Earnings from vessels owned through joint ventures operating in this segment are included in the Company's share of earnings from joint ventures. Algoma does not incur selling expenses on ocean self-unloader business, but instead pays a commercial fee to the Pool manager, which is reflected as an operating expense.

Joint Ventures

Joint venture revenues from the Product Tankers, Ocean Self-Unloaders, Global Short Sea Shipping, and Corporate segments are not included in the consolidated revenue figure. The Company's share of net earnings, adjusted for amortization arising from vessel purchase price allocation and intangibles, is included in net earnings from investments in joint ventures in the Company's consolidated earnings.

Non-GAAP Measures

This MD&A uses several financial measures to assess its performance including earnings before interest, income taxes, depreciation, and amortization (EBITDA), free cash flow, return on equity, adjusted profit margin, and adjusted performance measures. Some of these measures are not calculated in accordance with Generally Accepted Accounting Principles (GAAP), which are based on IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), are not defined by GAAP, and do not have standardized meanings that would ensure consistency and comparability among companies using these measures. From Management's perspective, these non-GAAP measures are useful measures of performance as they provide readers with a better understanding of how Management assesses performance. The non-GAAP measures that are used throughout this report are defined below and can also be referred to in the sections entitled *EBITDA*, *Free Cash Flow*, and *Select Financial and Operational Performance.*

EBITDA

EBITDA is not intended to represent cash flow from operations, and it should not be considered as an alternative to net earnings, cash flow from operations, or any other measure of performance prescribed by IFRS Accounting Standards. EBITDA is calculated as net earnings before depreciation and amortization, net interest expense, income tax expense, foreign exchange loss (gain), gain on sale of assets, and certain one-time items. Management considers EBITDA to be a meaningful measure to assess its operating performance in addition to other IFRS measures. It is included because Management believes it can be useful in measuring its ability to service debt, fund capital expenditures, expand its business, and is a similar metric used by credit providers in the financial covenants of the Company's senior secured long-term debt.

Company Share of EBITDA

Company share of EBITDA is not intended to represent cash flow from operations, and it should not be considered as an alternative to net earnings, cash flow from operations, or any other measure of performance prescribed by IFRS Accounting Standards. Company share of EBITDA is calculated as the Company's proportionate share of EBITDA of its consolidated and equity-accounted investments, determined based on the Company's ownership interests. Management considers Company share of EBITDA to be a meaningful measure to assess the operating performance attributable to the Company in addition to other IFRS measures. It is included because Management believes it can be useful in measuring its ability to service debt, fund capital expenditures, expand its business, and is a similar metric used by credit providers in the financial covenants of the Company's senior secured long-term debt.

Free Cash Flow

Management believes that free cash flow is a useful measure of liquidity as it demonstrates the Company's ability to generate cash for debt obligations and for discretionary uses such as payments of dividends, investing activities, and additions of property, plant, and equipment. The Company defines its free cash flow as cash from operating activities less debt service and capital required for maintenance of existing assets.

Select Financial and Operational Performance

Statistical operating data are based on data available at such time and are subject to change as more complete information becomes available. Definitions of each measure are included within the Company's Management's Discussion & Analysis.

Select Financial and Operational Highlights

Financial Highlights

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Reported revenue	**$ 287,751**	$ 228,035	**$ 673,805**	$ 546,951	$ 59,716	$ 126,854
Freight revenue[1]	**343,135**	282,406	**831,990**	698,366	60,729	133,624
Operating earnings	**54,410**	50,760	**69,801**	50,250	3,650	19,551
Net earnings	**54,182**	39,437	**91,993**	49,040	14,745	42,953
Basic and diluted earnings per share	**1.34**	0.97	**2.27**	1.21	0.37	1.06
EBITDA[2]	**95,189**	89,739	**182,132**	159,941	5,450	22,191
Free Cash Flow[3]	**64,233**	46,840	**57,987**	40,366	17,393	17,621

	September 30	December 31	
As at	**2026**	2025	2026 vs 2025
Common shares outstanding	**40,567,816**	40,567,816	—
Total assets	**$ 2,094,032**	$ 1,770,704	$ 323,328
Total long-term debt, including current portion	**$ 602,833**	$ 418,943	$ (183,890)

(1) Freight revenue for each segment comprises revenue generated by the Company's marine operations, together with its proportionate share of freight revenue earned by joint ventures, associates and other equity-accounted investments, whether held directly or through joint ventures, as well as revenue-sharing arrangements. Freight revenue excludes revenue generated from non-marine activities.

(2) See the section entitled Important Information About This MD&A - EBITDA for an explanation of this non-GAAP measure.

(3) See the section entitled Important Information About This MD&A - Free Cash Flow for an explanation of this non-GAAP measure.

Operational Highlights

The following table lists key measures of the Company's operating performance and relate only to our Domestic Dry-Bulk, Product Tankers, and Ocean Self-Unloaders segments, and do not include the fleets in which we participate through joint ventures.

	Three Months Ended		Nine Months Ended	
For the periods ended September 30	**2026**	2025	**2026**	2025
Total cargo carried (metric tonnes in thousands)[1]	**13,838**	13,733	**34,357**	32,534
Tonne-kilometres travelled (in millions)[2]	**13,267**	12,746	**31,477**	32,362
Operating days[3]	**3,606**	3,330	**9,205**	8,092

(1) Total quantity of cargo in metric tonnes transported during the reporting period.

(2) Total cargo tonne-kilometres travelled is calculated as cargo quantity multiplied by the distance in kilometres that the cargo quantity was transported.

(3) Operating days are calculated as the number of available days in the reporting period minus the aggregate number of days that the vessels are off-hire due to unforeseen circumstances.

EBITDA

The Company uses EBITDA as a measure of the cash-generating capacity of its businesses. The following table provides a reconciliation of net earnings in accordance with GAAP to the non-GAAP EBITDA measure for the three and nine months ended September 30, 2026 and 2025, and presented herein:

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Net earnings	**$ 54,182**	$ 39,437	**$ 91,993**	$ 49,040	$ 14,745	$ 42,953
Adjustments to net earnings, excluding joint ventures:						
Depreciation and amortization	**23,969**	21,784	**67,820**	60,571	2,185	7,249
Interest expense, net	**9,675**	7,380	**23,644**	18,423	2,295	5,221
Gain on business acquisition	**—**	—	**(3,314)**	—	—	(3,314)
Gain on sale of assets	**(8,882)**	—	**(29,584)**	—	(8,882)	(29,584)
Foreign exchange loss (gain)	**(343)**	1,967	**4,417**	(1,349)	(2,310)	5,766
Income tax expense	**10,081**	8,527	**5,339**	2,897	1,554	2,442
Joint venture adjustments:						
Interest expense, net	**2,680**	2,782	**7,642**	7,357	(102)	285
Foreign exchange gain	**(100)**	(390)	**(1,624)**	(1,160)	290	(464)
Depreciation and amortization	**4,562**	8,191	**13,921**	23,189	(3,629)	(9,268)
Income tax expense	**34**	61	**370**	1,014	(27)	(644)
Loss (gain) on sale of asset	**(669)**	—	**1,508**	(41)	(669)	1,549
EBITDA[1]	**$ 95,189**	$ 89,739	**$ 182,132**	$ 159,941	$ 5,450	$ 22,191

(1) Please refer to the section entitled Important Information About This MD&A for an explanation of this non-GAAP measure.

Revenues

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Reported Revenue	**$ 287,751**	$ 228,035	**$ 673,805**	$ 546,951	$ 59,716	$ 126,854
Freight revenue[1]						
Domestic Dry-Bulk	**$ 164,348**	$ 131,101	**$ 345,867**	$ 284,810	$ 33,247	$ 61,057
Product Tankers	**79,219**	66,559	**228,564**	169,533	12,660	59,031
Ocean Self-Unloaders	**70,704**	49,085	**176,881**	141,116	21,619	35,765
Global Short Sea Shipping[2]	**28,864**	35,661	**80,678**	102,907	(6,797)	(22,229)
Total freight revenue	**$ 343,135**	$ 282,406	**$ 831,990**	$ 698,366	$ 60,729	$ 133,624

(1) Freight revenue for each segment comprises revenue generated by the Company's marine operations, together with its proportionate share of freight revenue earned by joint ventures, associates and other equity-accounted investments, whether held directly or through joint ventures, as well as revenue-sharing arrangements. Freight revenue excludes revenue generated from non-marine activities.

(2) Global Short Sea Shipping results for the current period reflect the Company's reduced ownership interest following the sale of a 51% interest in the cement carrier fleet in late 2025.

Domestic Dry-Bulk Segment

Financial Performance

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Revenue	**$ 164,748**	$ 131,453	**$ 346,771**	$ 285,611	$ 33,295	$ 61,160
Operating expenses	**(110,164)**	(81,342)	**(271,228)**	(222,953)	(28,822)	(48,275)
Selling, general and administrative expenses	**(2,894)**	(3,424)	**(10,179)**	(11,451)	530	1,272
Depreciation and amortization	**(9,159)**	(8,135)	**(25,728)**	(23,173)	(1,024)	(2,555)
Operating earnings	**42,531**	38,552	**39,636**	28,034	3,979	11,602
Gain on sale of asset	**—**	—	**20,583**	—	—	20,583
Income tax expense	**(11,256)**	(10,271)	**(13,238)**	(7,523)	(985)	(5,715)
Net earnings	**$ 31,275**	$ 28,281	**$ 46,981**	$ 20,511	$ 2,994	$ 26,470

Operational Performance

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	% Change Three Months	% Change Nine Months
Volumes (metric tonnes in thousands)						
Iron and steel	**2,432**	3,538	**5,351**	7,694	(31)%	(30)%
Construction	**1,379**	954	**2,825**	1,811	45 %	56 %
Agriculture	**1,838**	1,074	**3,554**	2,530	71 %	40 %
Salt	**1,571**	1,404	**3,242**	2,471	12 %	31 %
Total volumes	**7,220**	6,970	**14,972**	14,506	4 %	3 %
Revenue Days	**1,864**	1,651	**4,021**	3,679	13 %	9 %
Operating Days	**1,916**	1,712	**4,245**	3,906	12 %	9 %

EBITDA

The following table provides a reconciliation of net earnings in accordance with GAAP to the non-GAAP EBITDA measure, as reported for the three and nine months ended September 30, 2026, and 2025, and presented herein:

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Net earnings	**$ 31,275**	$ 28,281	**$ 46,981**	$ 20,511	$ 2,994	$ 26,470
Adjustments to net earnings:						
Depreciation and amortization	**9,159**	8,135	**25,728**	23,173	1,024	2,555
Income tax expense	**11,256**	10,271	**13,238**	7,523	985	5,715
Gain on sale of asset	**—**	—	**(20,583)**	—	—	(20,583)
EBITDA[(1)]	**$ 51,690**	$ 46,687	**$ 65,364**	$ 51,207	$ 5,003	$ 14,157

(1) Please refer to the section entitled Important Information About This MD&A for an explanation of this non-GAAP measure.

2026 Third Quarter Compared to the Corresponding Period in 2025

Revenue increased in the quarter, driven by higher customer demand and freight rates, supported by the addition of three vessels to the Domestic Dry-Bulk fleet acquired earlier in the year to meet increased demand. Volumes increased in the agriculture, construction and salt sectors, offsetting lower volumes in the iron and steel sector. Agriculture volumes increased as a result of the record grain crop in 2025, combined with new customer contracts. In the construction sector, new customer contracts drove increased activity. De-icing salt volumes increased, as strong demand continued around the Great Lakes - St. Lawrence region as a result of the depletion of salt inventories over the past winter. Iron and steel volumes decreased, largely due to a major customer exiting the iron ore market following a change to its manufacturing operations.

Operating costs increased due to higher operating days, driven by the expansion of the Domestic Dry-Bulk fleet. Fuel costs also increased; however, these costs are largely passed on to customers through the fuel component of freight rates.

Outlook

For the remainder of 2026, volumes across the major market sectors are expected to remain strong, with the fleet remaining fully utilized. Algoma continues to closely monitor developments with global tariffs; however, no major effects on cargo volumes are expected at this time.

