OTTER CO-OP MEMBER NEWSLETTER

26/27 Q1

ANNUAL MEETING RECAP

On June 3, 2026, Otter Co-op held its 104th Annual General Meeting virtually via Zoom, bringing members, directors, and leadership together to review the 2025 fiscal year, vote on governance matters, and hear about the road ahead.

A Meaningful Financial Turnaround

After a difficult prior year, Otter Co-op returned to profitability in 2025. Net earnings came in at $2.672 million, a turnaround of almost $7.8 million. CEO Jack Nicholson credited the result to disciplined cost management across every division, improved margins in key business areas, and difficult decisions made early in the year that accelerated the recovery faster than planned. Total company sales reached $471.8 million. Otter's members can review the 2025 Annual Report and our audited summarized financial reports on our website.

Special Resolutions and Governance

Two Special Resolutions were brought forward for consideration at the Annual Meeting, relating to increased eligibility requirements for former employees seeking board nominations and reductions in director committee meeting pay. Both passed by the members in attendance. A motion was also brought forward and approved to accept MNP as Otter Co-op's auditors for the 2026/27 Fiscal Year.

2026 Director Election Results

Three director positions were up for election this year, with three candidates putting their names forward. Carlo Bonetti and Shannon Todd Booth were re-elected to the Board, and Dennis Quiring joins as a newly elected director. All three were elected by acclamation for three-year terms.

This meeting also marked the conclusion of a chapter for Charlie Fox, Past Board President, after nine years of service on the Board of Directors. President Gus Hartl recognized Charlie for his significant contributions to Otter Co-op and the broader co-operative system.

Profits To Be Returned To Members

As a result of the positive net earnings, a profit-sharing allocation will be distributed to eligible members later this year. Profitability in the Petroleum division, which includes Gas Bar and Bulk Fuel operations, made this year's patronage allocation possible. The Board of Directors approved the maximum allowable distribution under the BC Co-op Act: $1,033,000 returned to qualifying members, calculated at 1% of their 2025 fuel purchases, based on Otter Co-op's total profits of $2.672 million and the proportion of sales attributable to members.

This allocation will be split evenly: 50% will be returned as a cash-back cheque, and 50% will be credited to your equity account. If your cash-back amount is under $100, that portion will be credited to your equity account rather than issued a cheque. For seniors who have previously applied and met the age eligibility requirements to withdraw their equity, you will receive a cheque provided it is over $10.

These allocations will be finalized later this summer, tentatively set for late July. We are unable to pull individual equity balances until the allocations are fully processed at that time. When they are ready to be viewed, members will be notified through our website, social media, and email channels. Shortly thereafter, cheques will be mailed to qualifying members. Equity statements will not be mailed. Once ready, you can view your equity statement

and account balance by downloading the Co-op app at **www.coopapp.ca** and following the instructions to sign in or up for a Co-op Account and verifying your membership information. Following the completion of the allocation process in late July, members can also call our administration team at **604-856-2517** for more information.

Commitment to Stakeholders

Otter Co-op remains committed to transparency and proactive communication with all its' members. The company continues to monitor market conditions closely and will provide further updates as necessary. Despite near-term challenges, the leadership team and Otter Co-op Board of Directors remain optimistic about the company's trajectory and its ability to deliver value to members, guests, and employees alike.

PRESIDENT'S MESSAGE

Having completed my first year as your Board President, I am genuinely proud of the progress we have made together.

After a difficult 2024, with oversight from the Board, our leadership team executed a disciplined recovery plan that delivered results ahead of schedule. Your Co-op returned to profitability in 2025, posting net earnings of $2.672 million, and the Board was pleased to approve the maximum allowable patronage distribution under the Co-op Act. For the first time in two years, we are returning money to our members. The full details of this allocation are outlined in our AGM recap above.

Our Board of Directors believes our leadership team will continue to do what is in the best interests of the long-term health and well-being of our Co-op and ensure our team does their best to stay true to our Mission and Goals.

In closing, I want to formally recognize one of our Board members and Past President, Charlie Fox, as he departs the Board after many years of service. Not only did he have a significant and valuable impact within Otter Co-op, but he was well known and a highly regarded leader in the Co-op system. Thank you Charlie for all your good work, you and your wisdom will be missed around our Board table!

I would also like to take a moment to thank all 8 of the Board members I get to work with around the board table, a dedicated, focused, thoughtful and fun group of Co-operative minded people, thank you!

