



MAPLE LEAF FOODS INC.

Notice of Meeting and Information Circular
Dated May 1, 2025
in respect of the Annual and Special Meeting of Shareholders
to be held on June 11, 2025

LETTER TO SHAREHOLDERS

May 1, 2025

Dear Fellow Shareholders:

We are pleased to invite you to the 2025 Annual and Special Meeting of Shareholders of Maple Leaf Foods Inc. which will be held on June 11, 2025 at 9:00 a.m. (ET). We are offering shareholders the opportunity to attend the meeting virtually and by a live video webcast or in person at ThinkFood!, 6897 Financial Drive, Mississauga, Ontario, Canada.

Grounded in our vision to *Become the Most Sustainable Protein Company on Earth*, we are extremely proud of the progress we have made on our commitment to delivering shared value for all our stakeholders. The momentum we have built since announcing our refreshed Strategic Blueprint in early 2024 is undeniable. We have completed the integration of our plant protein business into our prepared foods business, our large capital projects are delivering benefits as expected, we have significantly deleveraged our balance sheet, and we have refocused our energy on growing as a globally-admired, brand-led consumer packaged goods company.

Building on this momentum we also announced a plan to spin-off our pork operations to create two independent, public companies, each primed for growth and positioned to be a leader in its field. Following completion of the transaction:

- **Maple Leaf Foods** will enter a bold new chapter as a focused, purpose-driven and protein-centric consumer *packaged* goods company, uniquely positioned to meet the world's growing demand for sustainable protein. Guided by a clear Strategic Blueprint and an ambitious vision to be *the Most Sustainable Protein Company on Earth*, we are poised to unlock our full potential. We are harnessing the strength of our category-leading brands, accelerating innovation that resonates with today's consumers, scaling our leadership in sustainable meats, and extending our reach into high-growth geographies, channels, and categories. With an unrelenting focus on operational excellence and a deeply rooted, values-driven culture, Maple Leaf Foods is building a resilient, future-ready business that delivers meaningful, long-term value for all stakeholders.
- **Canada Packers** will go forward as a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. Canada Packers is well positioned to unlock the significant growth potential of its business by investing in low-risk high return opportunities, including increasing volumes, optimizing operations and efficiencies, and building on its favourable sales mix and margins. Canada Packers will be among North America's largest producers of Raised Without Antibiotics ("RWA") pork and a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets.

Maple Leaf Foods' Board of Directors and a special committee of independent directors, acting with the advice and assistance of their respective financial, legal and tax advisors, and management have all carefully evaluated the proposed spin-off and believe it is in the best interests of Maple Leaf Foods, fair to the public shareholders and the most attractive value creation opportunity available. Among the many expected benefits include:

- *Enhanced Strategic Focus*
 - Separating into two distinct businesses, each with unique investor theses, Maple Leaf Foods and Canada Packers will be set up to execute on and de-risk their respective growth plans.
 - Maple Leaf Foods believes there is currently untapped value creation potential in its pork operations that cannot be fully unlocked in the context of the current integrated corporate structure which is primarily focused on building its consumer-packaged goods operations.
 - As a stand-alone company, Canada Packers will focus on optimizing its operations and will be positioned to pursue its significant opportunities in key global markets, including leveraging its ability to appeal to niche, premium and specialty markets. At the same time, Maple Leaf Foods will be able to focus its attention on growing its Prepared Foods operations in North America, building on the strength of its brands and delivering cost-effective operational excellence, all while continuing to execute its sustainable meats strategy.
- *Distinct Investment Propositions to Unlock Shareholder Value*
 - Maple Leaf Foods believes its trading multiple is currently misaligned with the underlying value of its portfolio mix, and that this Transaction creates an opportunity to capture a higher sum-of-the-parts value

over time as investors will have increased visibility into each business and their respective value propositions and growth strategies.

- *More Focused Investments for Shareholders*

- Completing the spin-off will allow shareholders to retain similar economic exposure to the status quo but through two more focused investment opportunities, with Maple Leaf Foods focused on delivering results as a market-leading, branded protein consumer packaged goods company, and Canada Packers as an integrated, value-added pork company with a diversified sales mix and global reach.

- *Mutually Optimized Supply Chain Opportunities*

- By entering into an evergreen supply agreement with Canada Packers as part of the separation, Maple Leaf Foods will have access to a stable supply of the particular cuts of sustainably produced, quality pork it requires for its Prepared Foods operations.
- Canada Packers will benefit from having Maple Leaf Foods as its anchor North American customer, while being able to optimize the entire hog through its global sales strategy and integrated business model.

As separate companies, Maple Leaf Foods and Canada Packers each will have focused growth prospects, a sharpened execution focus with their respective dedicated management teams, and the financial independence to pursue their own value creation strategies, all with an enduring commitment to safety and sustainability.

On behalf of Maple Leaf Foods, we thank you for your ongoing support. These are exciting times, and as we embark on the next phase of our journey, we look forward to continuing to engage with you.

If you have any questions, please contact Maple Leaf Foods' strategic shareholder advisor and proxy solicitation agent, Laurel Hill Advisory Group, by phone at 1-877-452-7184 toll-free in North America, or 1-416-304-0211 outside of North America, or by email at assistance@laurelhill.com.

Sincerely,



TOM HAYES
Independent Lead Director



MICHAEL H. MCCAIN
Executive Chair



Notice of 2025 Annual and Special Meeting of Shareholders and Availability of Proxy Materials



Date:
June 11, 2025



Time:
9:00 a.m. (ET)



Location:

Virtually at:
<https://meetings.lumiconnect.com/400-337-006-096>

In person at:
ThinkFood!, 6897 Financial Drive,
Mississauga, ON L5N 0A8



Materials:

Maple Leaf Foods Inc. is using notice and access to deliver the materials for the Meeting to you via the internet. You can access the Circular and our audited consolidated 2024 financial statements on our website at:
www.mapleleaffoods.com

or on SEDAR+ at:
www.sedarplus.ca

You can also request paper copies of the materials by mail at no cost by calling the applicable number below and entering the control number from your form of proxy or voting instruction form:

For shareholders with a 15 digit control number:
1-866-962-0498 (toll free in North America), or
1-514-982-8716 (direct outside North America)

For shareholders with a 16 digit control number:
1-877-907-7643 (toll free in North America) or
English: 303-562-9305
+ French: 303-562-9306 (direct outside North America)

Requests for paper copies must be received no later than May 28, 2025 in order for you to receive the materials before the voting deadline. If you have questions regarding "Notice and Access", please call 1-866-964-0492 (toll-free).



Voting in advance of the Meeting:

All shareholders of record as of April 23, 2025 can vote in advance of the Meeting by phone, on the internet or by mail by following the instructions on the voting instruction form or form of proxy accompanying this notice. To be valid, proxies must be received by Computershare by no later than 9:00 a.m. (ET) on June 9, 2025 (or, if the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays and holidays) prior to the commencement of the reconvened meeting).

Dated at Mississauga, ON this 1st day of May, 2025.

By order of the Board of Directors

(signed) "Suzanne Hathaway"
Suzanne Hathaway
Senior Vice President, General Counsel,
Communications and Corporate Secretary

You are invited to the Annual and Special Meeting of Maple Leaf Foods Inc.

This year, we are offering shareholders the opportunity to attend the Meeting virtually by live video webcast at <https://meetings.lumiconnect.com/400-337-006-096> or in person at ThinkFood!, 6897 Financial Drive, Mississauga, ON, Canada.

We are also utilizing "Notice and Access" to provide you with easy electronic access to our management information circular ("Circular") and other meeting materials rather than mailing paper copies. The shift to electronic delivery of the Circular is part of our commitment to reduce our environmental footprint.

Purpose of the Meeting

There are seven items of business:

1. Receive the 2024 audited consolidated financial statements of Maple Leaf Foods Inc. together with the report of the external auditors on those statements;
2. Elect directors to the board for the ensuing year;
3. Appoint KPMG LLP as external auditors for the ensuing year and authorize the directors to fix their remuneration;
4. Consider and, if deemed advisable, pass, with or without variation, a special resolution (the "Arrangement Resolution"), in the form set out in *Schedule "A"* of the Circular, approving (i) an arrangement under section 192 of the *Canada Business Corporations Act*, following which shareholders will hold, for each common share of Maple Leaf Foods held on the Arrangement Record Date (as defined in the Circular), one common share of Maple Leaf Foods and 0.2 (subject to the Adjustment Provision (as defined in the Circular)) of a common share of Canada Packers Inc. ("Canada Packers"), a new public company, with Maple Leaf Foods retaining a 16.0% ownership position in Canada Packers and (ii) the entry into of the Canada Packers Governance Agreement (as defined in the Circular);
5. If the Arrangement Resolution is passed, consider and, if deemed advisable, pass, with or without variation, an ordinary resolution (the "Canada Packers Option Plan Resolution"), in the form set out in *Schedule "B"* of the Circular, approving the share option plan of Canada Packers;
6. Consider a say on executive pay advisory resolution; and
7. Consider any other business as may properly come before the Meeting.

See the "Business of the Meeting" section of the Circular for more information.

Participating and Voting at the Meeting

Registered shareholders as of April 23, 2025 and duly appointed proxyholders will be able to attend the Meeting, submit questions and vote either online or in person. Should registered shareholders chose to attend virtually they can connect to the Meeting via the internet at <https://meetings.lumiconnect.com/400-337-006-096> using the latest version of Chrome, Safari, Edge or Firefox on your computer, tablet or smartphone.

If you are a registered shareholder and wish to vote at the Meeting, whether in person or online, you do not need to complete or return your form of proxy. Simply attend the Meeting and present yourself to a representative of the Corporation at the registration table or log in virtually by following the instructions in the Circular.

Beneficial shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests and ask questions, but guests will not be able to vote at the Meeting.

Any shareholder that wishes to appoint as proxyholder a person other than the management nominees identified on the form of proxy or voting instruction form (including a beneficial shareholder who wishes to appoint themselves) must carefully follow the instructions in the Circular and on the form of proxy or voting instruction form. These instructions include the additional step of registering with our transfer agent, Computershare, after submitting the form of proxy or voting instruction form but prior to the Meeting. You must follow these instructions closely regardless of whether your proxyholder will be attending the Meeting online or in person.

In order to vote online at the Meeting, you will need your unique control number located on the accompanying form of proxy or voting instruction form. Further detailed instructions are included in the Circular.

Your Vote Is Important

We strongly encourage you to review the Circular and vote in advance of the Meeting.

Maple Leaf Foods Inc.

MANAGEMENT INFORMATION CIRCULAR

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ABOUT THE MEETING

DELIVERY OF PROXY MATERIALS

Maple Leaf Foods Inc. ("Maple Leaf Foods" or the "Corporation") is providing holders of currently outstanding common shares of the Corporation (such common shares, "MLF Common Shares," and such holders, "Shareholders") with electronic access to its Management Information Circular (the "Circular") and other materials for its 2025 Annual and Special Meeting of Shareholders (the "Meeting"), including its 2024 Annual Audited Consolidated Financial Statements and associated Management's Discussion and Analysis. Electronic delivery of these materials is part of the Corporation's commitment to reduce its environmental footprint and is permitted under applicable securities laws.

Shareholders will receive a notice of availability of the Meeting materials ("Notice"), together with a form of proxy or voting instruction form. The Notice provides instructions on how Shareholders may access and review an electronic copy of the Circular and how to request a paper copy.

Shareholders who have already provided instructions on their account to receive paper copies of the Circular will also receive a paper copy of the Circular with a copy of the Notice regarding electronic availability. The Notice also provides instructions on voting at the Meeting. Proxy materials are being sent to registered Shareholders directly and will be sent to intermediaries to be forwarded to all non-registered (beneficial) Shareholders.

This information is being provided to you in connection with the solicitation of proxies by the Corporation's management for use at the Meeting. The Corporation is paying the cost of proxy solicitation for all registered owners and for beneficial owners. An objecting beneficial owner will only receive proxy materials if their intermediary assumes the cost of delivery. The Corporation intends to pay for intermediaries to deliver proxy-related materials to "objecting beneficial owners", in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

Maple Leaf Foods has retained Laurel Hill Advisory Group to assist in connection with its communication with Shareholders and solicitation of proxies for a fee of approximately \$75,000. If you have questions, please contact Laurel Hill Advisory Group, by phone at 1-877-452-7184 toll-free in North America, or 1-416-304-0211 outside of North America, or by email at assistance@laurelhill.com.

WHO IS ENTITLED TO VOTE?

If you owned shares in Maple Leaf Foods Inc. as of close of business on April 23, 2025 (the "Record Date"), you are entitled to attend and vote at the Meeting either in person or online.

WHAT AM I VOTING ON?

You are being asked to vote on five matters:

1. the election of each of the directors of the Corporation;
2. the appointment of KPMG LLP as the auditors of Maple Leaf Foods;
3. the Arrangement Resolution in the form set out in *Schedule "A"* to this Circular, authorizing the Corporation to effect the Arrangement (as defined herein), all as more particularly described herein;
4. if the Arrangement Resolution is passed, the Canada Packers Option Plan Resolution in the form set out in *Schedule "B"* to this Circular, approving the Canada Packers Option Plan (as defined herein); and
5. the advisory, non-binding say-on-pay resolution.

As discussed in this Circular, management is recommending that Shareholders:

1. **VOTE FOR the election of each of the directors;**

2. **VOTE FOR the appointment of auditors;**
3. **VOTE FOR the Arrangement Resolution;**
4. **VOTE FOR the Canada Packers Option Plan Resolution; and**
5. **VOTE FOR the advisory, non-binding say-on-pay resolution.**

In addition to voting on these matters, the 2024 Annual Audited Consolidated Financial Statements (“consolidated financial statements”) and auditors’ report on those consolidated financial statements will be presented at the Meeting. These are available on SEDAR+ (www.sedarplus.ca) and the Maple Leaf Foods’ website (www.mapleleaffoods.com). No vote is required on the financial statements and auditors’ report.

HOW DO I KNOW IF I AM A REGISTERED SHAREHOLDER OR A BENEFICIAL (NON-REGISTERED) SHAREHOLDER?

Being a registered Shareholder means that the MLF Common Shares are registered in your name.

Being a beneficial Shareholder means that the MLF Common Shares are registered in the name of an intermediary such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on your behalf, or in the name of a clearing agency in which the intermediary is a participant (such as CDS Clearing and Depository Services Inc.). Most shareholders are “beneficial Shareholders”. Most intermediaries currently delegate the responsibility for obtaining instructions from clients to Broadridge Financial Solutions (“Broadridge”). In such cases, Broadridge typically prepares and distributes a voting instruction form to beneficial Shareholders. In addition, the Corporation may utilize Broadridge’s QuickVote™ service. Eligible beneficial Shareholders may be contacted by Laurel Hill Advisory Group to take their vote instructions over the telephone.

HOW CAN I VOTE?

Voting in advance: Both registered and beneficial Shareholders can vote by proxy in advance of the Meeting in any one of three ways:

	Telephone Voting	Call the toll-free number shown on the form of proxy or voting instruction form
	Internet Voting	Vote online by logging on to the website indicated on the form of proxy or voting instruction form
	Mail-in Voting	Complete the form of proxy or voting instruction form and return it in the envelope provided

If you vote in advance, your vote must be received before the proxy cut-off time for it to be counted at the meeting:

- As a registered Shareholder you must submit your proxy so that it is received by Computershare Trust Company of Canada by no later than 9:00 a.m. (Eastern time) on June 9, 2025 (or, if the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays and holidays) prior to the commencement of the reconvened meeting).
- As a beneficial Shareholder you must submit your voting instructions before the deadline set by the brokers or intermediaries as specified in the voting instruction form, which may be earlier than the proxy cut-off time set out in this Circular. You should contact your broker or intermediary for further details.

Voting at the Meeting for Registered Shareholders: As a registered Shareholder you are able to attend the Meeting and ask questions, either in person or online. Registered Shareholders will also be able to vote at the appropriate times during the Meeting. See “How do I attend and participate at the Meeting?”

Voting at the Meeting for Beneficial Shareholders: As a beneficial Shareholder, you can only vote at the Meeting, whether in person or online, by making arrangements with your intermediary/broker well in advance of the Meeting in accordance with their procedures. **Therefore, if you wish to attend and vote at the meeting, you must**

carefully follow the instructions provided on the voting instruction form and this Circular to appoint yourself as proxyholder and register with Computershare. You cannot vote at the Meeting either in person or online unless you have made such arrangements. See “How do I appoint someone other than the management nominees to vote my shares?”.

If you have further questions or require assistance to vote your shares, contact: Laurel Hill Advisory Group, by phone at 1-877-452-7184 toll-free in North America, or 1-416-304-0211 outside of North America or by email at assistance@laurelhill.com.

HOW DO I ATTEND AND PARTICIPATE IN THE MEETING?

This year, Shareholders have the opportunity to attend the Meeting virtually at <https://meetings.lumiconnect.com/400-337-006-096> or in person at ThinkFood!, 6897 Financial Drive, Mississauga, Ontario, Canada. The manner for attending and voting at the Meeting is different depending on whether you are planning to attend online or in person. Please follow the applicable instructions carefully.

Virtually

Registered Shareholders: The control number located on the form of proxy you received is your Control Number.

Duly appointed proxyholders: Computershare will provide the proxyholder with a Username by e-mail after the proxy voting deadline has passed and the proxyholder has been duly appointed AND completed both Step 1 and Step 2 as described under the subheading “How do I appoint someone other than the management nominees to vote my shares” below. This Username is different from the Control Number provided on your form of proxy or voting information form. If both Steps 1 and 2 are not completed, your proxyholder **will not** be able to attend and vote on your behalf at the Meeting.

Beneficial Shareholders: Beneficial Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as guests as set out below. Guests can listen to the Meeting and ask questions but are not able to vote at the Meeting.

Before the Meeting it is recommended that you check that your browser for the device you are using is compatible by going to at <https://meetings.lumiconnect.com/400-337-006-096> on your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Edge or Firefox.

To join the Meeting online, the log-in instructions are as follows:

- Log in online at <https://meetings.lumiconnect.com/400-337-006-096> well in advance of the Meeting start time
- Click “Login” and then enter the Control Number on your form of proxy (for registered Shareholders) or as provided to you by Computershare the Username (for proxyholders, including beneficial Shareholders who have duly appointed themselves as proxyholder) and Password “mapleleaf2025” (case sensitive)

OR

- Click “Guest” and then complete the online form which will ask some simple questions such as your name.

