

Menzies Group



Date: October 22, 2026

To: Menzies Group Valued Customers (Menzies Metal, Primex Vents, Vanguard Shelving)

From: Menzies Group

Subject: Implementation of Previously Announced Price Adjustment

Dear Valued Partner,

On July 24, 2026, Menzies Group communicated a forthcoming price adjustment for select galvanized metal and copper products. On August 21, 2026, we advised that implementation would be postponed while we continued to assess market conditions and input costs.

Since then, we have continued to monitor commodity markets, manufacturing inputs, freight, and broader supply chain conditions. Cost pressures remain significant and continue to increase. As a result, selective price adjustments are now necessary based on current market conditions and product-specific cost drivers.

While we have worked to absorb as much of these increases as possible, the following adjustments are necessary to support product availability, service reliability, and long-term supply continuity.

The following price increases will apply to all incoming orders received on or after November 23, 2026:

- **Copper Drains – 15%**
- **Galvanized Vents and Flashing Penetrations (Painted or Unfinished) – 12%**
- **Galvanized Flashing Trims and Galvanized Rolls (Painted or Unfinished) – 18%**

****Updated price lists will be provided to authorized contacts by November 9, 2026.***

Order & Pricing Timing:

- Current pricing will be honored on orders received before November 23, 2026, provided they ship on or before November 30, 2026. Current pricing for shipments after November 30 may also be honored at Menzies Metal's discretion.
- Please review your upcoming requirements and, where possible, place orders before the effective date.
- Our team is available to assist with product availability, order planning, and questions about timing.

We appreciate your continued trust, partnership, and business. Our priority remains consistent supply, product quality, and service continuity.

Should you have any questions, please contact your Menzies Group representative.

Sincerely,

Menzies Group



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Menzies Metal Products

Attn: Jim Nguyen, Bob Smart

As you both have seen lately, this market is in much turmoil for a variety of reasons that I will state below:

1. Canada government has applied quotas and tariffs to most steel products coming from offshore mills. This means that there is a quota for a limited amount of steel to arrive in Canada without tariffs. Once that quota has been reached, that steel has a 50% tariff applied to it. This has been extended to June of 2027 to be reviewed then. For now, we are forced to play by their rules.
2. For material that we supply Menzies, it pertains to pre-painted steel and galvanized. Canada mill can barely supply half of Canada's needs for painted usage and yet still apply tariffs. Cascadia's opinion of this tariff is irrelevant as we need to abide with Canadian law.
3. Galvanized is in a similar position to painted in that Stelco (major Canada supplier of galvanized) has decided to shut down a mill in Ontario that produces 30-35,000 metric tonnes per month exclusively for the Canadian market. That mill is now closed, and we have seen a steady rise in price from our offshore partners. This now puts pressure on the manufactures (Menzies) and is then passed on to their customers, creating unnecessary inflation.

Cascadia Metals is doing everything it can to secure supply for the Western Canadian market, while attempting to secure the best price possibly which we are finding very difficult. We believe this market will be short supplied over the next 6-8 months (for galv) and we've currently seen some effect in the marketplace, with a lesser amount of available inventory.

Cascadia Metals is also dedicated to continuing supply to the market with available pre-painted and galvanized. While we surmise that this is likely the end of prices rising on pre-painted (depends entirely on government future actions), we cannot say the same about galvanized. We have seen rapid and large increases in the last few weeks, and we don't see this stopping soon. I cannot predict where things may settle, but please know that uncertainty will continue for the near future.

If you have any further questions, please reach out to me.

Regards,

Jason Payne – Branch manager



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Industry Letter

Dear Madam or Sir,

In furtherance of Cascadia Metals Ltd.'s ("Cascadia") application for remission, we are pleased to provide the attached customer endorsements from Canadian businesses that rely on Galvalume and Galvanized base prepainted steel in the ordinary course of their operations (Appendix B).