Product Tankers Segment

Financial Performance

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Revenue	**$ 54,987**	$ 49,691	**$ 157,330**	$ 125,155	$ 5,296	$ 32,175
Operating expenses	**(42,088)**	(34,236)	**(116,833)**	(92,694)	(7,852)	(24,139)
Selling, general and administrative	**(1,238)**	(1,537)	**(4,464)**	(4,891)	299	427
Depreciation and amortization	**(6,603)**	(6,764)	**(19,780)**	(16,275)	161	(3,505)
Operating earnings	**5,058**	7,154	**16,253**	11,295	(2,096)	4,958
Interest, net	**(1,231)**	(1,273)	**(3,668)**	(2,243)	42	(1,425)
Income tax expense	**(825)**	(1,709)	**(2,992)**	(2,555)	884	(437)
Net earnings from investment in joint venture	**4,493**	2,290	**18,640**	6,323	2,203	12,317
Net earnings	**$ 7,495**	$ 6,462	**$ 28,233**	$ 12,820	$ 1,033	$ 15,413

Operational Performance[1]

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	% Change Three Months	% Change Nine Months
Volume (metric tonnes in thousands)						
Petroleum products	**1,366**	1,506	**4,303**	3,185	(9)%	35 %
Total volume	**1,366**	1,506	**4,303**	3,185	(9)%	35 %
Revenue days	**860**	873	**2,586**	2,194	(1)%	18 %
Operating days	**865**	884	**2,649**	2,219	(2)%	19 %

(1) The vessels which operate under international joint ventures arrangements are excluded from operational performance.

EBITDA

The following table provides a reconciliation of net earnings in accordance with GAAP to the non-GAAP EBITDA measure, as reported for the three and nine months ended September 30, 2026, and 2025, and presented herein:

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Net earnings	**$ 7,495**	$ 6,462	**$ 28,233**	$ 12,820	$ 1,033	$ 15,413
Adjustments to net earnings:						
Depreciation and amortization	**6,603**	6,764	**19,780**	16,275	(161)	3,505
Interest, net	**1,231**	1,273	**3,668**	2,243	(42)	1,425
Income tax expense	**825**	1,709	**2,992**	2,555	(884)	437
Joint venture:						
Interest expense	**2,585**	2,282	**6,912**	5,651	303	1,261
Depreciation and amortization	**2,780**	2,119	**7,711**	5,124	661	2,587
Foreign exchange gain	**(162)**	(313)	**(1,853)**	(265)	151	(1,588)
Income tax expense	**—**	—	**22**	—	—	22
EBITDA[1]	**$ 21,357**	$ 20,296	**$ 67,465**	$ 44,403	$ 1,061	$ 23,062

(1) Please refer to the section entitled Important Information About This MD&A for an explanation of this non-GAAP measure.

2026 Third Quarter Compared to the Corresponding Period in 2025

Revenue increased in the quarter, primarily driven by higher contracted freight rates. This was partially offset by lower revenue days due to scheduled regulatory dry-dockings within the tanker fleet in the quarter compared to the prior-year period.

Operating costs were higher during the quarter, mainly as a result of higher fuel prices, which are passed on to customers through the fuel component of freight rates. Increased dry-docking activity also contributed to higher costs compared to the prior-year period.

Joint venture earnings reflects an increase in the number of FureBear vessels compared to the prior period, ten compared to eight. Improved rates for intermediate product tankers in Northern Europe, where the FureBear and SeaBear fleets trade, also contributed to increased earnings. The higher rates reflected market conditions influenced by global trade disruptions.

Outlook

Demand is anticipated to remain strong for our domestic Canadian tanker fleets and for those assets to be fully employed for the remainder of 2026. International product tanker results are expected to remain strong for the balance of year, consistent with daily levels experienced towards the end of the third quarter.

Algoma continues to closely monitor developments regarding global tariffs and geopolitical events. At this time, the Company does not anticipate a material impact on cargo volumes or operations, as none of the tanker fleets currently operate in conflict zones or carry commodities likely to be subject to tariffs.

Ocean Self-Unloaders Segment

Financial Performance

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Average foreign exchange rate (USD/CAD)	**1.3989**	1.3836	**1.3863**	1.3989	0.0153	(0.0126)
Revenue	**$ 67,389**	$ 46,277	**$ 167,840**	$ 134,322	$ 21,112	$ 33,518
Operating expenses	**(44,096)**	(30,591)	**(107,504)**	(87,472)	(13,505)	(20,032)
Selling, general and administrative	**(884)**	(468)	**(2,450)**	(1,316)	(416)	(1,134)
Depreciation and amortization	**(7,884)**	(6,471)	**(21,213)**	(19,867)	(1,413)	(1,346)
Operating earnings	**14,525**	8,747	**36,673**	25,667	5,778	11,006
Gain on sale of assets	**8,882**	—	**8,882**	—	8,882	8,882
Net earnings from investment in joint ventures	**850**	190	**1,803**	590	660	1,213
Net earnings	**$ 24,257**	$ 8,937	**$ 47,358**	$ 26,257	$ 15,320	$ 21,101

Operational Performance

	Three Months Ended		Nine Months Ended		% Change	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Pool Volumes (metric tonnes in thousands)[1]						
Gypsum	**768**	834	**2,415**	2,590	(8)%	(7)%
Aggregates	**2,277**	2,501	**6,257**	6,605	(9)%	(5)%
Coal	**1,995**	1,827	**5,659**	5,251	9 %	8 %
Salt and other	**212**	95	**751**	397	123 %	89 %
Total volumes	**5,252**	5,257	**15,082**	14,843	— %	2 %
Algoma Vessels						
Revenue days	**817**	711	**2,278**	1,942	15 %	17 %
Operating days	**825**	734	**2,311**	1,967	12 %	17 %
Off-hire days for dry-docking	**—**	3	**44**	217	(100)%	(80)%

(1) Pool volumes exclude volumes carried on vessels that were under time charter arrangements and under joint ventures.

EBITDA

The following table provides a reconciliation of net earnings in accordance with GAAP to the non-GAAP EBITDA measure, as reported for the three and nine months ended September 30, 2026, and 2025, and presented herein:

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Net earnings	**$ 24,257**	$ 8,937	**$ 47,358**	$ 26,257	$ 15,320	$ 21,101
Adjustments to net earnings:						
Depreciation and amortization	**7,884**	6,471	**21,213**	19,867	1,413	1,346
Gain on sale of assets	**(8,882)**	—	**(8,882)**	—	(8,882)	(8,882)
Joint ventures:						
Depreciation and amortization	**292**	178	**722**	540	114	182
Interest income	**(8)**	(8)	**(14)**	(12)	—	(2)
Foreign exchange loss (gain)	**2**	(9)	**3**	(12)	11	15
EBITDA[1]	**$ 23,545**	$ 15,569	**$ 60,400**	$ 46,640	$ 7,976	$ 13,760

(1) Please refer to the section entitled Important Information About This MD&A for an explanation of this non-GAAP measure.

2026 Third Quarter Compared to the Corresponding Period in 2025

Results for the Ocean Self-Unloader segment in the quarter reflect the Company's share of the Pool's revenue and vessel operating costs following a restructuring of the Pool agreement. Prior year results reflect the Company's pro-rata share of revenues earned and operating expenses incurred by the Company's 100% owned vessels. The Company's share in the Pool increased late in the second quarter, which is fully reflected in the third quarter.

Revenues increased in the quarter driven by strong Pool performance, reflecting increased coal and salt volumes, combined with the Company's increased share in the Pool.

Operating expenses increased in the period, reflecting the Company's increased share of the Pool. Fuel costs were also higher; however, these costs are recovered from customers through the fuel component of freight rates. Operating expenses were further impacted by repair costs associated with an unplanned outage of a vessel operating in the Pool.

On July 20, 2026, two vessels that retired from the Pool were sold, resulting in a gain on sale of $8,882.

Outlook

The Company's increased share in the Pool is expected to contribute to higher operating earnings compared to the prior year, with overall Pool performance expected to remain consistent with results to date. For the remainder of the year, gypsum and coal volumes are expected to remain steady, while higher salt and other volumes are expected to partially offset an anticipated decrease in aggregate volumes.

The final newbuild ocean self-unloader is expected to be delivered in mid-2027, completing the Company's program of three ocean self-unloader newbuilds, the first of which was delivered in early 2025. Together these new vessels, all of which are methanol-ready, will offer improved fuel efficiency compared to the vessels they replace.

Global Short Sea Shipping Segment

Financial Performance

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Average foreign exchange rate (USD/CAD)	**1.3989**	1.3836	**1.3863**	1.3989	0.0153	(0.0126)
Revenue	**$ 26,638**	$ 64,280	**$ 80,183**	$ 186,029	$ (37,642)	$ (105,846)
Operating expenses	**(18,789)**	(43,766)	**(67,326)**	(128,416)	24,977	61,090
Selling, general and administrative	**(2,233)**	(1,924)	**(5,248)**	(5,546)	(309)	298
Depreciation and amortization	**(2,752)**	(11,539)	**(10,295)**	(34,341)	8,787	24,046
Operating earnings (loss)	**2,864**	7,051	**(2,686)**	17,726	(4,187)	(20,412)
Gain (loss) on sale of assets	**1,399**	—	**(3,033)**	—	1,399	(3,033)
Interest expense	**(203)**	(1,020)	**(1,494)**	(3,452)	817	1,958
Foreign exchange gain (loss)	**(117)**	178	**(444)**	1,808	(295)	(2,252)
Earnings (loss) before undernoted	**3,943**	6,209	**(7,657)**	16,082	(2,266)	(23,739)
Income tax recovery (expense)	**(32)**	(298)	**46**	(882)	266	928
Net earnings of joint ventures and associate	**6,055**	2,749	**9,782**	5,725	3,306	4,057
Net loss (earnings) attributable to non-controlling interest	**(7)**	120	**705**	(247)	(127)	952
Net earnings	**$ 9,959**	$ 8,780	**$ 2,876**	$ 20,678	$ 1,179	$ (17,802)
Company share of net earnings above	**$ 4,980**	$ 4,390	**$ 1,438**	$ 10,339	$ 590	$ (8,901)
Amortization of vessel purchase price allocation and intangibles	**(71)**	(72)	**(209)**	(214)	1	5
Company share included in net earnings from investments in joint ventures	**$ 4,909**	$ 4,318	**$ 1,229**	$ 10,125	$ 591	$ (8,896)

EBITDA

The following table provides a reconciliation of net earnings in accordance with GAAP to the non-GAAP EBITDA measure, as reported for the three and nine months ended September 30, 2026, and 2025, and presented herein:

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Company share of net earnings from investments in joint ventures	**$ 4,909**	$ 4,318	**$ 1,229**	$ 10,125	$ 591	$ (8,896)
Adjustments to net earnings (company's share):						
Depreciation and amortization	**1,446**	5,842	**5,355**	17,385	(4,396)	(12,030)
Interest expense	**102**	510	**747**	1,726	(408)	(979)
Income tax expense (recovery)	**16**	149	**(23)**	441	(133)	(464)
Foreign exchange loss (gain)	**59**	(89)	**222**	(904)	148	1,126
Loss (gain) on sale of assets	**(700)**	—	**1,517**	—	(700)	1,517
Company share of EBITDA from investments in joint ventures[(1)]	**$ 5,832**	$ 10,730	**$ 9,047**	$ 28,773	$ (4,898)	$ (19,726)

(1) Please refer to the section entitled Important Information About This MD&A for an explanation of this non-GAAP measure.

2026 Third Quarter Compared to the Corresponding Period in 2025

Earnings in the segment, which includes our NASC (mini-bulker), NACC (cement), and NABH (handy-size) joint ventures, increased despite the lower ownership interest in the cement carrier fleet and the 2026 sale of the handy-size vessels, which contributed to results in the prior-year period.