You should allow ample time to check into the Meeting online and complete the related procedure before the Meeting start time. If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. Even if you plan to participate in the Meeting, you should consider voting your MLF Common Shares in advance so that your vote will be counted in the event that you later decide not to attend the Meeting or you experience any technical difficulties that affect your ability to access the Meeting for any reason. Shareholders with questions regarding the virtual meeting portal or requiring assistance accessing the meeting website may visit the website <https://www.lumiglobal.com/faq> for additional information.

In Person

Registered Shareholders or duly appointed proxyholders including beneficial Shareholders who have duly appointed themselves as proxyholder, may also attend the Meeting in person at ThinkFood!, 6897 Financial Drive, Mississauga, Ontario, Canada. Members of Maple Leaf Foods and Computershare will be onsite to assist guests with the registration process.

Registered Shareholders: When you arrive at the Meeting, please register with and obtain a ballot from Computershare. Even if you currently plan to attend and vote at the Meeting in person, you should consider voting your MLF Common Shares in advance so that your vote will be counted if you later decide not to attend the Meeting. You should note that if you attend the Meeting in person and receive a ballot from Computershare, you will revoke any previously submitted proxy.

Duly appointed proxyholders: If the proxyholder has been duly appointed AND completed both Step 1 and Step 2 as described under the subheading “How do I appoint someone other than the management nominees to vote my shares” below, the duly appointed proxyholder may attend and vote at the Meeting in person. If both Steps 1 and 2 are not completed, your proxyholder **will not** be able to attend and vote on your behalf at the Meeting.

Beneficial Shareholders: Beneficial Shareholders who have not duly appointed themselves as proxyholder can attend the Meeting as guests and ask questions. Guests are not able to vote at the Meeting.

Maple Leaf Foods believes that the ability to participate in the Meeting in a meaningful way, including asking questions, is an important part of the Meeting. Registered Shareholders, proxyholders and beneficial Shareholders will have an opportunity to ask questions on matters of business at the Meeting, whether online or in-person. Beneficial Shareholders will also have the opportunity to ask questions at the Meeting whether or not they have properly appointed themselves as proxyholder.

Those attending the Meeting online can use the online platform tool to ask questions. Questions received through the virtual meeting platform and related to the business of the Meeting will be read aloud and responded to when that item of business is being discussed. General questions about the Corporation will be read and addressed in the question and answer session following the Meeting.

Only questions of interest to all Shareholders will be responded to during the Meeting. To ensure fairness for all attendees, the chair of the Meeting will decide on the amount of time allocated to each question and will have the right to limit or consolidate questions and to reject questions that are determined to be inappropriate or otherwise out of order.

HOW DO I APPOINT SOMEONE OTHER THAN THE MANAGEMENT APPOINTEES TO VOTE MY SHARES?

If you vote your shares in advance of the Meeting in the manner described above, you will be appointing one of the Maple Leaf Foods proxyholders specified in the form of proxy or voting information form as your proxyholder (the “MLF Appointees”) and they will vote your shares at the Meeting, whether in person or online. (See “How will my proxy be voted?”). **You may appoint another person or company as your proxyholder. That person or company does not need to be a shareholder of the Corporation.**

Shareholders who wish to appoint someone other than the persons named in the form of proxy or voting information as their proxyholder **MUST** submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder **AND** then must register that proxyholder online with Computershare, as described below. Failure to register the proxyholder will result in the proxyholder not being able to attend or vote at the Meeting. You must therefore follow these instructions carefully.

Step 1: Submit your Form of Proxy or Voting Instruction Form:

- To appoint someone other than the MLF Appointees as your proxyholder follow the instructions on the form of proxy or voting instruction form (if permitted) to insert the name of the person or company you wish to appoint where indicated (either online or on the paper form) and then submit the form.
- This step must be completed before registering such proxyholder with Computershare as described in Step 2 below. Step 2 is an important additional step to be completed once you have submitted your form of proxy or voting instruction form. If you are a beneficial Shareholder and wish to vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder with Computershare, as described in Step 2 below. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions above under the heading “How do I attend and participate at the Meeting?”.

If you are a beneficial Shareholder located in the United States and wish to vote at the Meeting or, if permitted, appoint a third party as your proxyholder, then you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information form sent to you, or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Computershare. Requests for registration from beneficial Shareholders located in the U.S. that wish to vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by email or by courier to: uslegalproxy@computershare.com (if by email), or Computershare, Attention: Proxy Dept., 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, Canada (if by courier), and in both cases, must be labeled “Legal Proxy” and received no later than the voting deadline of 9:00 a.m. (ET) on June 9, 2025 (or, if the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays and holidays) prior to the commencement of the reconvened meeting). The solicitation of proxies by the Corporation is not subject to the requirements of Section 14(a) of the Securities Exchange Act of 1934 (the “U.S. Exchange Act”), by virtue of an exemption applicable to proxy solicitations by “foreign private issuers” as defined in Rule 3b-4 under the U.S. Exchange Act. The solicitation of proxies is being made by or on behalf of a Canadian issuer in accordance with Canadian corporate and securities laws, and this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders should be aware that requirements under such Canadian laws and such disclosure requirements are different from requirements under United States corporate and securities laws relating to United States corporations.

Step 2: Register your proxyholder:

- To register a third-party proxyholder (or for beneficial Shareholders, to appoint yourself as proxyholder), you must visit <http://www.computershare.com/MapleLeafFoods> before the proxy cut-off time and provide Computershare with the required proxyholder contact information.
- Computershare will then provide the proxyholder with a Username via email.
- Without this Username, proxyholders (including beneficial Shareholders wishing to appoint themselves as proxyholder) will not be able to vote at the Meeting, whether in person or online.

WHAT IF I WANT TO CHANGE MY VOTING INSTRUCTIONS?

For registered Shareholders, you may revoke your proxy by providing new voting instructions online at the website indicated on your form of proxy (www.investorvote.com) at a later time or by delivering an instrument in writing, including another proxy, duly executed by or on behalf of the Shareholder and deposited with Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 at any time up to and including 9:00 a.m. on the second last business day preceding the day of the Meeting (June 9, 2025) or any adjournment or postponement thereof, or using any other method permitted by applicable law. You may also revoke any prior proxy without providing new instructions by delivering written notice clearly indicating you wish to revoke your proxy to the registered office of the Corporation at 6897 Financial Drive, Mississauga, Ontario, Canada L5N 0A8 (attention: Corporate Secretary), any such revocation should be completed well in advance of the (June 9, 2025) proxy cut-off time. If you attend and vote at the Meeting online, your vote at the Meeting will revoke your

previous proxy in respect of all matters. If you attend the Meeting in person and receive a ballot from Computershare, you will revoke any previously submitted proxy.

For beneficial Shareholders, if you want to change your voting instructions you must follow the instructions on the voting instruction form. Intermediaries may set deadlines for the receipt of revocation notices that are farther in advance of the Meeting than those set out above and, accordingly, any such revocation should be completed well in advance of the (June 9, 2025) proxy cut-off time.

The Corporation reserves the right to accept late proxies and to waive or extend the proxy cut-off time with or without notice but is under no obligation to accept or reject any particular late proxy.

HOW MANY VOTES DO I GET?

You are entitled to one vote for each MLF Common Share that you hold as of the Record Date.

HOW WILL THE VOTES BE COUNTED?

The votes required for each resolution are described below:

	Business Item	Voting Options	Voting Threshold
1	Election of Directors	Vote For or Against	Simple majority of votes cast for each Director
2	Appointment of Auditors	Vote For or Withhold	Simple majority of votes cast
3	Arrangement Resolution	Vote For or Against	(a) two-thirds of votes cast by all Shareholders and (b) a simple majority of votes cast by the Public Shareholders (as defined herein)
4	Canada Packers Option Plan Resolution	Vote For or Against	Simple majority of votes cast
5	Advisory Say-on-Pay Resolution	Vote For or Against	Advisory

See “The Arrangement – Required Shareholder Approval”.

HOW WILL MY PROXY BE VOTED?

The person(s) named in the proxy form or voting information form must vote your MLF Common Shares in accordance with your voting instructions. However, if you do not specify how you want your MLF Common Shares to be voted, your proxyholder can vote your shares as he or she determines.

If you appointed the MLF Appointees as your proxyholder and you did not specify how you want your MLF Common Shares voted, your shares will be voted as follows:

- (i) **FOR** the election of the persons listed as nominees under the heading “Election of Directors” as directors of the Corporation;
- (ii) **FOR** the appointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation and authorizing the directors to fix their remuneration;
- (iii) **FOR** the Arrangement Resolution;
- (iv) **FOR** the Canada Packers Option Plan Resolution;
- (v) **FOR** the resolution approving Maple Leaf Foods’ approach to executive compensation on an advisory and non-binding basis; and

- (vi) **FOR** or **AGAINST** such actions as the management nominee thinks fit with respect to any other matter that may properly come before the meeting, including any amendments or variations in the matters identified in the Notice.

WHAT IF THERE ARE AMENDMENTS OR VARIATIONS TO THE ITEMS OF BUSINESS BROUGHT BEFORE THE MEETING?

The form of proxy confers discretionary authority upon the persons appointed with respect to amendments to the matters identified in the Notice and with respect to any other matters which may properly come before the Meeting. The Corporation is not aware of any matters to come before the Meeting other than the matters identified in the Notice. If any matters which are not known should properly come before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in accordance with their best judgment.

HOW MANY SHARES ARE OUTSTANDING?

There were 123,956,991 MLF Common Shares outstanding as of April 22, 2025.

The Corporation has been informed that McCain Capital Inc. ("MCI") exercises control or direction over 48,948,794 MLF Common Shares (39.49%) of the outstanding MLF Common Shares. The Corporation has also been informed that Michael H. McCain is the controlling shareholder of MCI.

To the knowledge of Maple Leaf Foods, based on information available to it as of the date hereof, except for MCI and RBC Global Asset Management Inc., who own approximately 39.49% and 12.62%, respectively, of the issued and outstanding MLF Common Shares, there is no person or company that beneficially owns or exercises control or direction, directly or indirectly, over MLF Common Shares carrying more than 10% of the votes attached to the MLF Common Shares.

PRESENTATION OF INFORMATION

Unless stated otherwise, all information in this document is given as of May 1, 2025, and all dollar amounts and amounts designated '\$' are in Canadian dollars.

The use of the phrase "tax-free" in this Circular is a reference to the tax-deferred nature of the Arrangement. Specifically, with respect to the Holders (as defined herein), the receipt of Canada Packers Common Shares pursuant to the Arrangement is generally intended not to result in taxable income or gain to Holders for Canadian federal income tax purposes. As described under the heading "Material Income Tax Considerations – Certain Canadian Federal Income Tax Considerations", a Holder may trigger certain tax consequences on a subsequent disposition of a MLF Common Share or a Canada Packers Common Share (in the ordinary course or otherwise). With respect to MLF, Newco and Canada Packers, the Arrangement is generally intended not to result in taxable income or gain to MLF, Newco or Canada Packers. MLF or Canada Packers may trigger certain tax consequences on a subsequent disposition (in the ordinary course or otherwise) of, in the case of MLF, property retained by MLF on the Arrangement or, in the case of Canada Packers, property acquired by Newco in the Arrangement.

MORE QUESTIONS?

If you have questions about voting procedures or the Meeting, please contact Maple Leaf Foods' proxy solicitation agent:

Laurel Hill Advisory Group
North America Toll Free: 1-877-452-7184
Outside North America: 1-416-304-0211
E-mail: assistance@laurelhill.com

If you have questions about deciding how to vote, you should contact your own legal, tax, financial or other professional advisor.

INFORMATION FOR U.S. SHAREHOLDERS

For the purposes of this section, “Securities” refers to MLF New Common Shares and Canada Packers Common Shares.

The Securities to be issued to Shareholders in exchange for their MLF Common Shares pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or any state securities laws. Such Securities will be issued in reliance upon the exemption from the registration requirement of the U.S. Securities Act provided by Section 3(a)(10) thereof on the basis of the approval of the Court, which will consider, among other things, the fairness of the Arrangement to the persons who will receive Securities under the Arrangement. Additionally, the issuance of the Securities to Shareholders under the Arrangement will be exempt from registration under the securities laws of the applicable states of the United States.

Section 3(a)(10) of the U.S. Securities Act exempts from the registration requirement of the U.S. Securities Act the issuance of securities in exchange for one or more *bona fide* outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is authorized to grant the approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order and subject to the approval of the Arrangement by the Shareholders, a hearing on the Arrangement will be held at which all Shareholders are entitled to appear and be heard. The Final Order will be relied upon as the basis for an exemption from the registration requirement of the U.S. Securities Act under Section 3(a)(10) thereof, for the issuance of the Securities to the Shareholders under the Arrangement. Before the hearing on the Final Order, the Court will be informed of this effect of the Final Order.

The solicitation of proxies is not subject to the requirements of Section 14(a) of the Securities Exchange Act of 1934 (the “U.S. Exchange Act”), by virtue of an exemption applicable to proxy solicitations by “foreign private issuers” as defined in Rule 3b-4 under the U.S. Exchange Act. The solicitation of proxies is being made by or on behalf of a Canadian issuer in accordance with Canadian corporate and securities laws, and this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders should be aware that requirements under such Canadian laws and such disclosure requirements are different from requirements under United States corporate and securities laws relating to United States corporations. The audited financial statements of Maple Leaf Foods and the Pork Operations have been prepared in accordance with IFRS, and are subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States corporations. Likewise, unless expressly noted, information concerning Maple Leaf Foods, Canada Packers, Newco, Subco and their respective current or expected businesses, properties and operations, as applicable, contained or incorporated herein by reference has been prepared in accordance with disclosure requirements applicable in Canada and such disclosure requirements may be materially different from those applicable in the United States.

The Securities issued under the Arrangement will be freely transferable under United States federal securities laws, except by persons who are affiliates of Maple Leaf Foods or Canada Packers or who were affiliates of Maple Leaf Foods within 90 days before the completion of the Arrangement. Persons who may be deemed to be “affiliates” of an issuer generally include individuals or entities that control, are controlled by or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as 10% or greater shareholders of the issuer. Any resale of the Securities received under the Arrangement by such an affiliate (or, former affiliate) may be subject to the registration requirement of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such Securities pursuant to Rule 144 under the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale of the Securities received upon completion of the Arrangement. All holders of such securities are urged to consult with their own counsel to ensure that the resale of their Securities complies with applicable securities legislation.

The enforcement by Shareholders of civil liabilities under the securities laws of the United States may be affected adversely by the fact that the parties to the Arrangement are organized under the laws of jurisdictions other than

the United States, that some or all of their officers and directors are residents of countries other than the United States, that some or all of the experts named in this Circular may be residents of countries other than the United States and that a substantial portion of the assets of the parties to the Arrangement are located outside the United States. As a result, it may be difficult or impossible for Shareholders to effect service of process within the United States upon the parties to the Arrangement, their respective officers and directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the securities laws of the United States. In addition, Shareholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States.

Shareholders who are U.S. taxpayers should be aware that the Arrangement described in this Circular may have tax consequences both in Canada and in the United States which are not described fully herein. Shareholders are urged to consult their own tax advisers regarding the U.S. federal and Canadian income tax consequences of the Arrangement.

The Arrangement and the Securities to be issued under the Arrangement have not been approved or disapproved by the U.S. Securities and Exchange Commission or the securities regulatory authority of any state of the United States, nor has the U.S. Securities and Exchange Commission or the securities regulatory authority of any state passed on the fairness or merits of the Arrangement or the adequacy or accuracy of this Circular. Any representation to the contrary is a criminal offence.

FORWARD LOOKING INFORMATION

This Circular contains “forward-looking information” and “forward looking statements” within the meaning of applicable securities laws. These statements are based on current expectations, estimates, projections, beliefs, judgements and assumptions based on information available at the time the applicable forward-looking statement was made and in light of the Corporation’s experience combined with its perception of historical trends. Such statements include, but are not limited to, statements with respect to objectives and goals, in addition to statements with respect to beliefs, plans, targets, goals, objectives, expectations, anticipations, estimates, and intentions. In some cases, forward-looking information can be identified by words such as “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “could”, “would”, “believe”, “plan”, “intend”, “design”, “target”, “undertake”, “view”, “indicate”, “maintain”, “explore”, “entail”, “schedule”, “objective”, “strategy”, “likely”, “potential”, “outlook”, “aim”, “propose”, “goal”, and similar expressions suggesting future events or future performance. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in the forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Specific forward-looking information in this document may include, but is not limited to, statements with respect to:

- the business of and procedure for the Meeting and solicitation of proxies;
- future composition of the Board and senior management, including statements regarding diversity targets;
- Maple Leaf Foods’ sustainability commitments;
- the intended aims of the compensation for directors and named executive officers;
- estimated compensation awards,
- estimated annual retirement and pension benefits for the named executive officers;
- potential payments and benefits for the named executive officers upon specified triggering events;
- the completion and proposed terms of, and matters relating to, the Arrangement and the expected timing related thereto;
- the tax treatment of the Arrangement and certain related transactions;
- the expected operations, financial results and condition of Maple Leaf Foods and Canada Packers following the Arrangement;
- Maple Leaf Foods’ and Canada Packers’ future objectives, strategies and capital programs and the methods they expect to employ to achieve their respective objectives and implement such capital programs;
- the future prospects of Maple Leaf Foods and Canada Packers as independent corporations;
- the expected treatment of certain Maple Leaf Foods employees and employee benefit plans in connection with the Arrangement;
- the expected treatment of holders of Maple Leaf Foods incentive securities in connection with the Arrangement;
- the anticipated effects and benefits of the Arrangement;

- the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act to the securities issuable under the Arrangement;
- the listing of the MLF New Common Shares, Newco Common Shares and the Canada Packers Common Shares on the TSX;
- expectations regarding trading markets in MLF New Common Shares and Canada Packers Common Shares following the Arrangement;
- the estimated cash flow, earnings, capitalization and adequacy thereof to support, among other things, each of Maple Leaf Foods and Canada Packers following the Arrangement;
- the expected dividends of Maple Leaf Foods and Canada Packers and their respective ability to execute share buybacks following the Arrangement;
- the ability of Maple Leaf Foods and Canada Packers to access capital markets following the Arrangement;
- expansion opportunities available to Maple Leaf Foods and Canada Packers following the Arrangement, including their respective abilities to execute on strategic growth projects and acquisitions;
- the expectation that Canada Packers will be a reporting issuer in all the provinces of Canada following the Arrangement; and
- the expected terms of the Separation Agreement, the Pension and Benefits Agreement, the Supply Agreement; the Long-Term Services Agreement and the Canada Packers Governance Agreement.