On behalf of the Board, I would like to thank each and every member for your continued support over the past year. We never lose sight of the fact that this is your organization, and all the decisions we make are through that lens, to support your family and well-being, today and in the future. We look forward to continuing our journey to increased profitability so we can continue to share our success with you!

Gus Hartl, Board President

CEO'S MESSAGE

Otter Co-op has reached its 104th year in business, and that milestone deserves a moment of reflection. Very few organizations achieve a century of service in their communities, and none do it without the loyalty and trust of the members who support them.

I am proud to tell you that 2025 was a year of genuine recovery for your Co-op. Despite ongoing global economic uncertainty and continued profitability challenges at several locations, I am pleased to report that Otter Co-op significantly improved upon the previous year's financial loss of $5.1 million and finished the year with net earnings of $2,672,000.

I am extremely proud of what our team accomplished. They continued to review every expense line and every penny spent, while maximizing every buying opportunity with suppliers to improve returns. While we had anticipated another year of losses as part of our recovery plan, the hard work, dedication, and difficult decisions made across the organization accelerated our return to profitability. I would like to sincerely thank the entire Otter team for their commitment to our member/ owners and our long-term success. As outlined in the AGM recap above, the Board approved returning $1,033,000 to our members, the maximum allowable under the BC Co-op Act, through this year's patronage allocation, calculated at 1% of 2025 fuel purchases.

We also continued building the value of your membership throughout the year. The Plus Program expanded with new point-of-purchase discounts for bulk feed and retail liquor members, along with new rotating promotions across our Food, C-Store and General Merchandise divisions. That added value is resonating; we welcomed more than 8,100 new members to your Co-op this year alone. It is encouraging to see continued membership growth as more guests recognize the value of belonging to an organization that reinvests in its communities while providing exclusive savings and personalized offers to member/ owners.

Our commitment to the communities we serve remained strong as well, with support reaching over 140 organizations across our trade area, alongside scholarships for students and career opportunities for more than 800 team members across the province.

Thank you, sincerely, to our entire team, our Board of Directors, and most importantly, to you for your ongoing support of your Co-op.

Jack Nicholson, CEO

CONNECT WITH US THIS SUMMER!

From your local gas bar to festival grounds across the region, we are showing up in the community all season long. Here is where you will find us:

Member Appreciation Hot Dog BBQs

Stop by a participating Co-op Gas Bar for a free Centsibles hot dog and a cold Co-op water, on us. It's a great chance to connect with the team and celebrate your membership! On site on June 16 (Dallas Drive), June 17 (Rutland), June 18 (Fairview), and June 25 (Whistler), 11AM to 1PM.

Canada Day Member Celebration

Join us on July 1st at the Langley Retail Centre from 11AM - 1PM for a free Canada Day BBQ featuring hot dogs, pizza, and cake for our members. Come celebrate Canada's birthday with us!

Abbotsford Berry Festival

Otter Co-op is proud to sponsor the Berry Bake-off at this year's Abbotsford Berry Festival on July 11th in downtown Abbotsford. Come out and enjoy the best of local berry season right here in the Fraser Valley.

Jamestown 2026 Cancer Fundraiser

The Angry Otter Liquor team will be on-site in July 11th for a special whisky tasting at the Jamestown fundraiser. Stay tuned for more details!

Fort Langley Cool Blues Show

The Angry Otter Liquor team will be pouring exclusive whisky tastings at the Fort Langley Blues Festival on July 24th and 25th. Stop by the booth, discover something new, and enjoy a great weekend of live music.

Backyard BBQ with the Vancouver Bandits

Otter Co-op is the Presenting Sponsor of the Backyard BBQ, the official pre-game festival before every Saturday & Sunday Vancouver Bandits home game at the Langley Events Centre. Taking place all summer, two hours before every weekend home game, come early and soak in the community atmosphere and cheer on your Bandits! Angry Otter Liquor is also proud to sponsor the on-site beer garden.

Langley Ribfest

Otter Co-op and Angry Otter Liquor are back as Title Sponsor of the Langley Ribfest on August 14th to 16th at McLeod Athletic Park in Langley. Come enjoy some incredible BBQ, and make some summer memories with your community! Stay tuned for more information!

CO-OP Otter
@ottercoop

CO-OP Otter Feed
@ottercoopfeed
@otterfeedandpet

Angry Otter Liquor
@angryotterliquor

The Highwayman Pub
@thehighwaymanpub