Cement carrier results reflect the sale of a 51% interest in the fleet in late 2025, with earnings now reported under joint ventures and associate. Prior year results reflect the Company's share of revenue and operating earnings. Freight rates and operating expenses in the cement fleet remained steady during the period, with fewer dry-dockings compared to the prior-year period. Earnings in the quarter also includes the impact of the finalized purchase price allocation completed in the one-year measurement period following the transaction.

The mini-bulker fleet experienced lower revenues compared to the prior year period due to softer market conditions and an off-hire incident to one vessel, which also contributed to higher operating expenses. These impacts were partially offset by a gain on the sale of a vessel during the quarter.

The handy-size segment, established as a vessel acquisition and sales platform, sold both vessels in its fleet during the second quarter, compared to two vessels operating throughout the prior year. As a result, no vessels are currently operating in the fleet, but the Company will continue to explore investment opportunities in this segment.

Outlook

For the remainder of 2026, the Company anticipates steady rates across the cement and mini-bulker fleets with the majority of assets committed to long-term time charters or contracts of affreightment during the period.

Three newbuild 9.5K deadweight mini-bulkers and three 38K deadweight pneumatic cement carriers, which will be the largest specialized cement carriers in the world, are currently under construction and are scheduled for delivery between late 2027 and 2028.

Corporate Segment

Financial Performance

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Revenue	**$ 627**	$ 614	**$ 1,864**	$ 1,863	$ 13	$ 1
Operating expenses	**(267)**	(241)	**(721)**	(757)	(26)	36
Selling, general and administrative	**(7,741)**	(3,652)	**(22,805)**	(14,596)	(4,089)	(8,209)
Depreciation and amortization	**(323)**	(414)	**(1,099)**	(1,256)	91	157
Operating loss	**(7,704)**	(3,693)	**(22,761)**	(14,746)	(4,011)	(8,015)
Interest expense, net	**(8,444)**	(6,107)	**(19,976)**	(16,180)	(2,337)	(3,796)
Gain on business acquisition	**—**	—	**3,314**	—	—	3,314
Gain on sale of property	**—**	—	**119**	—	—	119
Foreign exchange gain (loss)	**343**	(1,967)	**(4,417)**	1,349	2,310	(5,766)
Income tax recovery	**2,000**	3,453	**10,891**	7,181	(1,453)	3,710
Net earnings (loss) from investment in joint venture	**51**	(247)	**1,022**	1,723	298	(701)
Net loss	**$ (13,754)**	$ (8,561)	**$ (31,808)**	$ (20,673)	$ (5,193)	$ (11,135)

The Corporate segment consists of revenue from management services provided to third parties, head office expenditures, other administrative expenses of the Company, and earnings from a joint venture in a mechanical, machining, and fabrication shop called Allied Marine & Industrial ("AMI"). The Company holds a 49% interest in AMI and fully owns the land and building occupied by AMI. The land and building generate rental income for the Corporate segment.

Revenues in the segment are also generated from rental income provided by third-party tenants in the Company's head office building. Operating expenses include the operating costs of that office building.

In the 2026 first quarter, the Company acquired 100 percent of the issued share capital and obtained control of a Canadian-flag dry-bulk marine carrier that currently operates in the Company's domestic dry-bulk segment. The excess of the net identifiable assets acquired over the total consideration paid less other post-acquisition costs recognized resulted in a net gain of $3,314.

The operating loss for the first nine months of 2026 compared to the same period in 2025 includes higher professional fees, increased software license costs, and a one-time recovery in the prior-year period that did not recur in 2026.

Consolidated

Interest Expense

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Interest expense on borrowings	**$ 9,352**	$ 7,336	**$ 22,932**	$ 20,334	$ (2,016)	$ (2,598)
Amortization of financing costs	**537**	320	**1,278**	817	(217)	(461)
Capitalized interest	**—**	—	**—**	(2,207)	—	(2,207)
	$ 9,889	$ 7,656	**$ 24,210**	$ 18,944	$ (2,233)	$ (5,266)

Income Taxes

For the periods ended September 30	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025	Favourable/(Unfavourable) Three Months	Favourable/(Unfavourable) Nine Months
Combined federal and provincial statutory income tax rate	**26.5 %**	26.5 %	**26.5 %**	26.5 %	— %	— %
Net earnings before income tax and net earnings from investments in joint ventures	**$ 53,960**	$ 41,413	**$ 74,638**	$ 33,176	$ 12,547	$ 41,462
Expected income tax expense	**$ (14,299)**	$ (10,974)	**$ (19,779)**	$ (8,792)	$ (3,325)	$ (10,987)
Tax effects resulting from:						
Foreign tax rates different from Canadian statutory rate	**6,569**	2,249	**12,435**	6,769	4,320	5,666
Effect of items that are non-taxable	**(1,577)**	69	**2,743**	(109)	(1,646)	2,852
Adjustments to prior period provision	**(721)**	(43)	**(721)**	(956)	(678)	235
Other	**(53)**	172	**(17)**	191	(225)	(208)
Actual tax expense	**$ (10,081)**	$ (8,527)	**$ (5,339)**	$ (2,897)	$ (1,554)	$ (2,442)

Earnings from the Company's foreign subsidiaries are taxed in jurisdictions which have nil income tax rates. Any variation in the effective income tax rate from the statutory income tax rate is due mainly to the lower income tax rates applicable to foreign subsidiaries, the effect of taxable and non-taxable items that may or may not be included in earnings and changes to income tax provisions related to prior periods. The Company is not subject to OECD Pillar Two taxes as its consolidated revenues fall below levels at which such taxes apply.

Contingencies

The Company, in the normal course of business, may be involved in legal proceedings and tax audits. In Management's opinion, the liabilities, if any, that may ultimately result from such legal actions and tax audits are not expected to have a material effect on the Company's consolidated financial position, results of operations or liquidity.

Capital Resources

The Company has cash on hand of $38,331 at September 30, 2026. Available credit facilities along with projected cash from operations for 2026 are expected to be sufficient to meet the Company's planned operating and capital requirements and other contractual obligations for the year.

The Company maintains credit facilities that are reviewed periodically to determine if sufficient capital is available to meet current and anticipated needs. The Company's bank credit facility (the "Facility") comprises a $200 million Canadian dollar and a $200 million U.S. dollar senior secured revolving bank credit maturing May 28, 2031. The Facility bears interest at rates that are based on the Company's ratio of net senior debt, as defined, to earnings before interest, taxes, depreciation and amortization and ranges from 170 to 300 basis points above adjusted SOFR, CORRA, or EURIBOR rates. The Company has granted a general security agreement in favour of the senior secured lenders and has granted specific collateral mortgages covering the majority of its wholly owned vessels. As of September 30, 2026, $117,966 had been withdrawn from the Facility. In addition, the Company maintains an accordion feature that provides for increased borrowings by up to an additional CAD $150 million. The accordion remains fully available as at September 30, 2026. On June 29, 2026, the Company issued CAD $72.0 million and U.S. $78.0 million of Senior Secured Notes, bearing interest at rates between 4.45% and 5.49% maturing between 2029 and 2031.

The Company is subject to certain covenants under the terms of the Facility and the senior secured notes, including ones with respect to maintaining defined financial ratios and other conditions. As at September 30, 2026, the Company was in compliance with all of its covenants.

Financial Condition, Liquidity and Capital Resources

Cash Flows

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Net cash generated from operating activities	**$ 75,918**	$ 59,746	**$ 103,634**	$ 96,676	$ 16,172	$ 6,958
Net cash used in investing activities	**(6,246)**	(77,946)	**(230,710)**	(264,538)	71,700	33,828
Net cash generated from (to) financing activities	**(61,255)**	748	**127,623**	191,145	(62,003)	(63,522)
Net change in cash	**8,417**	(17,452)	**547**	23,283	25,869	(22,736)
Effects of exchange rate changes on cash held in foreign currencies	**(132)**	214	**626**	(1,028)	(346)	1,654
Cash, beginning of period	**30,046**	43,038	**37,158**	3,545	(12,992)	33,613
Cash, end of period	**$ 38,331**	$ 25,800	**$ 38,331**	$ 25,800	$ 12,531	$ 12,531

Operating Activities

Net cash generated from operating activities increased in 2026, primarily reflecting increased earnings generated during the period, offset by timing of working capital cash flows.

Investing Activities

Net cash used in investing activities decreased primarily reflecting lower capital expenditures in 2026, as 2025 included the deliveries of two product tankers, a domestic dry-bulk self-unloader, and an ocean self-unloader. Investing activities in 2026 primarily related to the business acquisition, the delivery of a newbuild ocean self-unloader, and the acquisition of an additional ownership interest in the Pool, partially offset by proceeds from the sale of a dry-bulk vessel.

Financing Activities

Net cash generated from financing activities in 2026 primarily reflected proceeds from the issuance of Senior Secured Notes to fund investing activities. In 2025, financing activities primarily reflected proceeds from long-term debt used to fund Product Tanker investments and increased borrowings under the credit facilities.

Free Cash Flow

The following table provides a reconciliation of net cash generated from operating activities in accordance with GAAP to the non-GAAP free cash flow, as reported for the three and nine months ended September 30, 2026 and 2025, and presented herein:

	Three Months Ended		Nine Months Ended		Favourable/(Unfavourable)	
For the periods ended September 30	**2026**	2025	**2026**	2025	Three Months	Nine Months
Net cash generated from operating activities	**$ 75,918**	$ 59,746	**$ 103,634**	$ 96,676	$ 16,172	$ 6,958
Net debt service repayments	**(6,625)**	(7,146)	**(27,725)**	(26,994)	521	(731)
Capital required for maintenance of existing assets	**(5,060)**	(5,760)	**(17,922)**	(29,316)	700	11,394
Free cash flow[1]	**$ 64,233**	$ 46,840	**$ 57,987**	$ 40,366	$ 17,393	$ 17,621

(1) Please refer to the section entitled Important Information About This MD&A - Free Cash Flow for an explanation of this non-GAAP measure.

Free cash flow increased compared with the prior-year period, primarily reflecting higher cash generated from operating activities and lower capital maintenance expenditures, as fewer vessels underwent scheduled dry-dockings during 2026.

Normal Course Issuer Bid

Effective March 23, 2026, the Company renewed its normal course issuer bid (the "2026 NCIB") to purchase up to 2,028,391 of its common shares ("Shares"), representing approximately 5% of the 40,567,816 Shares issued and outstanding as of the close of business on March 9, 2026.

Under the 2026 NCIB, the Company may purchase up to 2,057 Shares per day, representing 25% of the average daily trading volume for the previous six months. The Company may buy back Shares anytime during the twelve-month period beginning on March 23, 2026 and ending on March 22, 2027. The stated capital of $1.41 per share equals the approximate paid-up capital amount of the Shares for purposes of the Income Tax Act.

Under the 2026 NCIB and the previous year NCIB, no Shares were purchased for the three and nine months ended September 30, 2026 or 2025.

Commitments

The table below provides aggregate information about the Company's contractual obligations as at and subsequent to September 30, 2026 that affect the Company's liquidity and capital resource needs.

	2026	2027	2028	2029	2030	2031 and Beyond	Total
Short-term borrowings	$ 117,966	$ —	$ —	$ —	$ —	$ —	$ 117,966
Long-term debt	4,254	36,885	8,509	95,056	74,797	395,879	615,380
Interest payments on long-term debt	12,218	26,699	25,276	24,809	19,518	53,536	162,056
Vessel purchase commitments	9,180	73,521	—	—	—	—	82,701
Vessel purchase commitments through joint ventures (Algoma share)[1]	57,582	50,864	53,097	—	—	—	161,543
AMI share purchase	—	—	—	—	5,757	—	5,757
Non-cancellable service contract	—	1,003	1,003	1,003	1,003	4,010	8,022
Leases	41	198	205	208	209	376	1,237
	$ 201,241	$ 189,170	$ 88,090	$ 121,076	$ 101,284	$ 453,801	$ 1,154,662

(1) The joint venture commitments above include the construction of two product tankers, three mini-bulker vessels, two self-unloaders, and three cement carriers. The joint ventures have financing arrangements under which and subject to certain conditions, they can access funding for up to 70% of the outstanding commitments upon delivery.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure Controls and Procedures

In accordance with the requirements of National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings, the Company's management, including the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2026. Under the supervision of and with the participation of the Chief Executive Officer and the Chief Financial Officer, Management has concluded that the Company's disclosure controls and procedures were effective as of September 30, 2026.