Various factors or assumptions are applied by the Corporation in drawing conclusions or making the forecasts, projections, predictions or estimations set out in the forward-looking statements. These factors and assumptions are based on information currently available to the Corporation, including information obtained by the Corporation from third-party sources and include but are not limited to the following:

- our ability to satisfy conditions precedent and obtain approvals required for the Arrangement, including with respect to the Tax Ruling, on satisfactory terms and in a timely manner;
- the benefits of the Arrangement being realized;
- the prices of the MLF New Common Shares and Canada Packers Common Shares following the completion of the Arrangement;
- the tax consequences of the Arrangement and certain related transactions;
- compliance by Maple Leaf Foods and Canada Packers with the terms and conditions of the Arrangement Agreement;
- the ability of Maple Leaf Foods and the ability of Canada Packers to successfully implement their respective strategic priorities and whether they will yield the expected benefits;
- the ability of Maple Leaf Foods and the ability of Canada Packers to implement a capital allocation strategy aligned with maximizing shareholder value;
- construction and completion of capital projects;
- cost, availability of, and inflationary pressures on, labour, equipment and materials;
- the availability and market prices of commodities;
- access to capital markets on competitive terms;

- interest, tax and foreign exchange rates;
- performance and credit risk of Maple Leaf Foods' counterparties and Canada Packers' counterparties;
- regulatory decisions and outcomes of legal proceedings, including arbitration and insurance claims;
- performance by Maple Leaf Foods, Canada Packers, as applicable, and the other parties thereto, of their respective obligations under the Separation Agreement, the Pension and Benefits Agreement, the Supply Agreement, the Long-Term Services Agreement, the Tax Matters Agreement and the Canada Packers Governance Agreement;
- the ability of Maple Leaf Foods and the ability of Canada Packers to effectively anticipate and assess changes to government policies and regulations, including those related to the environment;
- competition in the businesses in which Maple Leaf Foods operates and Canada Packers will operate;
- unexpected or unusual weather;
- acts of civil disobedience;
- cyber security and technological developments;
- sustainability-related risks;
- economic conditions in North America as well as globally (including tariff and non-tariff barriers to trade); and
- global health crises, such as pandemics and epidemics and the impacts related thereto.

Readers are cautioned that these assumptions may prove to be incorrect in whole or in part. The Corporation's actual results may differ materially from those anticipated in any forward-looking statements. Factors that could cause actual results or outcomes to differ materially from the results expressed, implied, or projected in the forward-looking statements contained in this document include, among other things, those listed under "Risk Factors".

Given these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking information. Any forward-looking information that is contained in this Circular speaks only as of the date of such statement. Unless required by applicable securities laws, the Corporation does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

All of the forward-looking information contained in this Circular is expressly qualified by the foregoing cautionary statements. Readers should read this entire Circular and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment in the Corporation and of the Arrangement.

NON-IFRS MEASURES

This Circular makes reference to certain non-IFRS measures and ratios, including (in addition to the non-IFRS measures and ratios referred to in the Schedules to this Circular) Adjusted Operating Earnings, Adjusted Earnings per Share, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT and Return on Net Assets (RONA). These measures and ratios are not recognized measures under IFRS, do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other companies.

Refer to the heading titled “Non-IFRS Financial Measures” in the Annual MD&A for more information about the measures and ratios noted above, including reconciliations to the most directly comparable IFRS measures. The Annual MD&A is incorporated by reference into this Circular and is available under the Corporation’s profile on SEDAR+ (www.sedarplus.ca).

GLOSSARY

The following is a glossary of certain terms used in this Circular, including the Summary and the Schedules to this Circular.

“AC” means the Audit Committee of Maple Leaf Foods.

“Adjustment Provision” means the provision of the Plan of Arrangement that is referred to as the “Adjustment Provision” as described herein under the heading “The Arrangement – Details of the Arrangement”.

“Affiliate” means, when describing a relationship between two persons, that either: (a) one of them is under the direct or indirect control of the other; or (b) each of them is directly or indirectly controlled by the same person.

“Amalgamation” means the amalgamation of Newco and Subco to form Canada Packers as described under heading “The Arrangement – Details of the Arrangement”.

“Amended Governance Agreement” has the meaning given to it under the heading “Board Composition and Selection of Directors – Amended Governance Agreement”.

“Annual Financial Statements” means the audited consolidated financial statements of Maple Leaf Foods as of December 31, 2024 and 2023 and for each of the years in the two-year period ended December 31, 2024, the notes thereto, and the auditor’s reports thereon.

“Annual Information Form” means the annual information form of Maple Leaf Foods for the year ended December 31, 2024 dated March 31, 2025.

“Annual MD&A” means the management’s discussion and analysis of financial condition and results of operations as of and for the year ended December 31, 2024.

“Arrangement” means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement, the Plan of Arrangement, and the Interim Order, or made at the direction of the Court in the Final Order, provided that such amendments or variations are acceptable to Maple Leaf Foods.

“Arrangement Agreement” means the arrangement agreement dated April 29, 2025 among Maple Leaf Foods, Newco and Subco, a copy of which is attached as *Schedule “C”* to this Circular, as it may be amended, supplemented, restated or otherwise modified from time to time in accordance with its terms.

“Arrangement Record Date” means the time established by Maple Leaf Foods as the record date for the issuance of the Canada Packers Common Shares pursuant to the Arrangement, being the close of business on the last trading day on the TSX immediately prior to the Effective Date, or such other time and date as the Corporation may select.

“Arrangement Resolution” means the special resolution of Shareholders approving the Arrangement to be considered at the Meeting, the full text of which is set out in *Schedule “A”* to this Circular.

“Articles of Arrangement” means the articles of arrangement of Maple Leaf Foods in respect of the Arrangement, required by Section 192(6) of the CBCA to be sent to the Director after the Final Order is made.

“BMO” means BMO Nesbitt Burns Inc.

“Board” means the board of directors of Maple Leaf Foods.

“Business Day” means any day, other than a Saturday, Sunday or statutory or civic holiday in Ontario, when banks are generally open for the transaction of business in Toronto, Ontario.

“Butterfly Rules” means all requirements of the public company “butterfly” rules in Section 55 of the Tax Act.

“Canada Packers” means the corporation to be formed on the amalgamation of Newco and Subco in accordance with the Plan of Arrangement, which will be named Canada Packers Inc., as described under the heading “The Arrangement – Details of the Arrangement”.

“Canada Packers Board” means the board of directors of Canada Packers.

“Canada Packers Common Shares” means the common shares in the capital of Canada Packers.

“Canada Packers Equity Security Ratio” means the quotient of (a) the volume weighted average trading price of the MLF Common Shares on the TSX for the ten trading days preceding (but, for greater certainty, not including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX), divided by (b) the volume weighted average trading price of the Canada Packers Common Shares on the TSX for the first ten trading days commencing on (and, for greater certainty, including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX).

“Canada Packers Governance Agreement” means the governance agreement among Canada Packers, the McCain Holders and Maple Leaf Foods, in the form attached as *Schedule “L”* to this Circular, as it may be amended, supplemented, restated or otherwise modified from time to time in accordance with its terms.

“Canada Packers Option Plan” means the Share Option Plan of Canada Packers, to be adopted as of the Effective Time.

“Canada Packers Option Plan Resolution” means the ordinary resolution of Shareholders approving the Canada Packers Option Plan, as it may be amended or varied at or at any time prior to the Meeting, to be considered at the Meeting.

“Canada Packers Plan” has the meaning given to it under the heading “The Arrangement – Treatment of Maple Leaf Foods Employees and Employee Benefits Plans – Pension Plans”.

“Canada Packers Rights” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”.

“Canada Packers SERP” has the meaning given to it under the heading “The Arrangement – Treatment of Maple Leaf Foods Employees and Employee Benefits Plans – Pension Plans”.

“Canada Packers Share Conversion Ratio” means 0.2, provided that if the Board has determined that the Canada Packers Share Conversion Ratio shall mean a different number, and MLF has publicly issued a press release not less than three Business Days prior to the Effective Date disclosing that the Canada Packers Share Conversion Ratio shall mean such different number, then the Canada Packers Share Conversion Ratio shall mean such different number.

“Canada Packers Shareholder” means a holder of Canada Packers Common Shares.

“Canada Packers Stock Option” means a right granted by Canada Packers pursuant to the Plan of Arrangement to Transferred Employees to acquire Canada Packers Common Shares, with the exercise price of each such Canada Packers Stock Option determined in accordance with the Plan of Arrangement and the other terms and conditions thereof determined in accordance with the Canada Packers Option Plan and any agreements thereunder, and including any adjustments to such Canada Packers Stock Option necessary to give effect to the intent of the Plan of Arrangement, as such plan or agreements may be amended by the board of directors of Canada Packers or a committee thereof.

“CBCA” means the *Canada Business Corporations Act*, RSC 1985, c C-44.

“Centerview” means Centerview Partners LLC.

“Certificate of Arrangement” means the certificate of arrangement to be issued by the Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement.

“**CGC**” means the Corporate Governance Committee of Maple Leaf Foods.

“**Circular**” has the meaning given to it under the heading “About the Meeting”.

“**Code**” means Maple Leaf Food’s Code of Business Conduct.

“**Computershare**” means Computershare Trust Company of Canada.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**CPG**” means consumer packaged goods.

“**CPG Operations**” means the consumer packaged goods protein operations currently carried on by Maple Leaf Foods and its Affiliates consisting of, among other things, its Prepared Foods and Poultry operations, which Maple Leaf Foods will continue to operate following the Effective Time.

“**CRA**” means the Canada Revenue Agency.

“**Director**” means the Director appointed pursuant to Section 260 of the CBCA.

“**DRS Advice**” means a direct registration system advice.

“**DSU**” means a deferred share unit granted by Maple Leaf Foods to a non-employee director under the MLF DSU Plan, that is outstanding immediately prior to the Effective Time.

“**Effective Date**” means the effective date of the Arrangement, being the date shown on the Certificate of Arrangement.

“**Effective Time**” means 12:01 a.m. (EST) on the Effective Date, or such other time as Maple Leaf Foods, Subco and Newco agree to in writing before the Effective Date.

“**Electing Shareholder**” means any Shareholder that is Michael H. McCain, Jonathan W. F. McCain, or any Person controlled by them, which requests that Newco executes a joint election under subsection 85(1) of the Tax Act with such Shareholder in respect of the transfer of MLF Special Shares by such Shareholder under the Plan of Arrangement.

“**Engagement Agreement**” has the meaning given to it under the heading “The Arrangement – Fairness Opinion – RBC Relationship”.

“**Ex-Date**” has the meaning given to it under the heading “The Arrangement – Trading of Shares on the TSX – Types of Trading and Markets – Ex-Distribution”.

“**Excluded Voting Group**” means collectively, Michael H. McCain, Jonathan W. F. McCain, MCI, Andover Capital Corporation, any other entity controlled by any of such persons, and any person that is an officer or director of any of such persons.

“**Existing Credit Facility**” has the meaning given to it under the heading “The Arrangement – Certain Credit Facility Matters – Existing Credit Facility.”

“**Fairness Opinion**” means the opinion of RBC dated April 22, 2025, addressed to the Special Committee and the Board to the effect that, as of such date, based upon and subject to the various factors, assumptions, qualifications and limitations set forth therein, the consideration to be received by Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Public Shareholders, the full text of which is set out in *Schedule “D”* to this Circular.

“**Final Order**” means the final order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to Maple Leaf Foods, approving the Arrangement, as such order may be amended or varied by the Court, provided that any such amendment or variation is acceptable to Maple Leaf Foods, at any time prior to the Effective Date.

“FMV” or **“fair market value”** means the highest price available in an open and unrestricted market between informed prudent parties acting at arm’s length and under no compulsion to act, expressed in terms of money.

“Former MLF Employee” means a person who was, prior to the Effective Time, a director, officer, manager or employee of Maple Leaf Foods or an Affiliate thereof but is not, as of the Effective Time, a director, officer, manager or employee of Maple Leaf Foods or an Affiliate thereof (other than a Transferred Employee).

“GHG” means greenhouse gas emissions.

“Governmental Authority” means (a) any multinational, federal, national, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, domestic or foreign; (b) any subdivision, agent, commission, board, or authority of any of the foregoing; (c) any quasi-governmental or private body exercising any regulatory, self-regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange.

“Governance Agreement” has the meaning given to it under the heading “Report on Governance – Board Organizations and Membership – Board Composition and Selection of Directors – Amended Governance Agreement”.

“HRCC” means the Human Resources and Compensation Committee of Maple Leaf Foods.

“IFRS” means international financial reporting standards as adopted by the International Accounting Standards Board.

“In The Money Amount” means, in relation to a particular stock option, the amount by which the FMV of the shares issuable under the particular option exceeds the aggregate exercise price payable by the holder of the option to acquire such shares.

“Initial Recommendation Conditions” has the meaning given to it under the heading “The Arrangement – Background to the Arrangement”.

“Interim Order” means the interim order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to Maple Leaf Foods, providing for, among other things, the calling and holding of the Meeting, as such order may be amended or varied by the Court, provided that any such amendment or variation is acceptable to Maple Leaf Foods.

“IT” means information technology.

“IT Services” means information technology services.

“Licensed Intellectual Property” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Supply Agreement – Intellectual Property”.

“Long-Term Services Agreement” means the long-term services agreement between Maple Leaf Foods and Canada Packers, as described under the heading “The Arrangement – Transaction Agreements – Long-Term Services Agreement”.

“LTIP” means the Long Term Incentive Plan of Maple Leaf Foods.

“Maple Leaf Foods” or the **“Corporation”** or **“MLF”** means Maple Leaf Foods Inc., a corporation existing under the CBCA.

“Margin” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Supply Agreement”.

“Material Adverse Effect” means, in respect of any corporation, any change, event, development or occurrence that is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, liabilities (including contingent liabilities), obligations (whether absolute, accrued, conditional or

otherwise), capital, properties, assets or financial condition of that corporation (including its Affiliates) considered as a whole after giving effect to the Arrangement or that would materially impair that corporation's ability to perform its obligations under the Arrangement Agreement or the Plan of Arrangement in any material respect.

"McCain Holders" means collectively, Michael H. McCain and MCI.

"McCain Parties" means collectively, Michael H. McCain, Jonathan W. F. McCain and MCI.

"MCI" means McCain Capital Inc., a corporation existing under the *Business Corporations Act* (Ontario).

"Meeting" has the meaning given to it under the heading "About the Meeting".

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"MLF Appointees" means a Maple Leaf Foods proxyholder specified in the form of proxy or voting information form, as described under the heading "About the Meeting".

"MLF Arrangement Common Shares" means the new class of common shares in the capital of Maple Leaf Foods to be created pursuant to the Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit "I" to the Plan of Arrangement.

"MLF Common Shares" means the common shares in the capital of Maple Leaf Foods.

"MLF DB Plan" means the defined benefit component of the Maple Leaf Foods registered pension plan. See "The Arrangement – Treatment of Maple Leaf Foods Employees and Employee Benefits Plans".

"MLF DC Plan" means the defined contribution component of the Maple Leaf Foods registered pension plan. See "The Arrangement – Treatment of Maple Leaf Foods Employees and Employee Benefits Plans".

"MLF DSU Plan" means the Share Purchase and Deferred Share Unit Plan of Maple Leaf Foods.

"MLF Equity Security Ratio" means the quotient of (a) the volume weighted average trading price of the MLF Common Shares on the TSX for the ten trading days preceding (but, for greater certainty, not including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX), divided by (b) the volume weighted average trading price of the MLF Common Shares on the TSX for the first ten trading days commencing on (and, for greater certainty, including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX).

"MLF New Common Shares" means the common shares in the capital of Maple Leaf Foods immediately following the completion of the Arrangement (the rights, privileges, restrictions and conditions attaching to which will, for greater certainty, be identical in all respects to the currently outstanding MLF Common Shares), including those issued to Shareholders pursuant to the Arrangement in partial exchange for the existing MLF Common Shares.

"MLF New Stock Option" means a right granted by Maple Leaf Foods to eligible employees to acquire MLF New Common Shares issued pursuant to the Plan of Arrangement, with the exercise price of each such MLF New Stock Option determined in accordance with the Plan of Arrangement and the other terms and conditions thereof determined in accordance with the MLF Stock Option Plan and any agreements thereunder, and including any adjustments to such MLF New Stock Option necessary to give effect to the intent of the Plan of Arrangement, as such plan or agreements may be amended by the Board or a committee thereof. See "The Arrangement – Treatment of Equity Compensation Securities – Treatment of Outstanding MLF Options".

"MLF Redemption Note" means the non-interest bearing demand promissory note issued by MLF to Newco in a principal amount equal to the redemption amount (as determined pursuant to the articles of MLF) of all of the MLF Special Shares.

"MLF SERP" has the meaning given to it under the heading "The Arrangement – Treatment of Maple Leaf Foods Employees and Employee Benefits Plans – Pension Plans".

"MLF Special Shares" means the non-voting, redeemable, retractable preferred shares in the capital of Maple Leaf Foods created pursuant to the Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit "I" to the Plan of Arrangement.

"MLF Stock Option" or **"Option"** means a right granted by Maple Leaf Foods to eligible employees to acquire MLF Common Shares on terms and conditions set out in the MLF Stock Option Plan, that is outstanding immediately prior to the Effective Time.

"MLF Stock Option Plan" means the Amended and Restated Option Plan of Maple Leaf Foods.

"NEO" means named executive officer.

"New Canada Packers Credit Facilities" has the meaning given to it under the heading "The Arrangement – Certain Credit Facility Matters – New Credit Facilities".

"New Credit Facilities" has the meaning given to it under the heading "The Arrangement – Certain Credit Facility Matters – New Credit Facilities".

"Newco" means 16923534 Canada Inc., a corporation existing under the CBCA.

"Newco Common Shares" means the common shares in the capital of Newco having the rights, privileges, restrictions and conditions set out in Exhibit "II" to the Plan of Arrangement.

"Newco Preferred Shares" means the non-voting, redeemable, retractable preferred shares in the capital of Newco created pursuant to the Plan of Arrangement.