In a typical year, the annual consumption of prepainted steel in Canada is estimated at 380,000–400,000 metric tonnes, while the only domestic producer, Baycoat Ltd., located in Hamilton, Ontario, produces approximately 200,000–220,000 metric tonnes annually. **This leaves a shortfall of 160,000–180,000 metric tonnes of prepainted steel that must be met through imports.**

Under the current system, imports exceeding the established quota limits are subject to a 50% surtax. Annual quota levels are capped at 75% of 2024 volumes for free-trade countries and 20% of import volumes for non-free-trade countries. The TRQs are then divided into quarterly periods, with any unused quota expiring at the end of the quarter rather than being carried forward. This approach further restricts the available volume of duty-free imports available to Canadian businesses.

Caught up in these measures is Galvalume and Galvanized base prepainted steel, which Cascadia Metals has imported into Canada without interruption for over 30 years. The consistent availability of high-quality material has supported the steady growth of prepainted steel across the Canadian market. Today, it is used extensively in roofing, siding, wall panels, flashing, fencing, garage doors and manufactured products across residential, high-rise, commercial and agricultural construction, making it an important material within Canada's construction and manufacturing industries (Appendix A).

Since the TRQs came into effect, Cascadia has been able to import only approximately 45-50% of the steel goods it requires within quota, with the remaining volume subject to the 50% surtax. These costs are being passed on to Cascadia's customers, who are primarily agricultural producers, construction companies, and building material suppliers. The surtaxes directly impact our customers' bottom line, at a time when these Canadian businesses are already facing significant inflationary pressures. The economic impact of the surtaxes on prepainted steel products is not sustainable.

While we do not believe the Federal Government intended for these measures to be so disruptive to the prepainted steel market, their unintended effect are now becoming apparent. In our view, the most effective solution would be to immediately exempt Galvalume and Galvanized base prepainted steel from the TRQs.

Our customers support this effort as evidenced by the digital endorsement forms. We respectfully submit that the attached endorsements demonstrate broad industry support for restoring the prepainted steel supply chain and exempting these products from the current TRQs before further harm is done to Canadian businesses and the economy.

We thank the Department of Finance for its consideration of this submission and the attached industry endorsements.

Best Regards,
Jim Ritchie
CAN: 62513599.1



CASCADIA METALS

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APPENDIX A

MARKETS	
1 - 00: BUILDING AND CONSTRUCTION PRODUCTS	
1 - 01: Roofing and Siding	
1 - 02: Exterior Accessories	
1 - 03: Structural and Mechanical	
1 - 04: Interior Components	
1 - 05: Manufactured Housing	
1 - 06: Garage Doors	
1 - 07: Door and Windows - Other	
1 - 99: All Other Building and Construction Products	
2 - 00: TRANSPORTATION	
2 - 01: Passenger Cars, Vans, and Light Trucks	
2 - 02: Trucks and Semi-Trailers	
2 - 03: Buses	
2 - 04: Travel Trailers and Recreational Vehicles	
2 - 99: All Other Transportation	
3 - 00: BUSINESS AND CONSUMER PRODUCTS	
3 - 01: Large Appliances	
3 - 02: Small Appliances and Electronics	
3 - 03: Water Heaters and Water Softeners	
3 - 04: Heating and Cooling Equipment	
3 - 05: Home and Office Furniture	
3 - 06: Window Equipment	
3 - 07: Toys and Sporting Goods	
3 - 08: Fixtures and Shelving	
3 - 09: Lighting	
3 - 99: All Other Business and Consumer Products	
4 - 00: CONTAINERS AND PACKAGING	
4 - 01: Cans, Ends, Tabs, Crowns and Closures	
4 - 02: Barrels, Drums and Pails	
4 - 03: Strapping and Seals	
4 - 99: All Other Containers and Packaging	
5 - 00: OTHER	
5 - 01: Machinery and Industrial Equipment	
5 - 02: Electrical Equipment (not elsewhere counted)	
5 - 03: Service Centers and Jobbers	
5 - 04: Signs and Displays	
5 - 99: All Other Miscellaneous	