Internal Controls over Financial Reporting

The Company's management is responsible for designing, establishing and maintaining an adequate system of internal controls over financial reporting. The internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with IFRS Accounting Standards. Because of inherent limitations, internal controls over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

Management has used the criteria established in the 2013 Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission to assess, with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company's internal controls over financial reporting. Based on this assessment, Management has concluded that the Company's internal controls over financial reporting are operating effectively as of September 30, 2026.

Changes in Internal Controls over Financial Reporting

During the period ended September 30, 2026, there have been no changes in the Company's policies and procedures and other processes that comprise its internal control over financial reporting, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Adoption of New and Amended Accounting Pronouncements

Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments.* The Company adopted these amendments effective January 1, 2026. The amendments clarify when a financial asset or a financial liability is recognized and derecognized. They also introduce an exception that permits an entity to derecognize a financial liability before the settlement date when the financial liability is settled with cash, using an electronic payment system that meets specific criteria. The Company's financial statements are not materially affected by the application of the amendments.

Accounting Pronouncements Issued But Not Yet Effective

IFRS 18 *Presentation and Disclosures in Financial Statements*

In April 2024, the IASB issued the new standard IFRS 18 *Presentation and Disclosure in Financial Statements* that will replace IAS 1 *Presentation of Financial Statements.* The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company is currently making progress in assessing the impact of IFRS 18 on its consolidated financial statements.

ALGOMA CENTRAL CORPORATION

Interim Condensed Consolidated Financial Statements
For the Three and Nine Months Ended September 30, 2026 and 2025

Notice of disclosure of no auditor review of interim condensed consolidated financial statements pursuant to National Instrument 51-02, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators.

The accompanying interim condensed consolidated financial statements of Algoma Central Corporation for the three and nine months ended September 30, 2026 and 2025 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board and are the responsibility of the Company's management. The Company's independent auditors have not performed an audit or a review of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Earnings

For the periods ended September 30 (unaudited, in thousands of dollars, except per share data)	Notes	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025
Revenue	5	**$ 287,751**	$ 228,035	**$ 673,805**	$ 546,951
Operating expenses		**(196,615)**	(146,410)	**(496,286)**	(403,876)
Selling, general and administrative expenses		**(12,757)**	(9,081)	**(39,898)**	(32,254)
Depreciation and amortization		**(23,969)**	(21,784)	**(67,820)**	(60,571)
Operating earnings		**54,410**	50,760	**69,801**	50,250
Interest expense	7	**(9,889)**	(7,656)	**(24,210)**	(18,944)
Interest income		**214**	276	**566**	521
Gain on business acquisition	23	**—**	—	**3,314**	—
Gain on sale of assets	10	**8,882**	—	**29,584**	—
Foreign exchange gain (loss)		**343**	(1,967)	**(4,417)**	1,349
		53,960	41,413	**74,638**	33,176
Income tax expense	8	**(10,081)**	(8,527)	**(5,339)**	(2,897)
Net earnings from investments in joint ventures	6	**10,303**	6,551	**22,694**	18,761
Net earnings		**$ 54,182**	$ 39,437	**$ 91,993**	$ 49,040
Basic and diluted earnings per share		**$ 1.34**	$ 0.97	**$ 2.27**	$ 1.21

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Comprehensive Earnings

For the periods ended September 30 (unaudited, in thousands of dollars)	Notes	Three Months Ended 2026	Three Months Ended 2025	Nine Months Ended 2026	Nine Months Ended 2025
Net earnings		**$ 54,182**	$ 39,437	**$ 91,993**	$ 49,040
Other comprehensive earnings (loss):					
Items that may be subsequently reclassified to net earnings:					
Unrealized gain (loss) on translation of foreign operations		**(5,050)**	16,104	**23,730**	(9,763)
Unrealized gain (loss) on hedging instruments, net of income tax		**2,570**	(3,580)	**(4,481)**	7,270
Items that will not be subsequently reclassified to net earnings:					
Employee future benefits actuarial gain, net of income tax		**1,560**	1,558	**3,762**	3,470
		(920)	14,082	**23,011**	977
Comprehensive earnings		**$ 53,262**	$ 53,519	**$ 115,004**	$ 50,017

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Balance Sheet

As at (unaudited, in thousands of dollars)	Notes	September 30 2026	December 31 2025
Assets			
Current			
Cash		**$ 38,331**	$ 37,158
Accounts receivable		**125,218**	85,989
Income taxes recoverable		**6,860**	2,910
Other current assets	9	**99,736**	49,527
		270,145	175,584
Property, plant, and equipment	10	**1,282,831**	1,100,265
Investments in joint ventures	6	**424,963**	410,813
Intangible assets	11	**46,552**	—
Goodwill	12	**7,910**	7,910
Employee future benefits		**30,615**	28,481
Other assets	13	**31,016**	47,651
		$ 2,094,032	$ 1,770,704
Liabilities			
Current			
Accounts payable and accrued charges		**$ 170,989**	$ 114,544
Short-term borrowings	14	**117,966**	117,412
Current portion of long-term debt	15	**8,382**	8,112
Income taxes payable		**3,848**	3,303
Other current liabilities		**14,311**	2,845
		315,496	246,216
Long-term debt	15	**594,451**	410,831
Employee future benefits		**16,747**	17,696
Deferred income taxes		**65,740**	85,346
Other long-term liabilities		**3,167**	2,275
		995,601	762,364
Commitments	19		
Shareholders' Equity			
Share capital	16	**57,093**	57,093
Contributed surplus		**3,496**	3,547
Accumulated other comprehensive earnings (loss)	17	**16,165**	(3,084)
Retained earnings		**1,021,677**	950,784
		1,098,431	1,008,340
		$ 2,094,032	$ 1,770,704

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Changes in Equity

(unaudited, in thousands of dollars)	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Earnings (Loss)	Retained Earnings	Total Equity
	(Note 16)		(Note 17)		
Balance at January 1, 2025	$ 57,093	$ 3,357	$ 5,966	$ 833,432	$ 899,848
Net earnings	—	—	—	49,040	49,040
Dividends	—	—	—	(22,561)	(22,561)
Share-based compensation	—	44	—	—	44
Other comprehensive earnings (loss)	—	—	(2,493)	3,470	977
Balance at September 30, 2025	$ 57,093	$ 3,401	$ 3,473	$ 863,381	$ 927,348
Balance at January 1, 2026	$ 57,093	$ 3,547	$ (3,084)	$ 950,784	$ 1,008,340
Net earnings	—	—	—	91,993	91,993
Dividends	—	—	—	(24,862)	(24,862)
Share-based compensation	—	(51)	—	—	(51)
Other comprehensive earnings	—	—	19,249	3,762	23,011
Balance at September 30, 2026	**$ 57,093**	**$ 3,496**	**$ 16,165**	**$ 1,021,677**	**$ 1,098,431**

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Cash Flows

For the periods ended September 30 (unaudited, in thousands of dollars)	Notes	Three Months Ended **2026**	Three Months Ended 2025	Nine Months Ended **2026**	Nine Months Ended 2025
Net inflow (outflow) of cash related to the following activities					
Operating					
Net earnings		**$ 54,182**	$ 39,437	**$ 91,993**	$ 49,040
Net earnings from investments in joint ventures	6	**(10,303)**	(6,551)	**(22,694)**	(18,761)
Items not affecting cash					
Depreciation and amortization		**23,969**	21,784	**67,820**	60,571
Gain on business acquisition	23	**—**	—	**(3,314)**	—
Gain on sale of assets	10	**(8,882)**	—	**(29,584)**	—
Other non-cash items		**20,661**	19,015	**36,573**	23,078
Net change in non-cash working capital		**(2,722)**	(14,230)	**(30,870)**	(16,565)
Income taxes recovered (paid)		**(629)**	624	**(5,242)**	359
Employee future benefits paid		**(358)**	(333)	**(1,048)**	(1,046)
Net cash generated from operating activities		**75,918**	59,746	**103,634**	96,676
Investing					
Additions to property, plant, and equipment	18	**(6,280)**	(61,692)	**(77,073)**	(230,491)
Distributions received from joint ventures	6	**7,073**	3,323	**31,385**	17,062
Investment in joint ventures	6	**(1,109)**	(11,508)	**(17,630)**	(33,766)
Additions to vessels under construction		**(9,821)**	(8,069)	**(21,121)**	(17,343)
Business acquisition, net of cash acquired	23	**—**	—	**(27,580)**	—
Acquisition of additional interest in Pool	23	**—**	—	**(154,627)**	—
Net proceeds from sale of assets	10	**3,891**	—	**35,936**	—
Net cash used in investing activities		**(6,246)**	(77,946)	**(230,710)**	(264,538)
Financing					
Interest and financing fees paid		**(4,452)**	(4,952)	**(21,227)**	(22,674)
Interest received		**168**	275	**428**	520
Net proceeds from (repayments of) short-term borrowings		**(46,476)**	15,544	**(2,783)**	130,504
Repayment of long-term debt	15	**(2,173)**	(2,194)	**(6,498)**	(4,320)
Proceeds from long-term debt	15	**—**	—	**182,669**	110,891
Dividends paid		**(8,322)**	(7,925)	**(24,966)**	(23,776)
Net cash generated from (to) financing activities		**(61,255)**	748	**127,623**	191,145
Net change in cash		**8,417**	(17,452)	**547**	23,283
Effects of exchange rate changes on cash held in foreign currencies		**(132)**	214	**626**	(1,028)
Cash, beginning of period		**30,046**	43,038	**37,158**	3,545
Cash, end of period		**$ 38,331**	$ 25,800	**$ 38,331**	$ 25,800

See accompanying notes to the interim condensed consolidated financial statements

Notes to the Interim Condensed Consolidated Financial Statements

1. Organization and Description of Business

Algoma Central Corporation (the "Company") is incorporated in Canada and listed on the Toronto Stock Exchange. The address of the Company's registered office is 63 Church St, Suite 600, St. Catharines, Ontario, Canada. The Interim Condensed Consolidated Financial Statements of the Company for the three and nine months ended September 30, 2026 and 2025 comprise the Company, its subsidiaries and the Company's interests in jointly controlled entities.

The principal subsidiaries are Algoma Shipping Ltd. and Algoma Tankers Limited. The principal jointly controlled entities are NovaAlgoma Cement Carriers Limited (50%), NovaAlgoma Short-Sea Holding Limited (50%) and FureBear AB (50%). In addition, Algoma Shipping Ltd. is a member of an international pool arrangement (the "Pool"), under which revenues and related voyage expenses are distributed to each Pool member based on their respective share of the Pool.

Algoma Central Corporation owns and operates the largest fleet of dry and liquid bulk carriers operating on the Great Lakes - St. Lawrence Seaway, including self-unloading dry-bulk carriers, gearless dry-bulk carriers and product tankers. Algoma also owns and operates ocean-going self-unloading dry-bulk vessels trading in international markets and holds interests in global joint ventures that own diversified portfolios of dry and liquid bulk fleets operating internationally. Across the global fleet, Algoma holds an ownership interest in over 100 vessels. In addition to its ownership interests, the Company provides operational management for other vessels.

The Company reports the results of its operations for five business units or segments. The largest is the Domestic Dry-Bulk segment, which includes the Company's 24 Canadian dry-bulk carriers. This segment serves a wide variety of major industrial sectors, including iron and steel producers, aggregate producers, cement and building material producers, salt producers, and agricultural product distributors.

The Product Tankers fleet consists of ten product tankers employed in Canadian flag service. The segment also includes the Company's 50% interest in an international joint venture comprising ten tankers with two additonal tankers committed for delivery between 2028 and 2029, and an interest in a foreign-flagged tanker operation comprising two product tankers. Customers include major oil refiners, leading wholesale distributors, and large consumers of petroleum products.