"Newco Redemption Note" means the non-interest bearing demand promissory note issued by Newco to MLF in a principal amount equal to the redemption amount (as determined pursuant to the articles of Newco) of all of the Newco Preferred Shares.

"NI 51-102" means National Instrument 51-102 *Continuous Disclosure Obligations*.

"Non-Transferred Employee" means an employee of Maple Leaf Foods who is not a Transferred Employee.

"Non-Union Employee" means an employee of Maple Leaf Foods who is not a member of the Union.

"Notice" means the notice of availability of the Meeting materials as described under the heading "About the Meeting".

"OHS" means Occupational Health and Safety.

"OPG" means open pen gestation.

"OPG Upcharge" has the meaning given to it under the heading "The Arrangement – Transaction Agreements – Supply Agreement".

"Option to Purchase" has the meaning given to it under the heading "The Arrangement – Transaction Agreements – Supply Agreement".

"Pension and Benefits Agreement" means the pension and benefits agreement between Maple Leaf Foods and Canada Packers, as described under the heading "The Arrangement – Transaction Agreements – Pension and Benefits Agreement".

"person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“Plan of Arrangement” means the plan of arrangement, including the exhibits thereto, substantially in the form set out as Appendix “A” to the Arrangement Agreement, which is attached as *Schedule “C”* to this Circular, as amended or varied from time to time in accordance with the Arrangement Agreement, the Plan of Arrangement, and the Interim Order, or at the direction of the Court in the Final Order, provided that such amendments or variations are acceptable to Maple Leaf Foods.

“Pre-Arrangement Transactions” means the transactions undertaken prior to the Effective Time to transfer the Pork Operations to Subco, as described below under “The Arrangement – Certain Pre-Arrangement Transactions”.

“Prepared Foods” means the prepared foods operating unit of Maple Leaf Foods.

“Pork Operations” means the pork operations currently operated by Maple Leaf Foods and its Affiliates consisting of, among other things, agricultural and hog production operations, primary pork processing, and a national and global sales and distribution network for fresh and frozen pork products, and includes all the assets and liabilities pertaining thereto that are held, directly or indirectly, by Maple Leaf Foods and its Affiliates immediately prior to the Effective Time (but excluding the ham boning operations at the Lagimodiere prepared meats facility).

“Poultry” means the poultry operating unit of Maple Leaf Foods.

“Proposed Independent Canada Packers Directors” has the meaning given to it under the heading “The Arrangement – Background to the Arrangement”.

“Proposed Spin-Off” has the meaning given to it under the heading “The Arrangement – Background to the Arrangement”.

“PSU” means a performance share unit granted by Maple Leaf Foods to a participant, which represents a right to receive MLF Common Shares or cash on the terms and conditions set out in the LTIP, which vests over time and upon achievement of performance goals, and that is outstanding immediately prior to the Effective Time.

“Public Shareholders” means the Shareholders other than the Excluded Voting Group.

“Qualifying Bid” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”.

“RBC” means RBC Dominion Securities Inc.

“Recommendation Conditions” has the meaning given to it under the heading “The Arrangement – Recommendation of the Special Committee”.

“Record Date” means April 23, 2025.

“Required Shareholder Approval” has the meaning given to it under the heading “The Arrangement – Required Shareholder Approval”.

“Right of First Refusal” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Supply Agreement”.

“RSU” means a restricted share unit granted by Maple Leaf Foods to a participant, which represents a right to receive MLF Common Shares or cash on the terms and conditions set out in the LTIP, that is outstanding immediately prior to the Effective Time.

“Ruling Application” means all of the letter submissions made by or on behalf of Maple Leaf Foods to the CRA concerning the Arrangement and certain related transactions prior to the date hereof, together with all such letter submissions made in connection therewith on or after the date hereof.

“RWA” means Raised Without Antibiotics.

“RWA Upcharge” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Supply Agreement”.

“SBTs” means Science-Based Targets.

“SBTi” means Science-Based Target initiative.

“Separation Agreement” means the separation agreement to be entered into between Maple Leaf Foods and Subco regarding the separation of the Pork Operations in connection with the Arrangement, including the transfer of certain assets related to the Pork Operations from Maple Leaf Foods to Subco and the allocation of certain liabilities and obligations related to the Pork Operations between Maple Leaf Foods and Subco, as described under the heading “The Arrangement – Transaction Agreements – Separation Agreement”.

“S&P Food Index” means the Standard & Poor’s 1500 Composite Food Products Index.

“STIP” means the Short Term Incentive Plan of Maple Leaf Foods.

“Shareholder” as of any time means a holder of MLF Common Shares at such time.

“Shareholder Party” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”.

“Special Committee” means the committee of independent directors as described under the heading “The Arrangement – Background to the Agreement”.

“Specified Action” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Tax Matters Agreement”.

“Specified Minimum Ownership Threshold” has the meaning given to it under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”.

“SSC” means the Safety and Sustainability Committee of Maple Leaf Foods.

“Subco” means Canada Packers Inc., a corporation existing under the CBCA.

“Subco Common Shares” means the common shares in the capital of Subco.

“Subco Stock Option” means a right granted by Subco to Transferred Employees to acquire Subco Common Shares.

“Supply Agreement” means the supply agreement between Maple Leaf Foods and Canada Packers, as described under the heading “The Arrangement – Transaction Agreements – Supply Agreement”.

“Support Agreement” means the support agreement dated July 8, 2024, between Maple Leaf Foods and the McCain Holders, as amended and restated on November 12, 2024 between Maple Leaf Foods and the McCain Parties.

“Tax Act” means the *Income Tax Act*, RSC 1985, c. 1 (5th Supp.), as amended.

“Tax Matters Agreement” means the tax matters agreement entered into among Maple Leaf Foods, Subco and the McCain Parties on April 29, 2025, a copy of which is attached as *Schedule “M”* to this Circular.

“Tax Ruling” means the advance income tax ruling received from the CRA, in the form requested in the Ruling Application or otherwise acceptable to Maple Leaf Foods and Newco, each acting reasonably, as the same may be amended, modified and/or supplemented from time to time, regarding certain applicable Canadian federal income tax consequences of the transfer by Maple Leaf Foods of the Transferred Property under the Arrangement and certain other transactions.

“Transaction Agreements” means the Separation Agreement, the Supply Agreement, the Long-Term Services Agreement, the Transition Services Agreement, Canada Packers Governance Agreement and the Pension and Benefits Agreement.

“Transferred Employee” means each Union Employee who continues employment with Canada Packers (or a predecessor thereto) as of the Effective Time, and each Non-Union Employee who accepts (whether in writing or otherwise) an offer of employment from Newco or Subco (or any successor thereto) and who commences employment with Canada Packers (or a predecessor thereto) immediately prior to, on or after the Effective Time.

“Transferred Percentage” means 84.0%.

“Transferred Property” means the Transferred Percentage of the issued and outstanding Subco Common Shares held by Maple Leaf Foods immediately prior to the Effective Time.

“Transition Services” means the transition services determined by Maple Leaf Foods and Canada Packers to be necessary to support Canada Packers during the period of transition as described in the Transition Services Agreement. See “The Arrangement – Transaction Agreements – Transition Services Agreement”.

“Transition Services Agreement” means the transition services agreement between Maple Leaf Foods and Canada Packers, as described under the heading “The Arrangement – Transaction Agreements – Transition Services Agreement”.

“TSR” means Total Shareholder Return.

“TSX” means the Toronto Stock Exchange.

“TSX Approval” means the conditional approval given by the TSX to Maple Leaf Foods to list the Newco Common Shares, the Canada Packers Common Shares and the MLF New Common Shares in connection with the Arrangement, as described under the heading “Stock Exchange Listing”.

“Union” means United Food & Commercial Workers Union, Local No. 832 and Local No. 401.

“Union Employee” means an employee of Maple Leaf Foods who is a member of the Union.

“U.S. Securities Act” means the U.S. Securities Act of 1933, as amended, and all rules and regulations thereunder.

“Voting Support Agreements” means, collectively, the (i) voting support agreement dated April 29, 2025, entered into among Maple Leaf Foods, MCI and Michael H. McCain, and (ii) voting support agreement dated April 29, 2025, entered into between Maple Leaf Foods and Jonathan W. F. McCain.

SUMMARY

The following summary is an overview only of the information in this Circular and is qualified in its entirety by reference to the more detailed information that is referred to or appears elsewhere in this Circular, including the Schedules and documents that are incorporated by reference herein. For the definitions of certain capitalized words and terms used in this Summary, please refer to the “Glossary”.

ABOUT THE MEETING

Date and Time of the Meeting

An annual and special meeting of Shareholders will be held on June 11, 2025 at 9:00 a.m. (ET). Shareholders have the opportunity to attend the meeting virtually and by a live video webcast at <https://meetings.lumiconnect.com/400-337-006-096> or in person at ThinkFood!, 6897 Financial Drive, Mississauga, Ontario, Canada.

What the Meeting is About?

At the Meeting, Shareholders will be asked to vote on:

- the election of directors;
- the appointment of the auditors;
- the Arrangement Resolution;
- if the Arrangement Resolution is passed, the Canada Packers Option Plan Resolution; and
- the advisory, non-binding say-on-pay resolution.

If you do not specify how you want to vote and you appoint the MLF Appointees as your proxyholders, they will vote **FOR** each of the above matters.

Who Can Vote and How do I Vote?

If you owned shares in Maple Leaf Foods Inc. as of close of business on April 23, 2025 (the “Record Date”), you are entitled to attend and vote at the Meeting either in person or online. See “About the Meeting – How Can I Vote?”.

If you have questions, including about the procedures for voting, please contact Maple Leaf Foods’ proxy solicitation agent, Laurel Hill Advisory Group, by phone at 1-877-452-7184 toll-free in North America, or 1-416-304-0211 outside of North America, or by email at assistance@laurelhill.com.

If you have questions about deciding how to vote, you should contact your own legal, tax, financial or other professional advisor.

ABOUT THE ARRANGEMENT

The purpose of the Arrangement and the related transactions is to separate Maple Leaf Foods into two independent, publicly listed companies:

- **Maple Leaf Foods** will enter a bold new chapter as a focused, purpose-driven and protein-centric consumer packaged goods company, uniquely positioned to meet the world’s growing demand for sustainable protein. Guided by a clear Strategic Blueprint and an ambitious vision to be *the Most Sustainable Protein Company on Earth*, we are poised to unlock our full potential. We are harnessing the strength of our category-leading brands, accelerating innovation that resonates with today’s consumers, scaling our leadership in sustainable meats, and extending our reach into high-growth geographies, channels, and categories. With an unrelenting focus on operational excellence and a deeply rooted, values-driven culture, Maple Leaf Foods is building a resilient, future-ready business that delivers meaningful, long-term value for all stakeholders.

- **Canada Packers** will go forward as a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. Canada Packers is well positioned to unlock the significant growth potential of its business by investing in low-risk high return opportunities, including increasing volumes, optimizing operations and efficiencies, and building on its favourable sales mix and margins. Canada Packers will be among North America's largest producers of Raised Without Antibiotics ("RWA") pork and a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets.

As described in greater detail under the heading "The Arrangement – Details of the Arrangement", pursuant to the Arrangement, the assets and liabilities of the Pork Operations will be transferred from Maple Leaf Foods to Canada Packers, and upon completion of the Arrangement, persons who were Shareholders as of the Arrangement Record Date will hold all of the outstanding MLF New Common Shares and 84.0% of the Canada Packers Common Shares (*pro rata* to their interest in Maple Leaf Foods), with Maple Leaf Foods retaining a 16.0% ownership interest in Canada Packers.

For further information concerning Maple Leaf Foods post-Arrangement, see *Schedule "J"* to this Circular and for further information concerning Canada Packers post-Arrangement, see *Schedule "G"* to this Circular.

Recommendation of the Special Committee

Having reviewed and considered, among other things, (i) the terms of the Arrangement, including the amended and restated Support Agreement, the Canada Packers Governance Agreement and the Tax Matters Agreement, with outside legal counsel and given due consideration to its duties in connection with the Arrangement, (ii) the Fairness Opinion provided by RBC, and (iii) the reasons set forth under "The Arrangement – Reasons for the Arrangement", the Special Committee unanimously resolved that, subject to the Corporation obtaining the Required Shareholder Approval, the Corporation, the McCain Holders and Canada Packers entering into the Canada Packers Governance Agreement in connection with and prior to the completion of the Arrangement and the Corporation, the McCain Parties and Canada Packers entering into the Tax Matters Agreement in connection with and prior to the completion of the Arrangement (together, the "Recommendation Conditions"), the Arrangement is in the best interests of the Corporation and is fair to the Public Shareholders, and the Special Committee unanimously recommended to the Board, on the basis of the foregoing and subject to the Recommendation Conditions, that the Board, among other things, (1) determine that the Arrangement is in the best interests of the Corporation, (2) determine that the Arrangement is fair to the Public Shareholders, (3) approve the Arrangement, (4) approve the entering into of the Canada Packers Governance Agreement and the Tax Matters Agreement and the performance of the Corporation's obligations thereunder and (5) recommend that Public Shareholders vote **FOR** the Arrangement Resolution.

Recommendation of the Board

Having fully considered the Arrangement having regard to, among other things, (i) the terms and conditions of the Arrangement; (ii) the benefits and risks associated with the Arrangement; (iii) other strategic alternatives and options available to the Corporation; (iv) the impact of the Arrangement on stakeholders of the Corporation, including Shareholders, creditors, employees, and commercial counterparties; (v) its receipt of commitment letters from its lenders and (vi) certain advice, reports and opinions (including the opinion of RBC) that it has received from management and professional and legal advisors concerning the Arrangement, the Board unanimously (with Michael H. McCain and Jonathan W. F. McCain abstaining, each as a result of his being a director, officer and/or shareholder of MCI), having taken into account the unanimous recommendation of the Special Committee and such other matters as it considered relevant, determined that the Arrangement is in the best interests of the Corporation and is fair to the Public Shareholders and approved, among other things, (1) the Arrangement and the implementation thereof, (2) the recommendation by the Board that the Public Shareholders vote **FOR** the Arrangement Resolution and the Canada Packers Option Plan Resolution, and (3) the entering into of the Arrangement Agreement, the Canada Packers Governance Agreement, the Tax Matters Agreement, the Voting Support Agreements, the Long-Term Services Agreement, the Supply Agreement, the Transition Services Agreement and the Pension and Benefits Agreement, and the execution and delivery thereof by the Corporation.

The Board unanimously (with Michael H. McCain and Jonathan W. F. McCain abstaining, each as a result of his being a director, officer and/or shareholder of MCI) recommends that Public Shareholders vote **FOR** the Arrangement Resolution and the Canada Packers Option Plan Resolution.

Reasons for the Arrangement

The Special Committee and the Board, acting with the advice and assistance of their respective financial, legal and tax advisors and management, carefully evaluated the Arrangement and believe that the Arrangement is in the best interests of the Corporation and is fair to the Public Shareholders. In the course of its evaluation, the Special Committee and the Board considered, among other things, the following factors:

- *Enhances Strategic Focus* – The Arrangement will facilitate the separation of two distinct lines of business with unique investor theses, with the Corporation and Canada Packers set up to execute on and de-risk their respective growth plans. The Corporation believes there is currently untapped value creation potential in the Pork Operations that cannot be fully unlocked in the context of the current integrated corporate structure which is primarily focused on building its CPG Operations. As a stand-alone company, Canada Packers will focus on optimizing its operations and will be positioned to pursue its significant opportunities in key global markets, including leveraging its ability to appeal to niche, premium and specialty markets. At the same time, Maple Leaf Foods will be able to focus its attention on growing its Prepared Foods operations in North America, building on the strength of its brands and delivering cost-effective manufacturing operational excellence, all while continuing to execute its sustainable meats strategy.
- *Distinct Investment Propositions to Unlock Shareholder Value* – The Corporation believes its trading multiple is currently misaligned with its underlying portfolio mix. The Corporation believes the Arrangement will generate potential to capture a higher sum-of-the-parts value over time in particular with a trading multiple for its CPG Operations that is more in line with the multiple of other publicly traded CPG companies. The Arrangement will also provide investors with increased visibility into each business and its value proposition and growth strategy.
- *Pork Operations No Longer Core* – Maple Leaf Foods' strategic priorities have evolved such that the Pork Operations are no longer core to its strategy but rather reflect a supply chain choice. Although supply of pork is essential for the Corporation's prepared meats portfolio, the Corporation believes it does not need to produce and process its own hogs in order to have access to a stable supply of pork. In addition, the Corporation and Canada Packers are entering into the Supply Agreement which will provide the Corporation with secure access to pork from Canada Packers and preserve the supply relationship between the Corporation and Canada Packers. Generally, the Corporation only requires a limited number of pork cuts for its prepared meats business, including bellies, hams and trims. It does not require the meat from the whole hog. Therefore, ensuring it has access to those cuts from hogs raised according to its RWA and sustainability criteria is a more optimal solution, allowing it to focus on its core branded protein CPG Operations while Canada Packers optimizes the whole-hog sales through its integrated model.
- *Reduces Exposure to Foreign Animal Disease Event* – The uncertainty of a potential foreign animal disease ("FAD") event – whether positive or negative to earnings – currently weighs on both the value of the Corporation and the certainty of execution across all aspects of its strategic plan even though it is primarily attributable to the Pork Operations. As a result of the Arrangement, the impacts of a potential FAD event are expected to be more properly delineated between Canada Packers and the remaining operations of the Corporation, with the impact to the Corporation's remaining operations being limited to pork pricing and the ability to secure adequate supply of pork following a FAD event, as well as consumer reaction and purchasing behaviour in those circumstances.
- *More Focused Investments for Shareholders* – The Arrangement will allow the Public Shareholders to retain similar economic exposure to the *status quo* but through two more focused investment opportunities, with the Corporation focused on delivering results as a market-leading, branded protein CPG company, and Canada Packers as an integrated, value-added pork company, with a diversified sales mix and global reach.
- *Superiority to Available Alternatives* – In addition to considering the desirability of the *status quo*, the Corporation considered a range of alternative means by which to separate the Pork Operations. Based on the foregoing, the Special Committee concluded that the Arrangement is the most attractive alternative available to the Corporation.
- *Fairness Opinion* – The Special Committee has received and considered the Fairness Opinion and its conclusion that, as of the date thereof and subject to the assumptions, limitations and qualifications described

therein, the consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders. See “The Arrangement – Fairness Opinion”.

