

Kadant Carmanah Design and Hexion Inc. Announce Collaborative Partnership

Kadant Carmanah Design and Hexion Inc. have entered into a collaborative partnership to jointly advance innovation in the wood processing industry.

SURREY, B.C., CANADA, [May 28, 2025] -- Kadant Carmanah Design announced it is entering into a collaborative partnership with Hexion Inc., a global leader of adhesives and performance materials solutions that uses artificial intelligence to improve the manufacturing process of wood panels.

“As the global leader of stranding equipment used in the manufacturing of oriented strand board (OSB) panel production, our collaborative partnership with Hexion and its Smartech™ artificial intelligence (AI) technology is the natural evolution for our flagship SmartRING strander product line and Argus smart-connected technologies platform,” said Todd Macey, president of Kadant Carmanah Design. “By integrating Hexion’s world-class AI-driven autonomous manufacturing solutions with Kadant Carmanah’s expertise in stranding equipment and technology, together we will help our OSB customers produce better quality strands, improve strander production, and prevent unexpected downtime of the strander.”

“The benefit of this collaborative partnership for OSB producers will be the full visibility and connectivity they will now have throughout their entire manufacturing process – from the strander, to the dryer, to the blender, to the forming line, to the press,” said Michael Lefenfeld, President and CEO of Hexion. “As OSB wood rooms continue to face labor challenges and the high variability of log inventory management, Hexion’s advanced AI and machine learning technology will help stabilize the quality of strands from the strander. As a result, OSB producers will see reduced variability in downstream processes such as drying, blending, forming, and pressing, ultimately improving overall mill efficiency.”

Hexion’s Smartech division, which Hexion acquired in 2024, uses artificial intelligence to improve the manufacturing process for wood panels. The product line includes software and systems solutions such as SmartPress™ and recently announced SmartQuality™, each providing a unique approach to resin application that increases efficiency and product quality, as well as autonomous manufacturing systems, which utilize machine learning to optimize productivity in the wood panel industry.

The Kadant Carmanah SmartRING Strander is the global leader in processing logs into strands for OSB production. Combined with Kadant Carmanah's Argus smart-connected technologies, OSB producers now have real-time access to accurate trending data for log throughput, production uptime, and strand quality from the strander.

About Hexion

Hexion is a leading global producer of adhesives and performance materials solutions. The company provides specialty products and solutions for customers in diverse industries, including construction, agriculture, energy, automotive, and infrastructure protection. With over a century of expertise, Hexion is committed to advancing sustainable solutions that preserve natural resources and address the challenges of a changing climate. Learn more at hexion.com.

About Smartech

Founded in 2005 and serving customers across North and South America, Europe and APAC, Smartech is a technology leader specializing in AI-driven manufacturing solutions that optimize efficiency, sustainability, and production quality. Its innovative tools are trusted by top-tier customers worldwide, transforming traditional manufacturing processes and setting new standards in digital automation. Learn more at smartech.com.

About Kadant Carmanah Design

Kadant Carmanah Design, located in Surrey, B.C. Canada, designs and manufactures equipment for the panel and engineered wood products and sawmill industries. Providing leading-edge technology and equipment to optimize fiber use to produce wood-based panels, Kadant Carmanah's products include SmartRING stranders, SmartDISC stranders, rotary debarkers, ARGUS Smart-Connected Technologies, and chippers. For more information, visit kadantcarmanah.com.

Safe Harbor Statement

The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward-looking statements that involve a number of risks and uncertainties, including forward-looking statements about our customers, products, operations, and markets. These forward-looking statements represent our expectations as of the date of this press release. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. These forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results to differ materially from these forward-looking statements as a result of various important factors, including those

set forth under the heading "Risk Factors" in Kadant's annual report on Form 10-K for the fiscal year ended December 28, 2024 and subsequent filings with the Securities and Exchange Commission.