The Company's international Ocean Self-Unloaders segment consists of nine ocean-going self-unloading vessels which are part of a Pool comprising the world's largest fleet of ocean-going self-unloaders, which at the end of the period totalled 19 vessels. An additional ocean self-unloader is currently under construction, with delivery expected in 2027, and set to replace an older Algoma-owned vessel in the Pool. The segment also includes joint venture interests in three self-unloaders and two additional vessels currently under construction, with expected deliveries in 2028.

The Global Short Sea Shipping segment, which consists of the Company's NovaAlgoma joint ventures, focuses on niche marine transportation markets featuring specialized equipment or services. The cement carrier operation holds a 49% interest in pneumatic cement carriers servicing large global cement manufacturers that support construction and infrastructure projects. The short sea mini-bulker fleet comprises owned ships, chartered vessels, and vessels operated under third-party management contracts. The fleet supports the agricultural, cement, construction, energy, and steel industries worldwide. The handy-size fleet is an opportunistic vessel sales and purchase venture. Three mini-bulkers and three pneumatic cement carriers are currently under construction for these joint ventures, with expected deliveries between 2027 and 2028.

The Corporate segment consists of the Company's head office expenditures, third-party management services, other administrative functions of the Company, and earnings from a joint venture in a mechanical, machining, and fabrication shop.

The nature of the Company's business is such that the earnings in the first quarter of each year are not indicative of the results for the other three quarters in the year. Due to the closing of the canal system and the winter weather conditions on the Great Lakes - St. Lawrence Seaway, the majority of the Domestic Dry-Bulk fleet does not operate for most of the first quarter. In addition, significant repair and maintenance costs are incurred in the first quarter to prepare the Domestic Dry-Bulk fleet for the upcoming navigation season. As a result, first quarter revenues and earnings are significantly lower than those of the remaining quarters in the year.

2. Statement of Compliance

The financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and using the same accounting policies and methods as were used for the Company's Consolidated Financial Statements and the notes thereto for the year ended December 31, 2025. The financial statements should be read in conjunction with the Company's Consolidated Financial Statements for the year ended December 31, 2025.

The presentation currency used is the Canadian dollar and all amounts are reported in thousands of Canadian dollars, except for share data, unless otherwise noted.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issue on November 5, 2026.

3. Adoption of New and Amended Accounting Pronouncements

Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments.* The Company adopted these amendments effective January 1, 2026. The amendments clarify when a financial asset or a financial liability is recognized and derecognized. They also introduce an exception that permits an entity to derecognize a financial liability before the settlement date when the financial liability is settled with cash, using an electronic payment system that meets specific criteria. The Company's financial statements are not materially affected by the application of the amendments.

4. Accounting Pronouncements Issued But Not Yet Effective

IFRS 18 *Presentation and Disclosures in Financial Statements*

In April, 2024, the IASB issued the new standard IFRS 18 *Presentation and Disclosure in Financial Statements* that will replace IAS 1 *Presentation of Financial Statements.* The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company is currently making progress in assessing the impact of IFRS 18 on its consolidated financial statements.

5. Revenue

Disaggregated revenue by segment is as follows:

For the three months ended September 30 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Total
2026					
Contract of Affreightment	$ 164,348	$ —	$ —	$ —	$ 164,348
Time Charter	—	54,896	—	—	54,896
Pool Revenue Share	—	91	67,389	—	67,480
Other	400	—	—	627	1,027
	$ 164,748	**$ 54,987**	**$ 67,389**	**$ 627**	**$ 287,751**
2025					
Contract of Affreightment	$ 131,077	$ 16	$ —	$ —	$ 131,093
Time Charter	24	49,675	—	—	49,699
Pool Revenue Share	—	—	46,277	—	46,277
Other	352	—	—	614	966
	$ 131,453	$ 49,691	$ 46,277	$ 614	$ 228,035

For the nine months ended September 30 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Total
2026					
Contract of Affreightment	$ 331,421	$ 3,147	$ —	$ —	$ 334,568
Time Charter	14,446	152,992	—	—	167,438
Pool Revenue Share	—	1,191	167,840	—	169,031
Other	904	—	—	1,864	2,768
	$ 346,771	**$ 157,330**	**$ 167,840**	**$ 1,864**	**$ 673,805**
2025					
Contract of Affreightment	$ 275,428	$ 2,119	$ 3,384	$ —	$ 280,931
Time Charter	9,382	123,036	—	—	132,418
Pool Revenue Share	—	—	130,938	—	130,938
Other	801	—	—	1,863	2,664
	$ 285,611	$ 125,155	$ 134,322	$ 1,863	$ 546,951

In the first quarter of 2026, a product tanker vessel operated for a short period as part of a tanker Pool within Northern Europe, earning a percentage of the Pool revenue.

The Company's unbilled and deferred revenues are as follows:

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Unbilled revenue (included in accounts receivable)	**$ 35,875**	$ 20,917
Deferred revenue (included in accounts payable and accrued charges)	**1,776**	1,000

6. Investments in Joint Ventures

The Company has interests in domestic and global joint ventures. Details of the holdings are presented below.

As at (unaudited)			**September 30 2026**	December 31 2025
Name of Joint Venture	Principal Activity	Place of Incorporation and Principal Place of Business	Ownership Interest	
Product Tankers Segment:				
FureBear AB ("FureBear")	Owns and operates product tankers in European markets, and holds a 67% interest in a foreign tanker operation	Sweden/Sweden	**50%**	50%
Ocean Self-Unloaders Segment:				
Marbulk Canada Inc. ("Marbulk")	Holds a 50% interest in a specialized self-unloader	Canada/Europe	**50%**	50%
CSL Norse Holdings AS ("Candeu")	Holds a 67% interest in two Handymax self-unloaders	Norway/ Norway	**50%**	50%
Corporate Segment:				
Allied Marine & Industrial ("AMI")	Provides mechanical, machining, and fabrication services to the marine and other industrial sectors	Canada/Canada	**49%**	49%
Global Short-Sea Shipping Segment:				
NovaAlgoma Cement Carriers Limited ("NACC")	Holds a 49% interest in pneumatic cement carriers supporting worldwide infrastructure projects	Bermuda/ Switzerland	**50%**	50%
NovaAlgoma Short-Sea Holding Ltd. ("NASC")	Owns and manages a fleet of short sea mini-bulkers operating in global markets	Bermuda/ Switzerland	**50%**	50%
NovaAlgoma Bulk Holdings Ltd. ("NABH")	Participates in the trade of purchasing and selling handy-size vessels	Bermuda/ Switzerland	**50%**	50%

In October 2025, NACC sold 51% of a segment of its cement carrier business to an unrelated third party, retaining a 49% non-controlling interest in the resulting associate.

Operating results of the Company's joint ventures are as follows:

For the three months ended September 30, 2026 (unaudited, in thousands of dollars)	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping
Revenue	$ 41,966	$ 2,703	$ 4,019	$ 26,638
Operating expenses	(22,235)	(1,383)	(3,093)	(18,789)
General and administrative	(1,617)	(149)	(629)	(2,233)
Depreciation and amortization	(5,559)	(344)	(90)	(2,752)
Operating earnings	12,555	827	207	2,864
Interest income (expense)	(5,170)	15	(3)	(203)
Foreign exchange gain (loss)	324	(3)	—	(117)
Gain (loss) on sale of assets	—	—	(63)	1,399
Earnings before undernoted	7,709	839	141	3,943
Net earnings of joint ventures and associate	1,277	1,102	—	6,055
Net earnings attributable to non-controlling interest	—	—	—	(7)
Income tax expense	—	—	(36)	(32)
Net earnings	**$ 8,986**	**$ 1,941**	**$ 105**	**$ 9,959**
Company share of net earnings	$ 4,493	$ 971	$ 51	$ 4,980
Amortization of vessel purchase price allocation and intangibles	—	(121)	—	(71)
Company share included in net earnings of joint ventures	**$ 4,493**	**$ 850**	**$ 51**	**$ 4,909**

For the three months ended September 30, 2025 (unaudited, in thousands of dollars)	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping
Revenue	$ 28,124	$ 1,996	$ 2,712	$ 64,280
Operating expenses	(14,928)	(1,155)	(2,542)	(43,766)
General and administrative	(1,285)	(138)	(697)	(1,924)
Depreciation and amortization	(4,237)	(355)	(104)	(11,539)
Operating earnings (loss)	7,674	348	(631)	7,051
Interest income (expense)	(4,564)	15	4	(1,020)
Foreign exchange gain (loss)	625	17	(41)	178
Other expenses	—	—	(13)	—
Earnings (loss) before undernoted	3,735	380	(681)	6,209
Net earnings of joint ventures	845	—	—	2,749
Net loss attributable to non-controlling interest	—	—	—	120
Income tax recovery (expense)	—	—	176	(298)
Net earnings (loss)	$ 4,580	$ 380	$ (505)	$ 8,780
Company share of net earnings (loss)	$ 2,290	$ 190	$ (247)	$ 4,390
Amortization of vessel purchase price allocation and intangibles	—	—	—	(72)
Company share included in net earnings (loss) of joint ventures	$ 2,290	$ 190	$ (247)	$ 4,318

For the nine months ended September 30, 2026 (unaudited, in thousands of dollars)	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping
Revenue	$ 122,019	$ 7,250	$ 19,809	$ 80,183
Operating expenses	(60,315)	(4,378)	(14,294)	(67,326)
General and administrative	(4,461)	(425)	(2,400)	(5,248)
Depreciation and amortization	(15,421)	(963)	(271)	(10,295)
Operating earnings (loss)	41,822	1,484	2,844	(2,686)
Interest income (expense)	(13,823)	28	7	(1,494)
Foreign exchange gain (loss)	3,705	(6)	(8)	(444)
Other expense	—	—	(16)	—
Gain (loss) on sale of assets	—	—	19	(3,033)
Earnings (loss) before undernoted	31,704	1,506	2,846	(7,657)
Net earnings of joint ventures and associate	5,618	2,580	—	9,782
Net loss attributable to non-controlling interest	—	—	—	705
Income tax recovery (expense)	(43)	—	(758)	46
Net earnings	**$ 37,279**	**$ 4,086**	**$ 2,088**	**$ 2,876**
Company share of net earnings	$ 18,640	$ 2,043	$ 1,023	$ 1,438
Amortization of vessel purchase price allocation and intangibles	—	(240)	(1)	(209)
Company share included in net earnings of joint ventures	**$ 18,640**	**$ 1,803**	**$ 1,022**	**$ 1,229**

For the nine months ended September 30, 2025 (unaudited, in thousands of dollars)	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping
Revenue	$ 71,735	$ 6,189	$ 20,528	$ 186,029
Operating expenses	(37,946)	(3,550)	(13,752)	(128,416)
General and administrative	(3,139)	(425)	(2,404)	(5,546)
Depreciation and amortization	(10,247)	(1,080)	(286)	(34,341)
Operating earnings	20,403	1,134	4,086	17,726
Interest income (expense)	(11,302)	23	16	(3,452)
Foreign exchange gain (loss)	529	23	(43)	1,808
Other income	—	—	544	—
Gain on sale of asset	—	—	84	—
Earnings before undernoted	9,630	1,180	4,687	16,082
Net earnings of joint ventures	3,015	—	—	5,725
Net earnings attributable to non-controlling interest	—	—	—	(247)
Income tax expense	—	—	(1,170)	(882)
Net earnings	$ 12,645	$ 1,180	$ 3,517	$ 20,678
Company share of net earnings	$ 6,323	$ 590	$ 1,723	$ 10,339
Amortization of vessel purchase price allocation and intangibles	—	—	—	(214)
Company share included in net earnings of joint ventures	$ 6,323	$ 590	$ 1,723	$ 10,125

The Company's total share of net earnings (loss) by operating segment from its investments in joint ventures is as follows:

	Three Months Ended		Nine Months Ended	
For the periods ended September 30 (unaudited, in thousands of dollars)	**2026**	**2025**	**2026**	2025
Product Tankers	**$ 4,493**	$ 2,290	**$ 18,640**	$ 6,323
Ocean Self-Unloaders	**850**	190	**1,803**	$ 590
Corporate	**51**	(247)	**1,022**	1,723
Global Short Sea Shipping	**4,909**	4,318	**1,229**	10,125
	$ 10,303	$ 6,551	**$ 22,694**	$ 18,761

The assets and liabilities by segment of the joint ventures are as follows:

As at September 30, 2026 (unaudited, in thousands of dollars)	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping
Cash	$ 29,306	$ 3,171	$ 1,966	$ 6,608
Other current assets	22,192	4,161	6,731	55,898
Income taxes recoverable	10	54	—	766
Property, plant, and equipment	530,139	1,626	3,118	124,901
Investment in joint ventures and associate	23,011	48,640	—	297,261
Other assets	11,091	—	—	47,995
Current liabilities	(13,142)	(3,048)	(2,825)	(28,360)
Income taxes payable	—	—	(119)	—
Current portion of long-term debt	(18,588)	—	(337)	(27,665)
Long-term debt	(330,954)	—	(2,102)	(20,019)
Other long-term liabilities	—	—	—	(383)
Non-controlling interest	—	—	—	(9,110)
Net assets of joint ventures	**$ 253,065**	**$ 54,604**	**$ 6,432**	**$ 447,892**
Company share of net assets	$ 126,533	$ 27,303	$ 3,153	$ 223,947
Goodwill and other purchase price adjustments	—	21,106	4,048	18,873
Company share of joint ventures	**$ 126,533**	**$ 48,409**	**$ 7,201**	**$ 242,820**

As at December 31, 2025 (unaudited, in thousands of dollars)	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping
Cash	$ 22,169	$ 1,286	$ 2,840	$ 6,111
Other current assets	12,837	2,172	4,431	21,877
Income taxes recoverable	12	52	—	437
Property, plant, and equipment	453,972	2,643	1,876	165,984
Investment in joint ventures and associate	27,984	42,112	—	286,809
Other assets	35,164	—	—	51,289
Current liabilities	(12,025)	(1,876)	(2,198)	(26,551)
Income taxes payable	—	—	(9)	—
Current portion of long-term debt	(15,801)	—	(337)	(34,160)
Long-term debt	(286,254)	—	(820)	(13,753)
Other long-term liabilities	—	—	—	(370)
Non-controlling interest	—	—	—	(15,170)
Net assets of joint ventures	$ 238,058	$ 46,389	$ 5,783	$ 442,503
Company share of net assets	$ 119,029	$ 23,195	$ 2,834	$ 221,252
Goodwill and other purchase price adjustments	—	21,814	4,048	18,641
Company share of joint ventures	$ 119,029	$ 45,009	$ 6,882	$ 239,893

The Company's net investments in the joint ventures by segment are as follows:

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Product Tankers	**$ 126,533**	$ 119,029
Ocean Self-Unloaders	**48,409**	45,009
Corporate	**7,201**	6,882
Global Short Sea Shipping	**242,820**	239,893
	$ 424,963	$ 410,813

The Company has related party transactions with its joint ventures with respect to administrative management services, technical management services, property lease and vessel repair work. Additionally, the Company guarantees certain loans of the joint ventures. Amounts relating to transactions with joint ventures are as follows:

	Three Months Ended		Nine Months Ended	
For the periods ended September 30 (unaudited, in thousands of dollars)	**2026**	2025	**2026**	2025
Revenue	**$ 315**	$ 323	**$ 951**	$ 979
Operating expenses	**(2,374)**	(3,074)	**(9,674)**	(11,126)

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Accounts receivable	**$ 7,882**	$ 7,606
Loan receivable	**398**	—
Accounts payable	**(507)**	(648)
Loans guaranteed by the Company	**(80,004)**	(74,561)

The Company's cash flows from (to) joint ventures by segment are as follows:

For the three months ended September 30 (unaudited, in thousands of dollars)	**2026**		2025	
	Distributions received	**Investment in joint ventures**	Distributions received	Investment in joint ventures
Product Tankers	**$ 7,073**	**$ —**	$ —	$ (2,728)
Global Short Sea Shipping	**—**	**(1,109)**	3,323	(8,780)
	$ 7,073	**$ (1,109)**	$ 3,323	$ (11,508)

For the nine months ended September 30 (unaudited, in thousands of dollars)	2026		2025	
	Distributions received	**Investment in joint ventures**	Distributions received	Investment in joint ventures
Product Tankers	**$ 7,073**	**$ —**	$ 1,581	$ (7,818)
Corporate	**704**	**—**	888	—
Global Short Sea Shipping	**23,608**	**(17,630)**	14,593	(25,948)
	$ 31,385	**$ (17,630)**	$ 17,062	$ (33,766)

7. Interest Expense

The components of interest expense are as follows:

	Three Months Ended		Nine Months Ended	
For the periods ended September 30 (unaudited, in thousands of dollars)	**2026**	2025	**2026**	2025
Interest expense on borrowings	**$ 9,352**	$ 7,336	**$ 22,932**	$ 20,334
Amortization of financing costs	**537**	320	**1,278**	817
Capitalized interest	**—**	—	**—**	(2,207)
	$ 9,889	$ 7,656	**$ 24,210**	$ 18,944

8. Income Taxes

A reconciliation comparing income taxes calculated at the Canadian statutory rate to the amount provided in the interim condensed consolidated financial statements is as follows:

	Three Months Ended		Nine Months Ended	
For the periods ended September 30 (unaudited, in thousands of dollars)	**2026**	2025	**2026**	2025
Combined federal and provincial statutory income tax rate	**26.5%**	26.5%	**26.5%**	26.5%
Net earnings before income tax and net earnings from investments in joint ventures	**$ 53,960**	$ 41,413	**$ 74,638**	$ 33,176
Expected income tax expense	**$ (14,299)**	$ (10,974)	**$ (19,779)**	$ (8,792)
Tax effects resulting from:				
Foreign tax rates different from Canadian statutory rate	**6,569**	2,249	**12,435**	6,769
Effect of items that are non-taxable	**(1,577)**	69	**2,743**	(109)
Adjustments to prior period provision	**(721)**	(43)	**(721)**	(956)
Other	**(53)**	172	**(17)**	191
Actual tax expense	**$ (10,081)**	$ (8,527)	**$ (5,339)**	$ (2,897)

9. Other Current Assets

The components of other current assets are as follows:

	September 30	December 31
As at (unaudited, in thousands of dollars)	**2026**	2025
Prepaid expenses	**$ 30,684**	$ 20,919
Instalments receivable on asset sale (Note 10)	**26,307**	—
Materials, fuel and supplies	**25,829**	14,618
Mortgage receivable	**13,500**	13,500
Derivative assets	**3,018**	490
Loan receivable (Note 6)	**398**	—
	$ 99,736	$ 49,527

10. Property, Plant, and Equipment

Details of property, plant, and equipment are as follows:

Cost (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Total
Balance at January 1, 2025	$ 744,039	$ 236,100	$ 445,333	$ 27,441	$ 1,452,913
Additions	58,617	103,061	72,493	581	234,752
Transfer from assets under construction	18,557	56,089	27,346	—	101,992
Fully depreciated assets no longer in use	(2,506)	(1,019)	(14,692)	—	(18,217)
Effect of foreign currency exchange differences	(27)	(6,848)	(22,103)	(3)	(28,981)
Balance at December 31, 2025	$ 818,680	$ 387,383	$ 508,377	$ 28,019	$ 1,742,459
Additions	43,245	4,170	165,418	2,582	215,415
Transfer from vessels under construction	—	—	36,882	399	37,281
Disposals	(10,758)	—	(101,419)	—	(112,177)
Fully depreciated assets no longer in use	(3,887)	—	—	—	(3,887)
Effect of foreign currency exchange differences	20	4,932	20,659	5	25,616
Balance at September 30, 2026	**$ 847,300**	**$ 396,485**	**$ 629,917**	**$ 31,005**	**$ 1,904,707**

Accumulated Depreciation (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Total
Balance at January 1, 2025	$ 248,338	$ 101,537	$ 219,180	$ 16,377	$ 585,432
Depreciation expense	31,296	23,130	29,790	1,578	85,794
Fully depreciated assets no longer in use	(2,506)	(1,019)	(14,692)	—	(18,217)
Effect of foreign currency exchange differences	—	(40)	(10,773)	(2)	(10,815)
Balance at December 31, 2025	$ 277,128	$ 123,608	$ 223,505	$ 17,953	$ 642,194
Depreciation expense	25,728	19,780	20,685	962	67,155
Disposals	—	—	(90,560)	—	(90,560)
Fully depreciated assets no longer in use	(3,887)	—	—	—	(3,887)
Effect of foreign currency exchange differences	—	260	6,712	2	6,974
Balance at September 30, 2026	**$ 298,969**	**$ 143,648**	**$ 160,342**	**$ 18,917**	**$ 621,876**

Net Book Value (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Total
September 30, 2026					
Cost	$ 847,300	$ 396,485	$ 629,917	$ 31,005	$ 1,904,707
Accumulated depreciation	298,969	143,648	160,342	18,917	621,876
	$ 548,331	**$ 252,837**	**$ 469,575**	**$ 12,088**	**$ 1,282,831**
December 31, 2025					
Cost	$ 818,680	$ 387,383	$ 508,377	$ 28,019	$ 1,742,459
Accumulated depreciation	277,128	123,608	223,505	17,953	642,194
	$ 541,552	$ 263,775	$ 284,872	$ 10,066	$ 1,100,265

In the first quarter of 2026, the Company took delivery of the second of three newbuild ocean self-unloaders which commenced operations in the Pool in the second quarter of the same year.

Also during the first quarter, a domestic dry-bulk self-unloader was sold, with related inventory, to a third party for cash proceeds of $31,926 resulting in a gain on sale of $20,583. Within the Corporate segment, a parcel of land was sold for net proceeds and gain of $119.

During the third quarter of 2026, the Company sold two Ocean vessels previously classified as assets held for sale and recognized a gain on sale of $8,882. A portion of the purchase price was received upon delivery, with the remaining balance is receivable in eleven equal monthly instalments and is included in other current assets (Note 9).

Additions in the Domestic Dry-Bulk segment relate to the fair value of the five self-unloaders and one bulker vessel recognized on acquisition (Note 23).

Additions in the Oceans Self-Unloaders segment relate to the fair value of the self-unloader acquired (Note 23).

11. Intangible Assets

Intangible assets consist of the following:

(unaudited, in thousands of dollars)	Total
Balance at December 31, 2025	$ —
Additions	46,572
Amortization	(527)
Effect of foreign currency exchange differences	507
Balance at September 30, 2026	**$ 46,552**

As part of the acquisition of an additional interest in the Pool within the Oceans Self-Unloaders segment in second quarter of 2026, the Company recognized a definite-life intangible asset of $46,572, representing the expected future economic benefits arising from its increased share of earnings from the Pool.

The intangible asset is amortized on a straight line basis over its estimated useful life, which corresponds to the expected useful life of the fleet of vessels operating in the Pool. Refer to Note 23 for additional information.

12. Goodwill

As part of a business acquisition in 2011, the Company recognized goodwill of $7,910 within the Domestic Dry-Bulk segment on the allocation of the purchase price, determined as the excess over the fair values of the net tangible and identifiable intangible assets acquired.