- **Approvals and Procedural Fairness** – The procedures by which the Arrangement will be approved, including the Required Shareholder Approval, offers Public Shareholders the opportunity to approve or disapprove the Arrangement Resolution. The Arrangement is also subject to approval by the Court, which will consider, among other things, the fairness of the Arrangement to the persons affected thereby, both from a substantive and procedural perspective.
- **Tax Treatment** – The Arrangement will generally occur on a tax-free basis for Shareholders who are resident in Canada and who hold their MLF Common Shares as capital property. A summary of the material Canadian federal income tax considerations with respect to the Arrangement is provided under the heading “Certain Canadian Federal Income Tax Considerations”. Subject to compliance with the requirements of the Butterfly Rules and as is expected to be confirmed in the Tax Ruling, the Arrangement will generally also occur on a tax-free basis for the Corporation and Canada Packers. See “The Arrangement – Tax Ruling”.

The foregoing summary of the information and factors considered by each of the Special Committee and the Board is not intended to be exhaustive of the information and factors considered by the Special Committee and the Board in making their recommendations, but includes the material information, factors and analysis considered by the Special Committee and the Board in reaching such conclusions and making such recommendations. See “The Arrangement – Recommendation of the Special Committee” and “– Recommendation of the Board”.

Fairness Opinion

In connection with the evaluation of the Arrangement by the Board and the Special Committee, the Board and the Special Committee received an opinion from RBC orally (which opinion was subsequently confirmed in writing) that, as at the date thereof and based upon and subject to the various factors, assumptions, qualifications and limitations set forth in the Fairness Opinion, the consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders. A copy of the Fairness Opinion is attached as *Schedule “D”* to this Circular. Shareholders are urged to read the Fairness Opinion carefully and in its entirety. RBC provided its Fairness Opinion solely for the information and assistance of the Board and the Special Committee in connection with their consideration of the Arrangement. The Fairness Opinion is not a recommendation as to how Shareholders should vote in respect of the Arrangement Resolution or other matters to be considered at the Meeting. See “The Arrangement – Fairness Opinion”.

Voting Support Agreements

Each of the McCain Parties has entered into a Voting Support Agreement, pursuant to which, among other things, each such shareholder has agreed, subject to the terms and conditions of such Voting Support Agreement, to vote or cause to be voted the MLF Common Shares owned, directly or indirectly, by such shareholder, and any MLF Common Shares subsequently acquired, directly or indirectly, by each such shareholder, in favour of the Arrangement Resolution and the Canada Packers Option Plan Resolution.

The McCain Parties collectively own an aggregate of 49,088,794 MLF Common Shares, representing approximately 39.60% of the MLF Common Shares, as of April 22, 2025.

See “The Arrangement – Voting Support Agreements”.

Tax Matters Agreement

Maple Leaf Foods, Subco (as predecessor to Canada Packers) and the McCain Parties entered into the Tax Matters Agreement on April 29, 2025, which contains a number of covenants and representations related to compliance with the Butterfly Rules. See “The Arrangement – Tax Matters Agreement”.

Supply Agreement

In connection with the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into the Supply Agreement. Under the Supply Agreement, upon completion of the Arrangement, (i) Canada Packers

will provide Maple Leaf Foods with a secure supply of high-quality, sustainable pork, which Maple Leaf Foods will purchase from Canada Packers at United States Department of Agriculture-based prices, to meet the needs of Maple Leaf Foods' Prepared Foods portfolio and to provide Canada Packers with a reliable source of business; (ii) Maple Leaf Foods will licence certain intellectual property rights and trademarks to Canada Packers; and (iii) Maple Leaf Foods will provide Canada Packers with North American customer brokerage services. Canada Packers will become a party to the Supply Agreement in connection with the Amalgamation. See "The Arrangement – Transaction Agreements – Supply Agreement".

Governance Agreements

For a description of the Governance Agreement and the Amended Governance Agreement, see "Board Organizations and Membership – Board Composition and Selection of Directors – Amended Governance Agreement".

For a description of the Canada Packers Governance Agreement, please see "The Arrangement – Transaction Agreements – Canada Packers Governance Agreement".

Other Transaction Agreements

In connection with the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into the Transaction Agreements. See "The Arrangement – Transaction Agreements".

Completion of the Arrangement

Completion of the Arrangement is subject to the conditions precedent in the Arrangement Agreement having been satisfied or waived. See "The Arrangement – Conditions to Closing of the Arrangement".

Timing of the Arrangement

Assuming that Shareholders approve the Arrangement Resolution at the Meeting in the manner set forth in the Interim Order, that the Court grants the Final Order on June 13, 2025 in a form acceptable to Maple Leaf Foods, and certain other conditions to completion of the Arrangement are satisfied or waived, as described in greater detail above, the Articles of Arrangement and related documents, in the form prescribed by the CBCA, will be filed with the Director at such time as Maple Leaf Foods deems appropriate, in its sole discretion. The Arrangement will become effective upon the issuance of the Certificate of Arrangement by the Director. Provided that the foregoing approvals and conditions are satisfied in a timely manner, Maple Leaf Foods currently expects that the Effective Date will occur in the second half of 2025. Once determined, Maple Leaf Foods will issue a news release announcing the timing of the Effective Date and the Arrangement Record Date. See "The Arrangement – Proposed Timetable for the Arrangement".

Directors and Officers of Maple Leaf Foods

Following the Arrangement, and subject to their election at the Meeting as set out elsewhere in this Circular, the Maple Leaf Foods director nominees will be the directors of Maple Leaf Foods. The executive officers of Maple Leaf Foods will be the same as for Maple Leaf Foods currently, with the exception of Dennis Organ who will become President and Chief Executive Officer of Canada Packers following the Arrangement.

See *Schedule "J"* to this Circular for further information about Maple Leaf Foods following the Arrangement.

Directors and Officers of Canada Packers

Following the Arrangement, the directors of Canada Packers will be as follows: Michael H. McCain (Executive Chair), Dennis Organ, Curtis E. Frank, Gary Maksymetz, Jonathan W. F. McCain, Sarah Piper, Meghan Roach, Heather Stefanson and Michael Vels.

Following the Arrangement, the executive officers of Canada Packers will be as follows:

Michael H. McCain, Executive Chair
Dennis Organ, President and Chief Executive Officer
Deepak Bhandari, Chief Financial Officer
Lance Mistelbacher, Senior Vice President, Commodities and Risk Management
Jonathan Sawatzky, Senior Vice President, Hog Production and Procurement
David Typer, Senior Vice President, Sales and Product Optimization
Mauricio Alanis, Vice President, Sustainability
LeeAnn Peters, Vice President, Food Safety, Quality Assurance and Animal Care
Dezi Singh, Vice President, People

See *Schedule “G”* to this Circular for further information about Canada Packers following the Arrangement.

Required Shareholder Approval

At the Meeting, Shareholders will be asked to approve the Arrangement Resolution. In accordance with the Interim Order, the approval of the Arrangement Resolution will require the affirmative vote of:

1. not less than 66 2/3% of the votes cast by all Shareholders; and
2. not less than a simple majority of the votes cast by the Public Shareholders,

in each case present in person or represented by proxy at the Meeting.

See “The Arrangement – Required Shareholder Approval” and “The Arrangement – Certain Securities Law Matters”.

Court Approval

An arrangement under the CBCA requires court approval. On May 1, 2025, Maple Leaf Foods obtained the Interim Order, authorizing the calling and holding of the Meeting and providing for certain other procedural matters. A copy of the Interim Order is attached as *Schedule “F”* to this Circular. If Shareholders approve the Arrangement Resolution at the Meeting in the manner set forth in the Interim Order, Maple Leaf Foods’ application to the Court to obtain the Final Order approving the Arrangement will proceed. The hearing of the application for the Final Order is scheduled to take place by video conference on June 13, 2025 at 10:00 a.m. (ET) or as soon thereafter as counsel may be heard.

Any Shareholder or any other interested party desiring to appear and make submissions at the application for the Final Order may do so, provided that they comply with the applicable procedural requirements set forth in the Interim Order and the Notice of Application, which is attached as *Schedule “E”* to this Circular. See also “The Arrangement – Court Approval of the Arrangement”.

Tax Considerations

See “The Arrangement – Material Income Tax Considerations”. Tax consequences for each Shareholder will depend on their particular situation. Shareholders are urged to consult your own tax advisors so that they have a full understanding of the federal, provincial, state, local, foreign and other tax consequences that apply to them as a result of the Arrangement.

Risk Factors

Shareholders should carefully consider the risk factors described and incorporated by reference in this Circular in evaluating how you should vote. See “The Arrangement – Risk Factors”.

CANADA PACKERS OPTION PLAN

If the Arrangement Resolution is approved, Shareholders will be asked to vote on the Canada Packers Option Plan Resolution, the full text of which is attached as *Schedule “B”* to this Circular. In order to pass, the Canada Packers Option Plan Resolution must be approved by a simple majority of the votes cast by Shareholders present or represented by proxy at the Meeting. Approval of the Canada Packers Option Plan Resolution by Shareholders is required by the TSX and is a condition precedent to completion of the Arrangement.

For a description of the Canada Packers Option Plan, please refer to “Other Arrangement Matters to be Acted Upon – Summary of the Canada Packers Option Plan”.

BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

Maple Leaf Foods will present the audited consolidated financial statements of the Corporation for the year ended December 31, 2024. These financial statements have been audited by KPMG LLP and are available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.mapleleaffoods.com.

ELECTION OF DIRECTORS

In accordance with Maple Leaf Foods' articles, the Corporation's Board of Directors must consist of a minimum of eight directors and a maximum of 18 directors. At this time, the Board has determined that eleven is the appropriate number of directors and has put forward the following nominees: W.E. Aziz, R.G. Close, C.E. Frank, T.P. Hayes, F. Khan, K.N. Lemon, A.G. Macdonald, L. Mantia, J.W.F. McCain, M.H. McCain and B. Newlands Campbell. All nominees have confirmed their eligibility and willingness to serve as directors. Detailed information about each nominee is included under the section of this Circular titled "Director Nominees". Shareholders are asked to vote on each director individually. The following table highlights key information about each director nominee.

Director Nominees at a Glance: Update

	W.E. Aziz	R.G. Close	C.E. Frank	T.P. Hayes	F. Khan	K.N. Lemon	A.G. Macdonald	L. Mantia	J.W.F. McCain	M.H. McCain (Executive Chair)	B. Newlands Campbell
Date first appointed	May 1, 2014	April 30, 2015	May 11, 2023	June 15, 2021	July 22, 2024	May 2, 2018	May 11, 2023	May 11, 2023	May 2, 2018	April 24, 1995	May 11, 2023
Citizenship	Canadian	Canadian	Canadian	American	Canadian/ American	American	Canadian	Canadian	Canadian	Canadian	American
Independence	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes
Age	69	67	50	60	59	67	40	56	40	66	60
Gender	Male	Male	Male	Male	Male	Female	Male	Female	Male	Male	Female
Public Company Board Interlocks	None	None	None	None	None	None	None	None	None	None	None
Financially Literate	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2024 Voting Results (% Voted For)	99.16%	98.41%	99.20%	86.01%	N/A	99.72%	99.90%	99.27%	99.16%	98.79%	99.26%
Audit Committee	Chair				Member	Member	Member	Member			
Corporate Governance Committee		Member		Chair				Member			Member
Human Resources and Compensation Committee	Member	Chair		Member			Member				
Safety and Sustainability Committee					Member	Chair			Member		Member
2024 Attendance Record	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2025 Voting Recommendation: *Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of each of the proposed nominees set out above as directors of Maple Leaf Foods.* If, prior to the Meeting, any of the proposed nominees becomes unable to serve as a director, the persons designated in the enclosed form of proxy reserve the right to vote for another nominee at the Meeting. Subject to the bylaws of the Corporation and applicable corporate law, each director elected will hold office until the next annual meeting of the Shareholders or until his or her successor is elected or appointed.

APPOINTMENT OF AUDITORS

The Board proposes that KPMG LLP be appointed as auditors of the Corporation and that the Shareholders authorize the directors to fix their remuneration. KPMG LLP was first appointed auditor in 1990 and has served continuously since then. The appointment must be approved by a majority of the votes cast at the Meeting. The fees paid by the Corporation for the services performed by KPMG LLP for the years ended December 31, 2024 and 2023 are shown in the table below.

Audit Fees for 2024 and 2023

Description	2024 \$	2023 \$
Audit fees ⁽¹⁾	4,210,943	1,638,170
Audit-related fees ⁽²⁾	274,488	449,663
Tax fees ⁽³⁾	70,099	82,417
All other fees ⁽⁴⁾	2,605,472	139,060
TOTAL FEES	7,161,001	2,309,310

Notes:

- (1) The audit of annual and review of the quarterly financial statements of Maple Leaf Foods and the audit of the carve-out financial statements for Canada Packers.
- (2) Audit-related services consisting primarily of audit procedures for compliance and business purposes including audits of pension plan financial statements, audits required for regulatory purposes, translation services, accounting advisory services and financial due diligence.
- (3) For Canadian and international tax advisory and compliance services, and transfer pricing services.
- (4) Primarily for Greenhouse Gas verification, separation and transition advisory services.

Annually, the Audit Committee reviews a summary of the services provided by the auditors to the Corporation and its subsidiaries. In 2004, the Audit Committee established a policy requiring pre-approval of all non-audit services to be rendered by the external auditors. Any engagement of KPMG LLP by the Corporation for any non-audit services must be approved in advance by the Audit Committee. Between meetings of the Audit Committee, authority for approval is delegated to the Audit Committee Chair. Approvals under the delegated authority are presented to the full Audit Committee at their next meeting. The policy also prohibits the engagement of KPMG LLP in a number of services that the Audit Committee believes may have the potential to impact KPMG LLP's independence.

In the last two years, KPMG LLP has not provided any of the following services to the Corporation:

- (i) bookkeeping services and other services related to accounting records or financial statements;
- (ii) financial information systems design and implementation;
- (iii) appraisal or valuation services, fairness opinions or contribution-in-kind reports;
- (iv) actuarial services;
- (v) internal audit outsourcing services;
- (vi) management functions;
- (vii) human resources;

(viii) broker-dealer, investment advisor or investment banking services; and

(ix) legal services and expert services unrelated to the audit.

2024 Voting Results for the Appointment of Auditors

Votes For	Percent	Votes Withheld	Percent
99,432,379	97.06%	3,013,548	2.94%

2025 Voting Recommendation: *Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the reappointment of KPMG LLP as auditors of the Corporation for a term expiring at the close of the next annual meeting of Shareholders, together with the authorization of the Board to fix their remuneration.* The resolution to reappoint KPMG LLP as auditors of Maple Leaf Foods must be passed by a simple majority of the votes cast in person or by proxy at the Meeting.

ARRANGEMENT RESOLUTION

Shareholders will be asked to vote on the Arrangement Resolution, the full text of which is attached as *Schedule "A"* to this Circular. Subject to any further order of the Court, in order to pass, the Arrangement Resolution must be approved by (i) not less than two thirds of the votes cast by Shareholders present or represented by proxy at the Meeting, and (ii) not less than a majority of the votes cast by Public Shareholders present or represented by proxy at the Meeting.

For a description of the Arrangement, please refer to "The Arrangement".

2025 Voting Recommendation: *The Board unanimously (with Michael H. McCain and Jonathan W. F. McCain abstaining, each as a result of his being a director, officer and/or shareholder of MCI) recommends that Shareholders vote in favour of the Arrangement Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Arrangement Resolution.*

CANADA PACKERS OPTION PLAN RESOLUTION

If the Arrangement Resolution is approved, Shareholders will be asked to vote on the Canada Packers Option Plan Resolution, the full text of which is attached as *Schedule "B"* to this Circular. In order to pass, the Canada Packers Option Plan Resolution must be approved by a simple majority of the votes cast by Shareholders present or represented by proxy at the Meeting.

For a description of the Canada Packers Option Plan, please refer to "Other Arrangement Matters to be Acted Upon – Summary of the Canada Packers Option Plan".

2025 Voting Recommendation: *The Board unanimously recommends that Shareholders vote in favour of the Canada Packers Option Plan Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Canada Packers Option Plan Resolution.*

SAY ON PAY NON-BINDING ADVISORY VOTE

The Board believes that Shareholders should have the opportunity to understand the objectives, philosophy and principles the Board has used in its approach to executive compensation decisions. Detailed disclosure of the Corporation's executive compensation program is provided in the Compensation Discussion and Analysis and associated executive compensation disclosure in this Circular.

Since 2011, the Corporation has had a policy of providing Shareholders with the opportunity to vote on a non-binding advisory resolution on its approach to executive compensation. This year, Shareholders will again be asked to vote on a say on pay advisory resolution as follows:

RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board, that the shareholders accept the approach to executive compensation as described in the Circular.

This advisory vote forms an important part of the ongoing process of engagement between Shareholders and the Board on compensation. The Board encourages you to read the letter from the Chair of the Human Resources and Compensation Committee (“HRCC”) and the disclosure with respect to the Corporation’s executive compensation program in this Circular before voting on this matter.

Since the vote is advisory, it will not be binding on the Board. However, the HRCC will take the results of the vote into account when considering future executive compensation arrangements. Comments and questions regarding executive compensation are encouraged and may be directed to the HRCC and the Board at Corporate.Secretary@mapleleaf.com.

2024 Voting Results on the Say on Pay Advisory Resolution

Votes For	Percent	Votes Withheld	Percent
100,434,864	98.24%	1,795,088	1.76%

2025 Voting Recommendation: *The Board unanimously recommends that Shareholders vote in favour of the Say on Pay Advisory Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Say on Pay Advisory Resolution.* This is an advisory resolution.

DIRECTOR NOMINEES

Name	Principal Occupation and Biography																														
WILLIAM E. AZIZ, FCPA, FCA Age: 69 Residence: Oakville, Ontario, Canada Director Since: May 1, 2014 Independent⁽⁶⁾ 	OCCUPATION: President and Chief Executive Officer, BlueTree Advisors Inc. <i>(private management advisory firm)</i> BIOGRAPHY: Through BlueTree Advisors, Mr. Aziz is currently providing his services as Chief Restructuring Officer to JTI Macdonald Corp. during its restructuring. Mr. Aziz was a director, Chair of the Compensation Committee and a member of the Related Party Transactions and Audit Committees of Atlantica Sustainable Infrastructure until December 2024 when it was sold and taken private. In 2019 Mr. Aziz retired from Chair of the Investment Committee and a member of the Human Resources Committee of the Ontario Municipal Employees' Retirement System ("OMERS") and the Leadership Council at the Ihnatowycz Institute for Leadership at the Ivey Business School at Western University ("Ivey"). He is a graduate in Honors Business Administration from Ivey and is a Fellow Chartered Professional Accountant (FCPA, FCA). He has also completed the Institute of Corporate Directors Governance College at the Rotman School of Business, University of Toronto and is a member of the Insolvency Institute of Canada. Mr. Aziz is a nominee of the McCain Holders pursuant to the terms of the Amended Governance Agreement, all of which are described under the heading "Board Organization and Membership". CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: None OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: Atlantica Sustainable Infrastructure (NASDAQ) - Chair of Compensation Committee, Member of Related Party Transaction and Audit Committees 2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE <table><tr><td>Board</td><td>9/9 – 100%</td></tr><tr><td>AC (Chair)</td><td>6/6 – 100%</td></tr><tr><td>HRCC</td><td>7/7 – 100%</td></tr></table> EXPERTISE: International experience, government relations, CEO/COO, financial expert, audit and risk, legal experience relating to commercial enterprises, board and corporate governance, people, merger and acquisitions, corporate finance and restructuring, information systems and cybersecurity and environment and sustainability. SECURITIES HELD: <table><tr><th>Date</th><th>Common Shares</th><th>DSUs</th><th>Total Common Shares and DSUs</th><th>Market Value⁽⁴⁾</th><th>In Compliance with Ownership Policy</th></tr><tr><td>April 22, 2025⁽¹⁾⁽²⁾</td><td>19,280</td><td>88,476</td><td>107,756</td><td>\$2,638,944</td><td>Yes</td></tr><tr><td>March 1, 2024⁽¹⁾⁽²⁾</td><td>19,280</td><td>72,739</td><td>92,019</td><td>\$2,115,517</td><td>Yes</td></tr><tr><td>Change</td><td>---</td><td>15,737</td><td>15,737</td><td>\$523,427</td><td>---</td></tr></table>	Board	9/9 – 100%	AC (Chair)	6/6 – 100%	HRCC	7/7 – 100%	Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy	April 22, 2025 ⁽¹⁾⁽²⁾	19,280	88,476	107,756	\$2,638,944	Yes	March 1, 2024 ⁽¹⁾⁽²⁾	19,280	72,739	92,019	\$2,115,517	Yes	Change	---	15,737	15,737	\$523,427	---
Board	9/9 – 100%																														
AC (Chair)	6/6 – 100%																														
HRCC	7/7 – 100%																														
Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy																										
April 22, 2025 ⁽¹⁾⁽²⁾	19,280	88,476	107,756	\$2,638,944	Yes																										
March 1, 2024 ⁽¹⁾⁽²⁾	19,280	72,739	92,019	\$2,115,517	Yes																										
Change	---	15,737	15,737	\$523,427	---																										

Name**Principal Occupation and Biography****RONALD G. CLOSE**

Age: 67

Residence: Toronto,
Ontario, CanadaDirector Since: April 30, 2015
Independent⁽⁶⁾OCCUPATION: President, RGC & Associates Inc. (*consulting company*)

BIOGRAPHY: Since 2017 Mr. Close is the President of RGC & Associates Inc., a privately-held consulting company. He was recently the CEO of Pelmorex Media (The Weather Network) and was Executive Entrepreneur-in-Residence at The Ivey School of Business, and at MaRS Discovery District. He has been a director on several boards including Pelmorex, The Globe and Mail, Canada Media Fund, CTVglobemedia, MaRS Innovation and MaRS Discovery District. Mr. Close has had a distinguished career as a senior executive at several companies, from smaller start-ups (co-founder/CEO of Netcom Canada) to large corporations (at BCE he was President, Bell New Ventures, also overseeing Sympatico-MSN).

Mr. Close holds an HBA degree from the Ivey School of Business (1981). He is past-Chair of the Ivey Entrepreneurship Council and past-Chair of Ability Online, a charitable organization for children with disabilities. Mr. Close is also a past trustee/director of Thomson Reuters Founders Share Company. He was also Leadership and Strategic Advisor to Sagard Holdings and to Portag3 Ventures and worked with several start-ups in Fintech. He is past-Chair of the Toronto Chapter of Young Presidents Organization and is a current member of YPO gold.

Mr. Close is a nominee of the McCain Holders pursuant to the terms of the Amended Governance Agreement, all of which are described under the heading "Board Organization and Membership".

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

None

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None

2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE

Board	9/9 - 100%
CGC	5/5 - 100%
HRCC (Chair)	7/7 - 100%
SSC	3/3 - 100%

EXPERTISE:

International experience, people, government relations, CEO/COO, education and academia, financial literacy, audit and risk, board and corporate governance, mergers and acquisitions, information systems and cybersecurity, engineering and project management and environment and sustainability.

SECURITIES HELD:

Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy
April 22, 2025 ⁽¹⁾⁽²⁾	8,400	77,288	85,688	\$2,098,499	Yes
March 1, 2024 ⁽¹⁾⁽²⁾	8,400	62,182	70,582	\$1,622,680	Yes
Change	---	15,106	15,106	\$475,819	---

Name	Principal Occupation and Biography					
THOMAS P. HAYES Age: 60 Residence: Boston, Massachusetts, U.S.A. Director Since: June 15, 2021 Independent ⁽⁶⁾ 	OCCUPATION: President and Chief Executive Officer, Ocean Spray					
	BIOGRAPHY: Mr. Hayes is the President and CEO of Ocean Spray. He is also a member of the Board of Directors of the cooperative. He is former president and CEO of Tyson Foods and prior to leading Tyson, Mr. Hayes was Chief Supply Chain Officer at Hillshire Brands and Sara Lee and held significant leadership roles at US Foods, ConAgra and Kraft. Mr. Hayes serves of the board of directors of Basic American Foods and the University of New Hampshire's Foundation Board. Mr. Hayes earned a BA from the University of New Hampshire and an MBA from Northwestern University.					
	CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: None					
	OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: Tyson Foods - Director					
	2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE					
	Board					9/9 - 100%
	CGC (Chair)					5/5 - 100%
	HRCC					7/7 - 100%
	SECURITIES HELD:	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy
	Date					
	April 22, 2025 ⁽¹⁾⁽²⁾	55,726	---	55,726	\$1,364,730	Yes
	March 1, 2024 ⁽¹⁾⁽²⁾	28,174	---	28,174	\$647,720	Yes
	Change	27,552	---	27,552	\$717,010	---
EXPERTISE: CEO/COO, consumer packaged goods, food and agriculture, international experience, financial literacy, audit and risk, board and corporate governance, people, mergers and acquisitions, information systems and cybersecurity, engineering and project management and environment and sustainability.						

Name**KATHERINE N. LEMON, PH.D.**

Age: 67

Residence: Holliston,
Massachusetts, U.S.A.

Director since: May 2, 2018

Independent⁽⁶⁾**EXPERTISE:**

Education and academia, consumer packaged goods, financial literacy, audit and risk, international experience, food and agriculture, people, information systems and cybersecurity and environment and sustainability.

Principal Occupation and Biography**OCCUPATION:** Professor, Carroll School of Management, Boston College, Chestnut Hill, MA, USA

BIOGRAPHY: Dr. Lemon is the Accenture Professor at Boston College, Carroll School of Management. She served as Chair and board member of the Board of Directors of the American Marketing Association, which focuses on marketing excellence and resources for firms and academics. She is the former Executive Director of the Marketing Science Institute, a not-for-profit organization that brings the best of marketing science to management practice. She also served on its Board of Directors. Her research examines key drivers of firm growth from a consumer perspective, developing quantitative models that enable firms to significantly increase return on marketing investments. Her award-winning work has been implemented in organizations worldwide, and she is a globally recognized expert in understanding consumer experience and loyalty. Dr. Lemon has served on the faculty of Harvard Business School, Duke University's Fuqua School of Business and the University of Groningen in The Netherlands. She has taught and conducted research in companies and universities globally, especially focused on consumer goods and services. She has advised numerous public companies and has served on several company marketing advisory boards. She holds a Ph.D. from University of California, Berkeley.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

None

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None

2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE

Board	9/9 - 100%
AC	6/6 - 100%
SSC (Chair)	4/4 - 100%

SECURITIES HELD:

Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy
April 22, 2025 ⁽¹⁾⁽²⁾	31,733	1,863	33,596	\$822,766	Yes
March 1, 2024 ⁽¹⁾⁽²⁾	25,660	---	25,660	\$589,923	Yes
Change	6,073	1,863	7,936	\$232,843	---

Name**Principal Occupation and Biography****ANDREW G. MACDONALD**

Age:40

Residence: Toronto,

Ontario, Canada

Director Since: May 11, 2023

Independent⁽⁶⁾**EXPERTISE:**

Senior leadership, international experience, financial literacy, audit and risk, people, mergers & acquisitions and information systems and cybersecurity and environment and sustainability.

OCCUPATION: Senior Vice President, Mobility and Business Operations, Uber Technologies Inc.

BIOGRAPHY: Mr. Macdonald is the Senior Vice President of Mobility and Business Operations at Uber, leading the company's mobility business in 70+ countries around the world, including ridesharing, taxis, micromobility, rentals, public transit, high-capacity vehicles, and more. He also oversees Uber's sustainability efforts, autonomous mobility and delivery operations, business development, Uber for Business, and Uber Health.

Before joining Uber, Mr. Macdonald was an entrepreneur and a management consultant with Bain & Company.

Mr. Macdonald serves on the board of Lime, which is delivering affordable and shared micromobility to cities around the world and Careem, building the everything app for the greater Middle East.

Mr. Macdonald studied undergraduate business at the Ivey Business School at Western University and graduated with Honors in Business Administration.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

None

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None

2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE

Board	9/9 - 100%
AC	6/6 - 100%
HRCC	7/7 - 100%

SECURITIES HELD:					In Compliance with Ownership Policy
Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	
April 22, 2025 ⁽¹⁾⁽²⁾	62,200	15,862	78,062	\$1,911,738	Yes
March 1, 2024 ⁽¹⁾⁽²⁾	39,200	4,615	43,815	\$1,007,308	Yes
Change	23,000	11,247	34,247	\$904,430	---

Name**LINDA MANTIA**

Age: 56

Residence: Toronto,
Ontario, Canada

Director Since: May 11, 2023

Independent⁽⁶⁾**EXPERTISE:**

Senior leadership, international experience, governance relations, financial literacy, audit and risk, legal, board and corporate governance, people, mergers and acquisitions, information systems and cybersecurity, engineering and project management and environment and sustainability.

Principal Occupation and Biography**OCCUPATION:** Corporate Director

BIOGRAPHY: Most recently Ms. Mantia served as Chief Operating Officer of Manulife Financial Corporation, an international insurance and financial services company. She has also served in a series of leadership roles at Royal Bank of Canada, including Executive Vice President of Online Banking, Cards and Payments. Earlier in her career, Ms. Mantia was a global consultant at McKinsey & Company and practiced law at Davies Ward Phillips & Vineberg LLP.

Ms. Mantia currently serves on the Board of Directors Dayforce (formerly Ceridian ICM Holding Inc.), a NYSE and TSX listed global human capital management software company, where she serves on the Audit and Governance Committees and is a Director of Liberty Mutual Insurance, Sunnybrook Health Sciences Centre, Queen's University and various other private companies. Previously, Ms. Mantia served on the Board of Directors of McKesson Corporation, a NYSE listed diversified healthcare services leader and was Chair of the Compensation and Talent Committee and a member of the Governance and Sustainability Committee.

Ms. Mantia holds a law degree from Queen's University. Ms. Mantia has been recognized twice as one of Canada's Top 100 Most Powerful Women.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

Dayforce (formerly Ceridian HCM Holdings Inc.) – Member, Audit Committee

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

Mindbeacon Holdings Inc.

McKesson Corp.

2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE

Board	9/9 - 100%
AC	6/6 - 100%
CGC	5/5 - 100%

SECURITIES HELD:

Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy
April 22, 2025 ⁽¹⁾⁽²⁾	4,548	18,684	23,232	\$568,952	Yes ⁽⁵⁾
March 1, 2024 ⁽¹⁾⁽²⁾	---	5,070	5,070	\$116,564	Yes ⁽⁵⁾
Change	4,548	13,614	18,162	\$452,388	---

Name	Principal Occupation and Biography																							
JONATHAN W. F. MCCAIN Age: 40 Residence: Toronto, Ontario, Canada Director Since: May 2, 2018 Non-Independent	OCCUPATION: President, McCain Capital Inc. BIOGRAPHY: Mr. J.W.F. McCain is the President of McCain Capital Inc., a privately-held investment management company. Previously, he was the President of Northstar Scaffold Service Inc. and a management consultant with The Boston Consulting Group. He is a director of McCain Capital Inc., Chair-man Mills Corp., Classic Fire Protection Inc., Northstar Scaffold Services Inc., and an investment committee member and director of McCain Capital Partners. Mr. J.W.F. McCain graduated from the Richard Ivey School of Business at the University of Western Ontario with an Honours in Business Administration degree. He has completed the Directors Education Program at the Rotman School of Business, University of Toronto and is a holder of the Institute of Corporate Directors Director designation. He is a current member of the Toronto chapter of the Young Presidents Organization. Mr. J.W.F. McCain is a nominee of McCain Capital Inc. pursuant to the terms of the Amended Governance Agreement which is described under the heading “Board Organization and Membership”.																							
	CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: None																							
	OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: None																							
	2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE <table><tr><td>Board</td><td>9/9 - 100%</td></tr><tr><td>SSC</td><td>4/4 - 100%</td></tr></table>	Board	9/9 - 100%	SSC	4/4 - 100%																			
	Board	9/9 - 100%																						
	SSC	4/4 - 100%																						
SECURITIES HELD: <table><tr><th>Date</th><th>Common Shares</th><th>DSUs</th><th>Total Common Shares and DSUs</th><th>Market Value⁽⁴⁾</th><th>In Compliance with Ownership Policy</th></tr><tr><td>April 22, 2025⁽¹⁾⁽²⁾</td><td>140,000</td><td>53,010</td><td>193,010</td><td>\$4,726,815</td><td>Yes</td></tr><tr><td>March 1, 2024⁽¹⁾⁽²⁾</td><td>110,000</td><td>40,321</td><td>150,321</td><td>\$3,455,880</td><td>Yes</td></tr><tr><td>Change</td><td>30,000</td><td>12,689</td><td>42,689</td><td>\$1,270,935</td><td>---</td></tr></table>	Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy	April 22, 2025 ⁽¹⁾⁽²⁾	140,000	53,010	193,010	\$4,726,815	Yes	March 1, 2024 ⁽¹⁾⁽²⁾	110,000	40,321	150,321	\$3,455,880	Yes	Change	30,000	12,689	42,689	\$1,270,935	---
Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy																			
April 22, 2025 ⁽¹⁾⁽²⁾	140,000	53,010	193,010	\$4,726,815	Yes																			
March 1, 2024 ⁽¹⁾⁽²⁾	110,000	40,321	150,321	\$3,455,880	Yes																			
Change	30,000	12,689	42,689	\$1,270,935	---																			
EXPERTISE: Senior leadership, consumer packaged goods, food and agricultural industries, international experience, financial literacy, audit and risk, board and corporate governance, people, mergers and acquisitions, engineering and project management and environment and sustainability.																								

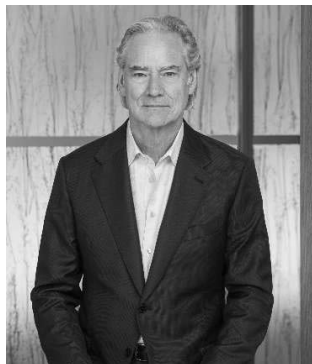
Name**MICHAEL H. MCCAIN**

Age: 66

Residence: Toronto,
Ontario, Canada

Director Since: April 24, 1995

Non-Independent

**EXPERTISE:**

CEO/COO, consumer packaged goods, food and agriculture, financial literacy, audit and risk, international experience, government relations, board and corporate governance, people, mergers and acquisitions, information systems and cybersecurity, engineering and project management and environment and sustainability.

Principal Occupation and Biography

OCCUPATION: Executive Chair, Maple Leaf Foods

BIOGRAPHY: Mr. M.H. McCain is Executive Chair of Maple Leaf Foods. He joined the Corporation in April 1995 as President and COO and was appointed CEO in January 1999. Prior to joining Maple Leaf, Mr. M.H. McCain spent 16 years with McCain Foods in Canada and the United States, where he was President and Chief Executive Officer of McCain Foods USA.

He is a director of McCain Capital Inc. and Maple Leaf Foods. He is a member of the Richard Ivey School of Business Advisory Board, the Business Council of Canada, and the Centre for Addiction and Mental Health Foundation.

He is also the Honorary Chair of the Maple Leaf Centre for Action on Food Security.

Mr. M.H. McCain is a nominee of McCain Capital Inc. pursuant to the terms of the Amended Governance Agreement which is described under the heading "Board Organization and Membership".

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

None.

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

Royal Bank of Canada – Member, Audit Committee; Member, Human Resources Committee

2024 BOARD AND COMMITTEE MEMBERSHIPS AND MEETING ATTENDANCE

Board 9/9 - 100%

SECURITIES HELD: ⁽³⁾					
Date	Common Shares	DSUs	Total Common Shares and DSUs	Market Value ⁽⁴⁾	In Compliance with Ownership Policy
April 22, 2025 ⁽¹⁾⁽²⁾	48,948,794	---	48,948,794	\$1,198,755,965	Yes
March 1, 2024 ⁽¹⁾⁽²⁾	48,948,794	---	48,948,794	\$1,125,332,774	Yes
Change	---	---	---	\$73,423,191	---

THE ARRANGEMENT

The following contains only a summary of the Arrangement, the Plan of Arrangement, the Arrangement Agreement and certain related agreements and matters. Shareholders are urged to read the more detailed information included elsewhere in, or incorporated by reference into, this Circular, including the Plan of Arrangement, a copy of which is attached as Appendix “A” to *Schedule “C”* to this Circular, Section 192 of the CBCA and the Arrangement Agreement, a copy of which is attached as *Schedule “C”* to this Circular.