13. Other Assets

Other assets consist of the following:

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Vessels under construction (see below)	**$ 28,925**	$ 46,384
Derivative asset	**1,194**	1,194
Right-of-use assets	**886**	64
Other	**11**	9
	$ 31,016	$ 47,651

The components of vessels under construction are as follows:

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Vessel build progress payments	**$ 27,539**	$ 42,302
Supervision and other	**1,386**	4,082
	$ 28,925	$ 46,384

14. Short-Term Borrowings

Short-term borrowings comprise the following:

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Draws under Facility, expiring May 28, 2031		
CORRA loans, weighted average interest at 4.78% (2025 - 5.27%), payable within the month	**$ 30,000**	$ 90,000
SOFR loans, U.S. $62,000 (2025 - $20,000), weighted average interest at 6.05% (2025 - 6.62%), payable within the month	**87,966**	27,412
	$ 117,966	$ 117,412

On May 28, 2026, the Company completed refinancing of its revolving bank credit facility (the "Facility") which was due to mature in 2027. The Facility comprises a Canadian $200 million (2025 - $125 million) and a U.S. $200 million (2025 - $111.5 million) senior secured revolving bank credit. The amendment also extends the maturity of the Facility from October 11, 2027 to May 28, 2031. The Facility bears interest at rates that are based on the Company's ratio of net senior debt, as defined, to earnings before interest, taxes, depreciation and amortization and ranges from 170 to 300 basis points above adjusted SOFR, CORRA, or EURIBOR rates. The Company has granted a general security agreement in favour of the senior secured lenders and has granted specific collateral mortgages covering the majority of its wholly owned vessels.

Under the terms of the Facility the Company is subject to certain covenants, including ones with respect to maintaining defined financial ratios and other conditions. As at September 30, 2026 and December 31, 2025, the Company was in compliance with all of its covenants.

15. Long-Term Debt

As at (unaudited, in thousands of dollars)	**September 30 2026**	December 31 2025
Senior Secured Notes		
U.S. $20,000, interest at 3.37%, due December 10, 2027	**$ 28,376**	$ 27,412
U.S. $61,000, interest at 5.30%, due December 10, 2029	**86,547**	—
U.S. $42,000, interest at 3.60%, due December 10, 2030	**59,590**	57,565
U.S. $17,000, interest at 5.49%, due December 10, 2031	**24,119**	—
U.S. $35,000, interest at 3.70%, due December 10, 2032	**49,658**	47,971
U.S. $50,000, interest at 3.80%, due December 10, 2035	**70,940**	68,530
Canadian $72,000, interest at 4.45%, due December 10, 2031	**72,000**	—
Canadian $128,000, interest at 4.01%, due December 10, 2035	**128,000**	128,000
Term loan, U.S. $62,974 (2025 - $67,472), interest at 5.22%, (2025 - 5.03%) due March, 2037	**89,347**	92,477
Non-revolving Term Credit, interest at 4.77%, due March 28, 2030	**6,698**	6,911
Mortgage payable, interest at 7.75%, due June 27, 2034	**105**	139
	615,380	429,005
Less: unamortized financing expenses	**12,547**	10,062
	602,833	418,943
Less: current portion of long-term debt and unamortized financing expenses	**8,382**	8,112
	$ 594,451	$ 410,831

On June 29, 2026, the Company issued Senior Secured Notes consisting of:

(i) CAD $72.0 million bearing interest at 4.45% per annum and maturing on December 10, 2031;
(ii) U.S. $61.0 million bearing interest at 5.30% and maturing on December 10, 2029; and
(iii) U.S. $17.0 million bearing interest at 5.49% per annum and maturing on December 10, 2031.

Interest on these Senior Secured Notes is payable semi-annually in arrears on June 10 and December 10, commencing on December 10, 2026.

Under the terms of the senior secured notes, the Company is subject to certain covenants, including ones with respect to maintaining defined financial ratios and other conditions.

In March 2025, the Company entered into a secured term loan agreement for U.S. $71,970, withdrawn in two equal Tranches. Each Tranche is repayable in 48 consecutive quarterly instalments of U.S. $749 with interest at SOFR plus 1.30%. The loan is secured against two newbuild product tankers and is subject to customary covenants and conditions.

In June 2025, the Company entered into an interest rate swap contract to hedge the variability in cash flows associated with the floating-rate U.S. term loan. The interest rate swap is designated as a cash flow hedging instrument with a notional amount equal to the outstanding U.S. term loan balance. Under the terms of the swap, the Company quarterly pays a fixed rate of 3.52% and receives a floating rate based on SOFR. Hedge effectiveness is measured using the dollar offset test. At inception, the hedge was deemed to be highly effective. Effectiveness is measured quarterly, with effective gains or losses recognized in other comprehensive earnings and any ineffective portion recognized immediately in earnings.

The non-revolving term credit was entered into in March 2025 to refinance existing property. Equal monthly principal instalments of $24 and interest calculated monthly at CORRA plus 2.20% are payable over a five-year term. The loan is secured by specific property assets and is subject to customary covenants and conditions.

The unamortized financing expenses relate to costs incurred to establish the long-term debt.

As at September 30, 2026 and December 31, 2025, the Company was in compliance with all of its covenants.

16. Share Capital

Share Capital

Authorized share capital consists of an unlimited number of common and preferred shares with no par value. The Company had 40,567,816 common shares outstanding and no preferred shares issued or outstanding as at September 30, 2026 or December 31, 2025.

On October 2, 2026, the Board of Directors authorized a special dividend of $1.00 per common share. It was paid on October 21, 2026 to shareholders of record on October 15, 2026. In addition, the Company's Board of Directors authorized payment of a quarterly dividend to shareholders of $0.31 per common share. The dividend will be paid on December 1, 2026 to shareholders of record on November 17, 2026.

Normal Course Issuer Bid

Effective March 23, 2026, the Company renewed its normal course issuer bid (the "2026 NCIB") to purchase up to 2,028,391 of its common shares ("Shares"), representing approximately 5% of the 40,567,816 Shares issued and outstanding as of the close of business on March 9, 2026.

Under the 2026 NCIB, the Company may purchase up to 2,057 Shares per day, representing 25% of the average daily trading volume for the previous six months. The Company may buy back Shares anytime during the twelve-month period beginning on March 23, 2026 and ending on March 22, 2027. The stated capital of $1.41 per share equals the approximate paid-up capital amount of the Shares for purposes of the Income Tax Act.

Under the 2026 NCIB and the previous year NCIB, no Shares were purchased for the three and nine months ended September 30, 2026 and 2025.

17. Accumulated Other Comprehensive Earnings (Loss)

	Hedges			
(unaudited, in thousands of dollars)	Net Investment	Debt Commitment	Foreign Exchange Translation	Total
Balance at January 1, 2025	$ (43,543)	$ —	$ 49,509	$ 5,966
Earnings (loss)	10,040	490	(19,474)	(8,944)
Income tax expense	(106)	—	—	(106)
Net other comprehensive earnings (loss)	9,934	490	(19,474)	(9,050)
Balance at December 31, 2025	$ (33,609)	$ 490	$ 30,035	$ (3,084)
Earnings (loss)	(7,084)	2,528	23,730	19,174
Income tax recovery	75	—	—	75
Net other comprehensive earnings (loss)	(7,009)	2,528	23,730	19,249
Balance at September 30, 2026	**$ (40,618)**	**$ 3,018**	**$ 53,765**	**$ 16,165**

18. Supplementary Disclosure of Cash Flow Information

Additions to property, plant and equipment are as follows:

	Three Months Ended		Nine Months Ended	
For the periods ended September 30 (unaudited, in thousands of dollars)	**2026**	2025	**2026**	2025
Additions to property, plant, and equipment (Note 10)	**$ 7,703**	$ 58,996	**$ 215,415**	$ 231,862
Amounts included in working capital	**(1,423)**	2,696	**(4,412)**	181
Capitalized interest	**—**	—	**—**	(1,552)
Property, plant and equipment acquired as part of business acquisitions (Note 23)	**—**	—	**(133,930)**	—
	$ 6,280	$ 61,692	**$ 77,073**	$ 230,491

19. Commitments

The table below reflects the commitments of the Company at September 30, 2026. Annual expected payments are detailed in Note 20.

(unaudited, in thousands of dollars)		
Construction of an ocean self-unloader	$	64,257
Purchase of two second-hand product tankers		18,444
Construction of two product tankers through a joint venture (Algoma share)		46,525
Construction of three mini-bulkers through a joint venture (Algoma share)		19,374
Construction of three cement carriers through a joint venture (Algoma share)		38,863
Construction of two self-unloading bulk carriers through a joint venture (Algoma share)		56,781
Purchase of remaining AMI shares		5,757
Non-cancellable service contract		8,022
	$	**258,023**

20. Financial Instruments and Risk Management

The Company's financial instruments included in the interim condensed consolidated balance sheet comprise cash, accounts receivable, mortgage receivable, derivative asset, accounts payable and accrued charges, dividends payable, short-term borrowings and long-term debt.

Fair Value

The Company's financial instruments, excluding derivative assets, are carried at amortized cost which, due to their short-term nature, approximates fair value. Derivative assets are remeasured for fair value at the end of each reporting period. The carrying values of the Company's financial liabilities approximate their fair values with the exception of long-term debt. The fair value hierarchy for the Company's financial liability not measured at fair value is as follows:

As at (unaudited, in thousands of dollars)		**September 30 2026**		December 31 2025
Long-term debt				
Carrying value	**$**	**615,380**	$	429,005
Fair value, classified as Level 2		**584,693**		398,992

The difference in the fair value of long-term debt compared to the carrying value is due to the difference in the rates on the debt compared to current market rates for similar instruments with similar terms.

Liquidity Risk

The contractual maturities of non-derivative financial liabilities for the remainder of the year and forward are as follows:

(unaudited, in thousands of dollars)	2026	2027	2028	2029	2030	2031 and Beyond	Total
Short-term borrowings	$ 117,966	$ —	$ —	$ —	$ —	$ —	$ 117,966
Long-term debt	4,254	36,885	8,509	95,056	74,797	395,879	615,380
Interest payments on long-term debt	12,218	26,699	25,276	24,809	19,518	53,536	162,056
Vessel purchase commitments	9,180	73,521	—	—	—	—	82,701
Vessel purchase commitments through joint ventures (Algoma share)	57,582	50,864	53,097	—	—	—	161,543
AMI share purchase	—	—	—	—	5,757	—	5,757
Non-cancellable service contract	—	1,003	1,003	1,003	1,003	4,010	8,022
Leases	41	198	205	208	209	376	1,237
	$ 201,241	**$ 189,170**	**$ 88,090**	**$ 121,076**	**$ 101,284**	**$ 453,801**	**$ 1,154,662**

Foreign Exchange Risk

At September 30, 2026 approximately 41% (December 31, 2025 - 44%) of the Company's total assets were denominated in U.S. dollars, including U.S. cash of $16,195 (December 31, 2025 - $16,114). Approximately 6% (December 31, 2025 - 7%) of the total assets were denominated in Swedish Krona.

The Company has significant commitments due for payment in U.S. dollars. For these payments, the Company mitigates the risk principally through U.S. dollar cash inflows and foreign-denominated debt.

21. Segment Disclosures

The Company operates through five segments; Domestic Dry-Bulk, Product Tankers, Ocean Self-Unloaders, Corporate and Global Short Sea Shipping. The segment operating results include fully consolidated subsidiaries and interests in jointly controlled entities. Segment disclosures are based on how the Chief Executive Officer views operating results and how decisions are made about resources to be allocated to operating segments.

The following presents the Company's results by reportable segment.