SUMMARY OF THE ARRANGEMENT

The purpose of the Arrangement and the related transactions is to separate Maple Leaf Foods into two independent, publicly listed companies:

- **Maple Leaf Foods** will enter a bold new chapter as a focused, purpose-driven and protein-centric consumer packaged goods company, uniquely positioned to meet the world's growing demand for sustainable protein. Guided by a clear Strategic Blueprint and an ambitious vision to be *the Most Sustainable Protein Company on Earth*, it is poised to unlock its full potential. Maple Leaf Foods is harnessing the strength of its category-leading brands, accelerating innovation that resonates with today's consumers, scaling its leadership in sustainable meats, and extending its reach into high-growth geographies, channels, and categories. With an unrelenting focus on operational excellence and a deeply rooted, values-driven culture, Maple Leaf Foods is building a resilient, future-ready business that delivers meaningful, long-term value for all stakeholders.
- **Canada Packers** will go forward as a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. Canada Packers is well positioned to unlock the significant growth potential of its business by investing in low-risk high return opportunities, including increasing volumes, optimizing operations and efficiencies, and building on its favourable sales mix and margins. Canada Packers will be among North America's largest producers of Raised Without Antibiotics (“RWA”) pork and a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets.

As described in greater detail under the heading “The Arrangement – Details of the Arrangement”, pursuant to the Arrangement, the assets and liabilities of the Pork Operations will be transferred from Maple Leaf Foods to Canada Packers, and upon completion of the Arrangement, persons who were Shareholders as of the Arrangement Record Date will hold all of the outstanding MLF New Common Shares and 84.0% of the Canada Packers Common Shares (*pro rata* to their interest in Maple Leaf Foods), with Maple Leaf Foods retaining a 16.0% ownership interest in Canada Packers.

BACKGROUND TO THE ARRANGEMENT

The following is a summary of the strategic assessments made, options evaluated and opportunities pursued that ultimately led to the decision to separate Maple Leaf Foods into two independent, publicly listed companies by effecting the Arrangement. Over the course of this process, the Special Committee and the Board consulted with management and with their respective financial, legal and tax advisors in order to assist in evaluating the merits of various alternatives.

Maple Leaf Foods' management and Board continually examine opportunities to advance the interests of the Corporation and to enhance long-term shareholder value. For decades, the Corporation and its investors have observed significant differences between the Pork Operations and the CPG Operations that Maple Leaf Foods currently operates. The Corporation increasingly recognized that operating both its Pork Operations, on the one hand, and its CPG Operations, on the other hand, together, as a single company, resulted in challenges for both. The Corporation observed that the virtues of its CPG Operations were not being properly recognized in the capital markets, and that its Pork Operations faced restricted opportunities and capital availability to grow because the Corporation was concerned about increasing its exposure to that line of business in a combined entity. In view of the foregoing, from time to time the Corporation considered how its Pork Operations and CPG Operations could be separated from each other.

During 2019 and 2020, the Board, together with management and input from BMO and Centerview, considered the potential separation of the Pork Operations. This included evaluating the implications of a shift away from an

integrated business model, the potential growth opportunities and risks for each of the CPG Operations and Pork Operations in the wake of a successful separation, shareholder interests, balance sheet and capital structure implications, and the need for ongoing business relationships between the Pork Operations and CPG Operations related to the purchase and supply of pork. The Corporation evaluated and considered, with the assistance of its advisors, different potential alternatives to separate the Pork Operations, including through a potential spin-off transaction. In considering a potential spin-off, the Corporation evaluated a number of structures taking into consideration an appropriate level of retained interest by the Corporation in the new pork company, potential governance structures, tax implications associated with the various alternatives, and the expected ongoing business relationship between the Corporation and the spun-out entity.

Based on discussions at the time between the Corporation and certain of the McCain Parties, it was understood that it would not be possible to meet the conditions necessary to effect a spin-off through a tax-free structure. As a result, it was proposed that any spin-off of the new pork company would be structured as a return of capital; and to the extent that shares of the new pork company (whether in whole or in part) could not be distributed through a return of capital, it was proposed that the Corporation would distribute such shares as a dividend. This transaction structure would have resulted in the realization of a taxable gain for Maple Leaf Foods.

At a Board meeting held on October 27, 2021, the Board confirmed that it was supportive of the strategy underlying a separation of the Pork Operations into a separate public company through a spin-off transaction (the "Proposed Spin-Off") as a taxable transaction, subject to the development and approval of an appropriate execution plan, including agreement on an appropriate governance structure. In connection with this, the Board also met in-camera, without members of management present, and established a special committee of independent directors (the "Special Committee"), comprised of Tim Hockey (as Chair), Jean Fraser, Katherine Lemon and Tom Hayes, to work with management and independent advisors in order to bring forward a recommendation to the Board with respect to the Proposed Spin-Off. The Special Committee's mandate included (i) authority to retain professional advisors; (ii) responsibility for examining, reviewing and evaluating the Proposed Spin-Off; (iii) an assessment of the expected financial outcomes of the Proposed Spin-Off; (iv) oversight of the structuring of the Proposed Spin-Off, including negotiations of agreements and documentation where there may be an actual or perceived conflict between MCI or members of management and the Corporation; (v) consideration of all legal and regulatory requirements applicable to the Proposed Spin-Off; and (vi) reporting to the Board as to whether the Special Committee determines the Proposed Spin-Off is in the best interests of the Corporation and that the Corporation should pursue the Proposed Spin-Off.

In November 2021, Torys LLP was engaged by the Special Committee as its independent legal counsel, and RBC Dominion Securities Inc., a member company of RBC Capital Markets, was engaged by the Special Committee as its independent financial advisor, whose mandate included providing the Special Committee with financial analysis and advice in respect of the Proposed Spin-Off and any strategic alternatives, and to provide a fairness opinion in connection with the Proposed Spin-Off. Pursuant to the terms of the engagement with RBC, the Corporation would be obligated to pay a flat fee and no portion of the fees payable to RBC for its services would be contingent on the value of the transaction or the conclusions in RBC's fairness opinion.

In the course of its review and evaluation of the Proposed Spin-Off, between November 8, 2021 and March 2023, the Special Committee held 20 formal meetings and received advice from Torys LLP and RBC with respect to various matters in connection with its consideration of the Proposed Spin Off. Torys LLP attended each formal meeting of the Special Committee held following its engagement. Representatives of RBC also attended many of the formal meetings held by the Special Committee following RBC's engagement. In addition, the Special Committee conducted informal consultations with representatives of Torys LLP and RBC, as well as with representatives of the Company's management team, MCI and the Company's and MCI's respective external advisors. The Special Committee also held in-camera sessions with its legal and financial advisors, at which the members of the Special Committee engaged in confidential discussion without the presence of management or the Company's financial and legal advisors.

Throughout 2022, the Special Committee continued to meet and, with regular input and updates from management, continued to consider the merits and risks associated with the Proposed Spin-Off, discussed RBC's ongoing financial analysis and provided updates in respect of its progress to the Board.

During that time period, the Special Committee also began to negotiate the terms of the Canada Packers Governance Agreement with the McCain Holders. Through various rounds of negotiations that took place throughout 2022 and into 2023, the Special Committee proposed a closer alignment of the Canada Packers

Governance Agreement to the Corporation's existing governance agreement and modifications to the investor rights that had been initially proposed by the McCain Holders. In addition, the Special Committee introduced a requirement that the Proposed Spin-Off be conditional on the approval of (a) 66 2/3% of votes cast by all shareholders and (b) a simple majority of votes cast by "minority shareholders" (excluding the McCain Parties, among others). The Special Committee and the McCain Holders also discussed the term of the Canada Packers Governance Agreement, with it ultimately being determined that the Canada Packers Governance Agreement would require ratification every three years by both minority shareholders and MCI, voting separately (with it only being put forward as an item of business if the McCain Holders were supportive), which reflected a desire of the Special Committee to appropriately set up Canada Packer's initial governance but to allow Canada Packer's board, its minority shareholders and the McCain Holders to determine in the future whether the initial governance framework should remain in place.

Tim Hockey and Jean Fraser did not stand for re-election at the Corporation's 2023 annual general meeting of Shareholders, and therefore completed their service as directors on the Board on May 11, 2023. Following this meeting, at the September 21, 2023 Board meeting, the Board appointed Linda Mantia to the Special Committee, reconfirmed the appointments of Katherine Lemon and Tom Hayes as members of the Special Committee and reconfirmed the Special Committee's mandate. The Board designated Katherine Lemon as Chair of the Special Committee.

After the above-noted confirmation of the Special Committee's mandate, between October 10, 2023 and July 8, 2024, the Special Committee held 16 formal meetings and received advice from Torys LLP and RBC with respect to various matters in connection with its consideration of the Proposed Spin Off. Torys LLP attended each formal meeting of the Special Committee, and representatives of RBC also attended many of the formal meetings. In addition, the Special Committee conducted informal consultations with representatives of Torys LLP and RBC, as well as with representatives of the Company's management team, MCI and the Company's and MCI's respective external advisors. The Special Committee also held in-camera sessions with its legal and financial advisors, at which the members of the Special Committee engaged in confidential discussion without the presence of management or the Company's financial and legal advisors. The Special Committee was provided all information and documentation that had previously been made available to the Special Committee.

Throughout 2023 and into 2024, as the Special Committee continued to meet in the manner described above, it focused on the business strategy, timing, financial impacts, and material agreements to be entered into in connection with the Proposed Spin-Off. During this time, the Corporation appointed Dennis Organ to lead its Pork Operations and took other steps to prepare these operations to be separated. The Corporation also completed several material capital expenditure projects intended to position the CPG Operations for growth and margin expansion and managed its Pork Operations through a temporary period of broader pork market challenges, which impacted 2023 and 2024 financial performance of the Pork Operations.

In parallel, during the first half of 2024, the Special Committee, together with Torys LLP, worked with the Corporation's legal advisors to develop a draft of the Canada Packers Governance Agreement based on the terms that had been agreed with the McCain Parties in early 2023 (and subsequently reaffirmed by the Special Committee). As an overall approach, given the Company's retained interest in Canada Packers as well as the McCain Holders' ownership stake in the Corporation, the Special Committee determined that it would be most appropriate if the Corporation was subject to similar provisions as those applicable to the McCain Holders with more limited governance rights commensurate with the size of its interest in Canada Packers. Following a series of discussions and negotiations on the drafting of the Canada Packers Governance Agreement between the Special Committee and the McCain Parties, the form of Canada Packers Governance agreement was agreed.

On June 7, 2024, the Board met with management, BMO and Centerview to discuss progress in relation to the Proposed Spin-Off. BMO and Centerview provided the Board with an overview of the financial implications of the Proposed Spin-Off, including proposed terms of the credit facilities and capital structure for the new pork company and the remaining corporation. BMO and Centerview, along with management, also discussed with the Board the favourability of timing and readiness of the Corporation to move forward with the Proposed Spin-Off. Management provided the Board with a summary of a proposed communication plan and certain of the key proposed terms of the Transaction Agreements.

On June 26, 2024, the Special Committee met with its advisors to discuss RBC's preliminary financial analysis of the Proposed Spin-Off. At the meeting, representatives of RBC also confirmed their views regarding potential equity capital markets reactions and their expectation that they would be in a position to provide an opinion that the

consideration to be received by the Shareholders under the Proposed Spin-Off is fair, from a financial point of view, to the Public Shareholders.

On June 27, 2024, the Board met to further discuss updates and next steps of the Proposed Spin-Off. At the meeting, BMO confirmed that a “highly confident” letter had been delivered in respect of the proposed credit facilities. The Board also received advice from Blake, Cassels & Graydon LLP with respect to various matters in connection with its consideration of the Proposed Spin-Off.

On July 8, 2024, the Special Committee held a meeting at which RBC delivered an oral opinion to the effect that, as at the date thereof and subject to the assumptions, limitations and qualifications discussed at the time, the consideration to be received by the Shareholders pursuant to the Proposed Spin-Off is fair, from a financial point of view, to the Public Shareholders. Following such opinion, the Special Committee unanimously resolved that, subject to the Corporation obtaining (1) shareholder approval of (a) two-thirds of votes cast by all Shareholders and (b) a simple majority of votes cast by the Public Shareholders and (2) the Corporation, the McCain Holders and the new pork company entering into a governance agreement on completion of the Proposed Spin-Off (together, the “Initial Recommendation Conditions”), the Proposed Spin-Off was in the best interests of the Corporation and fair to the Public Shareholders, and the Special Committee unanimously recommended to the Board, on the basis of the foregoing and subject to the Initial Recommendation Conditions, that the Board proceed with the Proposed Spin-Off.

Following the Special Committee meeting, the Board held a meeting to consider the Proposed Spin-Off and related matters, including, among other things (i) the terms and conditions of the Proposed Spin-Off; (ii) the benefits and risks associated with the Proposed Spin-Off; (iii) other strategic alternatives and options available to the Corporation; (iv) the impact of the Proposed Spin-Off on stakeholders of the Corporation, including Shareholders, creditors, employees, and commercial counterparties; (v) its receipt of a highly-confident letter from BMO and (vi) certain advice, reports and opinions (including the opinion of RBC) that it had received from management and professional and legal advisors concerning the Proposed Spin-Off, and the recommendation of the Special Committee. At the meeting, RBC delivered to the Board the same oral fairness opinion that it had delivered to the Special Committee earlier that day. The Board (excluding Michael H. McCain and Jonathan W. F. McCain, each as an interested director as a result of his being a director, officer and/or shareholder of MCI) having taken into account the unanimous recommendation of the Special Committee and such other matters as it had considered relevant, determined that the Proposed Spin-Off was in the best interests of the Corporation and fair to the Public Shareholders and approved, among other things, (1) the Proposed Spin-Off and the implementation thereof, (2) the recommendation by the Board that the Shareholders vote in favour of the Proposed Spin-Off at a meeting of Shareholders, and (3) the entering into of the Transaction Agreements by the Corporation.

On July 8, 2024, Maple Leaf Foods also entered into the Support Agreement with the McCain Holders pursuant to which, among other things, the Corporation and the McCain Holders agreed that if the Corporation completed the Proposed Spin-Off, each of them would enter into, and the Corporation would cause the new pork company to enter into, a governance agreement in the form approved by the Special Committee, upon completion of the Proposed Spin-Off. See “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”.

On July 9, 2024, Maple Leaf Foods publicly announced the Proposed Spin-Off, which, at the time, it expected to be structured as a return of capital spin-off and, to the extent the shares of the new pork company could not be distributed through a return of capital, it was anticipated that the Corporation would distribute such shares as a dividend. The transaction was subject to Shareholder approval, as well as other customary approvals, including the receipt of all required third-party consents. Upon completion of the separation, it was expected that existing Shareholders would receive a *pro rata* distribution of the common shares of the new pork company, subject to Maple Leaf Foods retaining a 19.9% ownership interest. The McCain Holders agreed to hold the shares of the new pork company for 24 months following the closing of the transaction (subject to customary exceptions), as a demonstration of their commitment to the long term success of the business.

Following that announcement, Maple Leaf Foods’ management, with assistance of the Corporation’s external advisors and under supervision of the Board, continued to evaluate and refine the optimal structure, terms and timing for implementing the Proposed Spin-Off, and also engaged in an assessment of its ability to achieve a more tax efficient outcome.

On September 18, 2024, Tom Hayes, Independent Lead Director and Chair of the Corporate Governance Committee, reviewed with the Corporate Governance Committee the director selection process for the identification

of independent directors to serve on the board of directors of the new pork company. The Corporate Governance Committee reviewed and aligned on the proposed director skills matrix for the board of directors of the new pork company and reviewed the independence criteria for the selection of directors in light of the terms of the draft governance agreement for the new pork company. It also reviewed an initial list of potential candidates prepared by the independent advisors who had been retained to assist with the recruiting of the independent directors and a written summary of independence considerations previously prepared by Blake, Cassels & Graydon LLP. The Corporate Governance Committee carefully considered all of the applicable independence criteria including under applicable securities laws and the draft governance agreement, and was satisfied that Gary Maksymetz, Sarah Piper, Meghan Roach, Heather Stefanson and Michael Vels (the “Proposed Independent Canada Packers Directors”) all met the independence criteria, and agreed that further discussions with these candidates would be appropriate to confirm their interest and ability to be part of the Canada Packers Board.

On September 19, 2024, the Board received an update from Maple Leaf Foods’ management with respect to the advancement of the work necessary to execute the Proposed Spin-Off, including a review of the key areas of oversight for the Board and each of its committees.

On October 10, 2024, Maple Leaf Foods announced that “Canada Packers Inc.” would be the future name of the new pork company upon completion of the separation of the Pork Operations as a new independent, public company.

On October 31, 2024, the Special Committee held a meeting with management and advisors to complete a detailed review of alternative structures for the Proposed Spin-Off, including a structure that would comply with the Butterfly Rules to achieve a more tax-efficient outcome.

On November 4, 2024, the Special Committee met with Torys LLP to discuss legal considerations associated with structuring the Proposed Spin-Off as a tax-free “butterfly reorganization”, including associated benefits and risks, in particular those associated with complying with all of the requirements of the Butterfly Rules. As part of those discussions and to mitigate those risks, it was determined that it would be desirable for Maple Leaf Foods and the McCain Parties to enter into an agreement in connection with implementation of the Proposed Spin-Off whereby the McCain Parties would make certain representations and covenants related to compliance with the Butterfly Rules. Following that meeting, management, together with Maple Leaf Foods’ and the Special Committee’s advisors, developed a term sheet outlining the proposed key terms of the Tax Matters Agreement, which was provided to Goodmans LLP, as counsel to a special committee of MCI, on November 6, 2024. At a Special Committee meeting held on November 8, 2024, management provided the Special Committee and other Board members with a comprehensive briefing on their desire to pursue a “butterfly reorganization” structure for the Proposed Spin-Off, along with the reasons for doing so, including that it would be a net positive from both an investor and internal perspective. Representatives of RBC and Torys LLP also attended the meeting. The Special Committee and other Board members present endorsed further pursuing the “butterfly reorganization” structure contingent on reaching a satisfactory agreement with the McCain Parties on the key terms of the Tax Matters Agreement. RBC also provided its perspective on the financial aspects of the proposed structure and potential market reaction, noting that from a process perspective, RBC would need to refresh its analysis of the Proposed Spin-Off and provide a new fairness opinion reflecting the new structure.