For the three months ended September 30, 2026 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping	Total
Revenue	$ 164,748	$ 54,987	$ 67,389	$ 627	$ —	$ 287,751
Operating expenses	(110,164)	(42,088)	(44,096)	(267)	—	(196,615)
Selling, general and administrative	(2,894)	(1,238)	(884)	(7,741)	—	(12,757)
Depreciation and amortization	(9,159)	(6,603)	(7,884)	(323)	—	(23,969)
Operating earnings (loss)	42,531	5,058	14,525	(7,704)	—	54,410
Interest, net	—	(1,231)	—	(8,444)	—	(9,675)
Gain on sale of assets	—	—	8,882	—	—	8,882
Foreign exchange gain	—	—	—	343	—	343
	42,531	3,827	23,407	(15,805)	—	53,960
Income tax recovery (expense)	(11,256)	(825)	—	2,000	—	(10,081)
Net earnings from investments in joint ventures	—	4,493	850	51	4,909	10,303
Net earnings (loss)	**$ 31,275**	**$ 7,495**	**$ 24,257**	**$ (13,754)**	**$ 4,909**	**$ 54,182**

For the three months ended September 30, 2025 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping	Total
Revenue	$ 131,453	$ 49,691	$ 46,277	$ 614	$ —	$ 228,035
Operating expenses	(81,342)	(34,236)	(30,591)	(241)	—	(146,410)
Selling, general and administrative	(3,424)	(1,537)	(468)	(3,652)	—	(9,081)
Depreciation and amortization	(8,135)	(6,764)	(6,471)	(414)	—	(21,784)
Operating earnings (loss)	38,552	7,154	8,747	(3,693)	—	50,760
Interest, net	—	(1,273)	—	(6,107)	—	(7,380)
Foreign exchange loss	—	—	—	(1,967)	—	(1,967)
	38,552	5,881	8,747	(11,767)	—	41,413
Income tax recovery (expense)	(10,271)	(1,709)	—	3,453	—	(8,527)
Net earnings (loss) from investments in joint ventures	—	2,290	190	(247)	4,318	6,551
Net earnings (loss)	$ 28,281	$ 6,462	$ 8,937	$ (8,561)	$ 4,318	$ 39,437

For the nine months ended September 30, 2026 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping	Total
Revenue	$ 346,771	$ 157,330	$ 167,840	$ 1,864	$ —	$ 673,805
Operating expenses	(271,228)	(116,833)	(107,504)	(721)	—	(496,286)
Selling, general and administrative	(10,179)	(4,464)	(2,450)	(22,805)	—	(39,898)
Depreciation and amortization	(25,728)	(19,780)	(21,213)	(1,099)	—	(67,820)
Operating earnings (loss)	39,636	16,253	36,673	(22,761)	—	69,801
Interest, net	—	(3,668)	—	(19,976)	—	(23,644)
Gain on business acquisition	—	—	—	3,314	—	3,314
Gain on sale of asset	20,583	—	8,882	119	—	29,584
Foreign exchange loss	—	—	—	(4,417)	—	(4,417)
	60,219	12,585	45,555	(43,721)	—	74,638
Income tax recovery (expense)	(13,238)	(2,992)	—	10,891	—	(5,339)
Net earnings from investments in joint ventures	—	18,640	1,803	1,022	1,229	22,694
Net earnings (loss)	**$ 46,981**	**$ 28,233**	**$ 47,358**	**$ (31,808)**	**$ 1,229**	**$ 91,993**

For the nine months ended September 30, 2025 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping	Total
Revenue	$ 285,611	$ 125,155	$ 134,322	$ 1,863	$ —	$ 546,951
Operating expenses	(222,953)	(92,694)	(87,472)	(757)	—	(403,876)
Selling, general and administrative	(11,451)	(4,891)	(1,316)	(14,596)	—	(32,254)
Depreciation and amortization	(23,173)	(16,275)	(19,867)	(1,256)	—	(60,571)
Operating earnings (loss)	28,034	11,295	25,667	(14,746)	—	50,250
Interest, net	—	(2,243)	—	(16,180)	—	(18,423)
Foreign exchange gain	—	—	—	1,349	—	1,349
	28,034	9,052	25,667	(29,577)	—	33,176
Income tax recovery (expense)	(7,523)	(2,555)	—	7,181	—	(2,897)
Net earnings from investments in joint ventures	—	6,323	590	1,723	10,125	18,761
Net earnings (loss)	$ 20,511	$ 12,820	$ 26,257	$ (20,673)	$ 10,125	$ 49,040

As at September 30, 2026 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping	Total
Assets						
Current assets	$ 105,602	$ 27,646	$ 76,378	$ 60,519	$ —	$ 270,145
Property, plant, and equipment	548,331	252,837	469,575	12,088	—	1,282,831
Investments in joint ventures	—	126,533	48,409	7,201	242,820	424,963
Goodwill & intangible assets	7,910	—	46,552	—	—	54,462
Other assets	—	—	28,937	32,694	—	61,631
	$ 661,843	**$ 407,016**	**$ 669,851**	**$ 112,502**	**$ 242,820**	**$ 2,094,032**
Liabilities						
Current liabilities	$ 84,343	$ 34,996	$ 36,693	$ 151,082	$ —	$ 307,114
Current portion of long-term debt	49	8,048	—	285	—	8,382
Long-term liabilities	959	19,699	—	64,996	—	85,654
Long-term debt	56	76,427	—	517,968	—	594,451
	85,407	139,170	36,693	734,331	—	995,601
Shareholders' Equity	576,436	267,846	633,158	(621,829)	242,820	1,098,431
	$ 661,843	**$ 407,016**	**$ 669,851**	**$ 112,502**	**$ 242,820**	**$ 2,094,032**

As at December 31, 2025 (unaudited, in thousands of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Global Short Sea Shipping	Total
Assets						
Current assets	$ 66,042	$ 15,782	$ 40,078	$ 53,682	$ —	$ 175,584
Property, plant, and equipment	541,552	263,775	284,872	10,066	—	1,100,265
Investments in joint ventures	—	119,029	45,009	6,882	239,893	410,813
Goodwill	7,910	—	—	—	—	7,910
Other assets	—	—	46,131	30,001	—	76,132
	$ 615,504	$ 398,586	$ 416,090	$ 100,631	$ 239,893	$ 1,770,704
Liabilities						
Current liabilities	$ 56,731	$ 29,269	$ 18,106	$ 133,998	$ —	$ 238,104
Current portion of long-term debt	50	7,777	—	285	—	8,112
Long-term liabilities	1,311	18,171	—	85,835	—	105,317
Long-term debt	88	79,681	—	331,062	—	410,831
	58,180	134,898	18,106	551,180	—	762,364
Shareholders' Equity	557,324	263,688	397,984	(450,549)	239,893	1,008,340
	$ 615,504	$ 398,586	$ 416,090	$ 100,631	$ 239,893	$ 1,770,704

22. Share-Based Compensation

The Company maintains a stock option program for certain key employees. Options on common shares are periodically granted to eligible employees under the plan, have a term of five years, and cliff vest on the third anniversary of the grant date. These options provide holders with the right to purchase common shares of the Company at a fixed price equal to the closing market price of the shares on the day prior to the date the options were issued. Under this plan, 2,028,391 common shares have been reserved for future issuance. The outstanding options expire on various dates to March 4, 2031.
The following table summarizes the Company's stock option activity and related information.

Stock Option Activity (unaudited, amounts not stated in thousands)	Number of shares	Weighted average exercise price
Number outstanding, at January 1, 2025	606,602	$ 15.80
Granted	279,858	14.84
Exercised	(146,250)	(15.02)
Number outstanding, at December 31, 2025	740,210	$ 15.21
Granted	502,500	23.84
Exercised	(240,000)	(15.82)
Number outstanding, at September 30, 2026	**1,002,710**	**$ 19.39**

The following table summarizes information relating to stock options outstanding as at September 30, 2026.

	Options outstanding	
Exercise Price per Share (unaudited, amounts not stated in thousands)	Number of shares	Remaining contractual life (years)
$15.01	220,352	2.40
$14.84	279,858	3.41
$23.84	502,500	4.42
	1,002,710	

For the nine months ended September 30, 2026, the Company recognized compensation expense for stock option awards of $605 (2025 - $213). For the nine months ended September 30, 2026, 502,500 options (2025 - 279,858) were granted by the Company at a weighted average fair value of $3.14 per option (2025 - $2.01).

23. Business Acquisitions

Acquisition of Dry-Bulk Marine Carrier

On March 20, 2026, the Company acquired 100 percent of the issued share capital and obtained control of a Canadian-flag dry-bulk marine carrier that will operate in the Company's domestic dry-bulk segment. The total consideration of $41,183 includes capital expenditures of $12,950 to prepare the vessels acquired for the operating season and $28,233 funded through available cash. The acquisition qualifies as a business combination as defined by IFRS 3 Business Combinations. The excess of the net identifiable assets acquired over the total consideration resulted in a gain of $9,314. Post-acquisition costs of $6,000 have been recognized, reflecting the plan to retire certain vessels acquired, and include an estimate of severance costs, resulting in a net gain of $3,314. Acquisition-related costs, included in selling, general and administrative expenses, amount to $1,837.

The Company is within the measurement period as defined by IFRS 3 Business Combinations. Accordingly, the amounts recognized in connection with the acquisition are provisional, as the Company is in the process of finalizing the valuation of certain acquired assets and related closing adjustments. Adjustments to these provisional amounts may be recognized retrospectively in future reporting periods as additional information relating to facts and circumstances that existed at the acquisition date becomes available.

The provisional amounts recognized in respect of the identifiable assets acquired and liabilities assumed are presented below as follows:

(unaudited, in thousands of dollars)		Provisional as at September 30
Cash	$	653
Accounts receivables		2,853
Other current assets		3,521
Deferred income taxes		24,277
Property, plant, and equipment		25,875
Other long-term assets		761
Accounts payable and accrued charges		(19,632)
Other liabilities		(761)
Gain on bargain purchase		(9,314)
Cash disbursed on acquisition		28,233
Capital expenditures included in current liabilities		12,950
Total consideration	**$**	**41,183**

Receivables include gross contractual amounts of $4,782, of which $1,929 is expected to be uncollectible.

The provisional amounts recognized at the acquisition date were subsequently adjusted during the measurement period to reflect additional information about facts and circumstances that existed as of the acquisition date. These adjustments primarily related to the reclassification of costs and other balance sheet items, as well as updated estimates regarding the collectibility of acquired receivables.

(unaudited, in thousands of dollars)		
Gain on bargain purchase	$	9,314
Subsequent costs resulting from acquisition		(6,000)
Gain on business acquisition	**$**	**3,314**

Ocean Self-Unloaders Acquisition

On June 18 2026, the Company increased its participation in the Pool within the Ocean Self-Unloaders segment for total consideration of $154,627 ($110,187 USD). The activities of the Pool constitutes a business as defined by IFRS 3 Business Combinations. Following the transaction the Company continues to share joint control over the arrangement.

As there was no change in control, the acquisition method has been applied only to the additional interest acquired. Accordingly, the previously held interest was not remeasured. The Company is within the measurement period as defined by IFRS 3 Business Combinations. The amounts recognized in connection with the acquisition are provisional, as the Company is in the process of finalizing the valuation of certain acquired assets and liabilities. Adjustments to these provisional amounts may be recognized retrospectively in future reporting periods as additional information relating to facts and circumstances that existed at the acquisition date becomes available.

The Company has recognized its share of the fair value of the identifiable assets and liabilities relating to the additional interest acquired which consists of:

(unaudited, in thousands of dollars)		Provisional as at September 30
Property, plant, and equipment	$	108,055
Intangible asset		46,572
Total consideration	**$**	**154,627**

As part of the acquisition of an additional interest in the Pool within the Ocean Self-Unloaders segment in the second quarter of 2026, the Company recognized a definite-life intangible asset of $46,572. This intangible asset represents the expected future economic benefits arising from its increased share of earnings from the Pool. The increased share of working capital items acquired in this transaction are not material to the financial statements.

From acquisition date to September 30, 2026, this acquisition has contributed $15,280 to revenue and $3,925 to net earnings of the Company.

Had the acquisition occurred on January 1, 2026, management estimates that the acquired portion would have contributed approximately $37,259 to revenue and $10,527 to net earnings for the nine month period ended September 30, 2026.

24. Subsequent Event

On November 4, 2026, the Company closed a public offering of $70 million and a private placement to a related party of $20 million of 6.20% convertible unsecured subordinated debentures (the "Debentures"), for aggregate gross proceeds of $90 million. The Debentures bear interest payable semi-annually and mature on December 31, 2031.

The underwriters hold an over-allotment option to purchase up to an additional $10.5 million of Debentures, which can be exercised until December 4, 2026.

On full conversion, approximately 1,916,934 common shares would be issued, or 2,140,575 if the over-allotment option is exercised in full.

Your Marine Carrier of Choice™

2026

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