Between November 6, 2024 and November 11, 2024, management, together with Maple Leaf Foods’ and the Special Committee’s advisors, engaged in negotiations of a Tax Matters Agreement term sheet with the McCain Parties and Goodmans LLP. The Special Committee was kept apprised and provided input, through Torys LLP, throughout the negotiation process. The parties settled on the key terms of the Tax Matters Agreement on November 11, 2024, which the Special Committee endorsed.

On November 12, 2024, the Corporate Governance Committee received a report on the recruitment of independent directors to serve on the Canada Packers Board prepared by its independent advisor. The Board reviewed the qualifications, independence and alignment with the Canada Packers director skills matrix, and agreed that in addition to the Proposed Independent Canada Packers Directors, it would be appropriate for the incoming President and CEO of Canada Packers, Dennis Organ, to be appointed to the Board. The Corporate Governance Committee also reviewed the recommendations of its independent compensation advisor with respect to the approach to director compensation for the Canada Packers Board and aligned on the recommended compensation structure.

On November 12, 2024, Maple Leaf Foods and the McCain Parties entered into an amended and restated Support Agreement pursuant to which they agreed to the terms of the Tax Matters Agreement, and the McCain Parties

committed to vote their MLF Common Shares in support of the Arrangement Resolution on the terms set out in such amended and restated Support Agreement.

On November 13, 2024, Maple Leaf Foods announced that, since the announcement of the Proposed Spin-Off on July 9, 2024, the Corporation had made significant strides in executing the work necessary for a successful separation of the two businesses, and that it would pursue the implementation of the Proposed Spin-Off as a tax-free “butterfly reorganization” pursuant to the Butterfly Rules. Maple Leaf Foods further announced that whereas the originally announced structure of the transaction was expected to result in a taxable gain for Maple Leaf Foods, by contrast, the tax-free “butterfly reorganization,” to be executed by way of a plan of arrangement, was not expected to result in any taxable gain for Maple Leaf Foods; and under the proposed new structure, Maple Leaf Foods would retain a 16-17% ownership interest in Canada Packers, with the balance of the Canada Packers Common Shares being distributed *pro rata* to existing Shareholders. The McCain Parties agreed to enter into a Tax Matters Agreement prior to the closing of the Arrangement which would contain a number of representations and covenants as to certain tax matters. The McCain Parties also reiterated their support for the transaction and the new structure. Maple Leaf Foods further announced that completion of the Arrangement was subject to receipt of an advance tax ruling from the CRA, execution of the Tax Matters Agreement (including satisfaction of the conditions thereunder), and other customary conditions such as receipt of an updated favourable fairness opinion and required approvals.

On December 13, 2024, Maple Leaf Foods submitted the Ruling Application. Between November 11, 2024 and April 22, 2025, the Special Committee met 6 times with management, RBC, and Torys LLP to receive regular updates on work to advance the Arrangement and the Ruling Application. During that time period, RBC received updated financial information in respect of the Arrangement, Maple Leaf Foods and Canada Packers from management, BMO and Centerview in order to refresh its financial analysis of the Arrangement reflecting the “butterfly reorganization” structure.

On April 16, 2025, the Special Committee met with its advisors to discuss RBC’s preliminary financial analysis of the Arrangement reflecting the “butterfly reorganization” structure. At the meeting, representatives of RBC also confirmed their expectation that they would be in a position to provide an opinion that the consideration to be received by the Shareholders under the Arrangement structured as a “butterfly reorganization” is fair, from a financial point of view, to the Public Shareholders.

On the morning of April 22, 2025, the Special Committee met with its legal and financial advisors to consider its recommendation of the Proposed Spin-Off structured as a “butterfly reorganization” to the Board. The Special Committee received an updated presentation from RBC summarizing its analysis of the Arrangement, following which RBC provided an oral opinion (which was subsequently confirmed in writing) to the effect that, as of the date thereof and subject to the assumptions, limitations and qualifications described in the Fairness Opinion, the consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to the Public Shareholders. Following receipt of the Fairness Opinion, the Special Committee unanimously determined that for the reasons described below and subject to Maple Leaf Foods obtaining the Required Shareholder Approval and Maple Leaf Foods and MCI entering into the Canada Packers Governance Agreement in connection with and prior to the completion of the Arrangement, the Arrangement (structured as a “butterfly reorganization”) is in the best interest of Maple Leaf Foods and fair to its Public Shareholders, and resolved to unanimously recommend to the Board, subject to such considerations, that the Board (i) determine that the Arrangement is in the best interest of Maple Leaf Foods, (ii) determine that the Arrangement is fair to the Public Shareholders, (iii) approve the Arrangement, and (iv) recommend that the Public Shareholders vote in favour of the Arrangement Resolution.

Following the meeting of the Special Committee, the Board met with Maple Leaf Foods’ legal and financial advisors as well as Torys LLP and RBC. The Board received the oral Fairness Opinion from RBC and the recommendation of the Special Committee. The Board unanimously (i) determined that the Arrangement is in the best interests of Maple Leaf Foods, (ii) determined that the Arrangement is fair to the Public Shareholders, (iii) approved the Arrangement and the public announcement thereof, and (iv) recommended the Public Shareholders vote in favour of the Arrangement Resolution; and the Arrangement Agreement, the Tax Matters Agreement and the Voting Support Agreements were each entered into by the parties thereto.

REASONS FOR THE ARRANGEMENT

The Special Committee and the Board, acting with the advice and assistance of their respective financial, legal and tax advisors and management, carefully evaluated the Arrangement and believe that the Arrangement is in the best

interests of the Corporation and is fair to the Public Shareholders. In the course of its evaluation, the Special Committee and the Board considered, among other things, the following factors:

- *Enhances Strategic Focus* – The Arrangement will facilitate the separation of two distinct lines of business with unique investor theses, with the Corporation and Canada Packers set up to execute on and de-risk their respective growth plans. The Corporation believes there is currently untapped value creation potential in the Pork Operations that cannot be fully unlocked in the context of the current integrated corporate structure which is primarily focused on building its CPG Operations. As a stand-alone company, Canada Packers will focus on optimizing its operations and will be positioned to pursue its significant opportunities in key global markets, including leveraging its ability to appeal to niche, premium and specialty markets. At the same time, Maple Leaf Foods will be able to focus its attention on growing its Prepared Foods operations in North America, building on the strength of its brands and delivering cost-effective manufacturing operational excellence, all while continuing to execute its sustainable meats strategy.
- *Distinct Investment Propositions to Unlock Shareholder Value* – The Corporation believes its trading multiple is currently misaligned with its underlying portfolio mix. The Corporation believes the Arrangement will generate potential to capture a higher sum-of-the-parts value over time in particular with a trading multiple for its CPG Operations that is more in line with the multiple of other publicly traded CPG companies. The Arrangement will also provide investors with increased visibility into each business and its value proposition and growth strategy.
- *Pork Operations No Longer Core* – Maple Leaf Foods’ strategic priorities have evolved such that the Pork Operations are no longer core to its strategy but rather reflect a supply chain choice. Although supply of pork is essential for the Corporation’s prepared meats portfolio, the Corporation believes it does not need to produce and process its own hogs in order to have access to a stable supply of pork. In addition, the Corporation and Canada Packers are entering into the Supply Agreement which will provide the Corporation with secure access to pork from Canada Packers and preserve the supply relationship between the Corporation and Canada Packers. Generally, the Corporation only requires a limited number of pork cuts for its prepared meats business, including bellies, hams and trims. It does not require the meat from the whole hog. Therefore, ensuring it has access to those cuts from hogs raised according to its RWA and sustainability criteria is a more optimal solution, allowing it to focus on its core branded protein CPG Operations while Canada Packers optimizes the whole-hog sales through its integrated model.
- *Reduces Exposure to Foreign Animal Disease Event* – The uncertainty of a potential foreign animal disease (“FAD”) event – whether positive or negative to earnings – currently weighs on both the value of the Corporation and the certainty of execution across all aspects of its strategic plan even though it is primarily attributable to the Pork Operations. As a result of the Arrangement, the impacts of a potential FAD event are expected to be more properly delineated between Canada Packers and the remaining operations of the Corporation, with the impact to the Corporation’s remaining operations being limited to pork pricing and the ability to secure adequate supply of pork following a FAD event, as well as consumer reaction and purchasing behaviour in those circumstances.
- *More Focused Investments for Shareholders* – The Arrangement will allow the Public Shareholders to retain similar economic exposure to the *status quo* but through two more focused investment opportunities, with the Corporation focused on delivering results as a market-leading, branded protein CPG company, and Canada Packers as an integrated, value-added pork company, with a diversified sales mix and global reach.
- *Superiority to Available Alternatives* – In addition to considering the desirability of the *status quo*, the Corporation considered a range of alternative means by which to separate the Pork Operations. Based on the foregoing, the Special Committee concluded that the Arrangement is the most attractive alternative available to the Corporation.
- *Fairness Opinion* – The Special Committee has received and considered the Fairness Opinion and its conclusion that, as of the date thereof and subject to the assumptions, limitations and qualifications described therein, the consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders. See “The Arrangement – Fairness Opinion”.
- *Approvals and Procedural Fairness* – The procedures by which the Arrangement will be approved, including the Required Shareholder Approval, offers Public Shareholders the opportunity to approve or disapprove the

Arrangement Resolution. The Arrangement is also subject to approval by the Court, which will consider, among other things, the fairness of the Arrangement to the persons affected thereby, both from a substantive and procedural perspective.

- **Tax Treatment** – The Arrangement will generally occur on a tax-free basis for Shareholders who are resident in Canada and who hold their MLF Common Shares as capital property. A summary of the material Canadian federal income tax considerations with respect to the Arrangement is provided under the heading “Certain Canadian Federal Income Tax Considerations”. Subject to compliance with the requirements of the Butterfly Rules and as is expected to be confirmed in the Tax Ruling, the Arrangement will generally also occur on a tax-free basis for the Corporation and Canada Packers. See “The Arrangement – Tax Ruling”.

The foregoing summary of the information and factors considered by each of the Special Committee and the Board is not intended to be exhaustive of the information and factors considered by the Special Committee and the Board in making their recommendations, but includes the material information, factors and analysis considered by the Special Committee and the Board in reaching such conclusions and making such recommendations. See “The Arrangement – Recommendation of the Special Committee” and “– Recommendation of the Board”.

In reaching their respective approvals of the Arrangement and their recommendation to the Board and Shareholders, respectively, and given the variety and complexity of factors considered, the Special Committee and the Board did not assign any relative or specific weight to the factors that were considered. Additionally, individual directors may have given different weights to these factors. The Special Committee’s and the Board’s recommendations were made after consideration of all of the above and other factors, including those matters described under the heading “The Arrangement – Risk Factors”, and in light of their collective knowledge of the business, financial condition and prospects of the Corporation and was based upon the advice of their respective financial and legal advisors, and the Fairness Opinion delivered by RBC.

FAIRNESS OPINION

In determining that the Arrangement is fair to the Public Shareholders, the Special Committee and the Board considered, among other things, the Fairness Opinion.

The Special Committee engaged RBC in November 2021 to provide a fairness opinion in connection with a potential spin-off of the Pork Operations. In connection with such engagement, RBC rendered to the Special Committee and to the Board a verbal opinion on July 8, 2024, that, as at the date thereof, based upon and subject to the various factors, assumptions, qualifications and limitations discussed at the time, the consideration to be received by the Shareholders pursuant to the Proposed Spin-Off is fair, from a financial point of view, to the Public Shareholders.

On November 8, 2024, RBC attended a Special Committee meeting to provide its perspective on the financial aspects of the proposed “butterfly reorganization” structure and potential market reaction, noting that from a process perspective, RBC would need to refresh its analysis of the Proposed Spin-Off and provide a new fairness opinion reflecting the new structure. RBC subsequently rendered to the Special Committee and to the Board the Fairness Opinion. Specifically, on April 22, 2025, RBC rendered to the Special Committee and to the Board a verbal opinion, subsequently confirmed in writing, that, as at the date thereof, based upon and subject to the various factors, assumptions, qualifications and limitations set forth therein, the consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders.

The full text of the Fairness Opinion – which sets forth, among other things, the assumptions made and the matters considered therein, and the qualifications and limitations therein and on the review undertaken in connection therewith – is contained in *Schedule “D”* to this Circular. **The summary of the Fairness Opinion set forth in this Circular is qualified in its entirety by reference to the full text of such opinion and Shareholders are urged to read the Fairness Opinion carefully and in its entirety.**

Maple Leaf Foods has agreed to pay RBC a fixed fee for preparing and delivering the Fairness Opinion, regardless of its conclusions and whether the Arrangement is completed, as well as to reimburse RBC for reasonable out-of-pocket expenses and to indemnify it for certain liabilities arising out of its engagement to provide the Fairness Opinion. None of the fees payable to RBC in connection with its engagement are contingent on the completion of the Arrangement or any other transaction.

The Fairness Opinion does not constitute a recommendation to any Shareholder as to how such Shareholder should vote with respect to the resolutions to be considered by Shareholders at the Meeting or any other matter. The Fairness Opinion does not address any other aspect of the Arrangement or any related transaction or other matter, including any legal, tax or regulatory aspects of the Arrangement that may be relevant to Maple Leaf Foods or the Shareholders, and no opinion or view was expressed as to the relative merits of the Arrangement in comparison to other strategic alternatives that may be available to Maple Leaf Foods. The Fairness Opinion has been prepared in accordance with the guidelines of the Investment Industry Regulatory Organization of Canada. RBC has not prepared a formal valuation of Maple Leaf Foods, Canada Packers, or any of their respective securities or assets, and the Fairness Opinion should not be construed as such. The Fairness Opinion is only one factor that was taken into consideration by the Special Committee in making its recommendation to the Board and by the Board in making its determination to recommend that Shareholders vote in favour of the Arrangement Resolution. See “The Arrangement – Reasons for the Arrangement”, “– Recommendation of the Special Committee” and “– Recommendation of the Board”.

The Board urges Shareholders to review the Fairness Opinion carefully and in its entirety. For further details, see *Schedule “D”* to this Circular.

Credentials of RBC

RBC is one of Canada’s largest investment banking firms, with operations in all facets of corporate and government finance, corporate banking, mergers and acquisitions, equity and fixed income sales and trading and investment research. RBC Capital Markets also has significant operations in the United States and internationally. The Fairness Opinion contained in *Schedule “D”* to this Circular represents the opinion of RBC and the form and content therein have been approved for release by a committee of its directors, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

RBC Relationship

Neither RBC, nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Corporation, Canada Packers, MCI, or any of their respective associates or affiliates. RBC has not been engaged to provide any financial advisory services nor has it participated in any financing involving the Corporation, Canada Packers, MCI, or any of their respective associates or affiliates, within the past two years, other than the services provided under the engagement agreement between the Corporation and RBC dated November 24, 2021 that was subsequently extended on December 13, 2022, December 11, 2023, and December 11, 2024 (collectively, the “Engagement Agreement”) and as described herein. In the past two years RBC acted as (i) co-lead arranger to the Corporation on the amendment and extension of a \$400 million term loan facility in April 2024; (ii) co-lead arranger to the Corporation on a \$400 million term loan facility in June 2023; and (iii) sole lender on four refinancing and upsizing transactions of \$76.7 million in term loan facilities, in aggregate, for affiliates of MCI. There are no understandings, agreements or commitments between RBC and the Corporation, Canada Packers, MCI, or any of their respective associates or affiliates with respect to any future business dealings other than in relation to the refinancing, extension, and amendment of the credit facilities of the Corporation and Canada Packers contemplated to occur concurrent with the Arrangement. RBC may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Corporation, Canada Packers, MCI, or any of their respective associates or affiliates. The compensation of RBC under the Engagement Agreement does not depend in whole or in part on the conclusions reached in the Fairness Opinion or the successful outcome of the Arrangement. Royal Bank of Canada, controlling shareholder of RBC, provides banking services to the Corporation in the normal course of its business.

RBC acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Corporation, Canada Packers, any of their respective associates or affiliates, or any of the associates or affiliates of MCI and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, RBC conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Corporation, Canada Packers, or the Arrangement.

RECOMMENDATION OF THE SPECIAL COMMITTEE

Having reviewed and considered, among other things, (i) the terms of the Arrangement, including the amended and restated Support Agreement, the Canada Packers Governance Agreement and the Tax Matters Agreement, with outside legal counsel and given due consideration to its duties in connection with the Arrangement, (ii) the Fairness Opinion provided by RBC, and (iii) the reasons set forth under “The Arrangement – Reasons for the Arrangement”, the Special Committee unanimously resolved that, subject to the Corporation obtaining the Required Shareholder Approval, the Corporation, the McCain Holders and Canada Packers entering into the Canada Packers Governance Agreement in connection with and prior to the completion of the Arrangement and the Corporation, the McCain Parties and Canada Packers entering into the Tax Matters Agreement in connection with and prior to the completion of the Arrangement (together, the “Recommendation Conditions”), the Arrangement is in the best interests of the Corporation and is fair to the Public Shareholders, and the Special Committee unanimously recommended to the Board, on the basis of the foregoing and subject to the Recommendation Conditions, that the Board, among other things, (1) determine that the Arrangement is in the best interests of the Corporation, (2) determine that the Arrangement is fair to the Public Shareholders, (3) approve the Arrangement, (4) approve the entering into of the Canada Packers Governance Agreement and the Tax Matters Agreement and the performance of the Corporation’s obligations thereunder and (5) recommend that Public Shareholders vote **FOR** the Arrangement Resolution.

RECOMMENDATION OF THE BOARD

Having fully considered the Arrangement having regard to, among other things, (i) the terms and conditions of the Arrangement; (ii) the benefits and risks associated with the Arrangement; (iii) other strategic alternatives and options available to the Corporation; (iv) the impact of the Arrangement on stakeholders of the Corporation, including Shareholders, creditors, employees, and commercial counterparties; (v) its receipt of commitment letters from its lenders and (vi) certain advice, reports and opinions (including the opinion of RBC) that it has received from management and professional and legal advisors concerning the Arrangement, the Board unanimously (with Michael H. McCain and Jonathan W. F. McCain abstaining, each as a result of his being a director, officer and/or shareholder of MCI), having taken into account the unanimous recommendation of the Special Committee and such other matters as it considered relevant, determined that the Arrangement is in the best interests of the Corporation and is fair to the Public Shareholders and approved, among other things, (1) the Arrangement and the implementation thereof, (2) the recommendation by the Board that the Public Shareholders vote **FOR** the Arrangement Resolution and the Canada Packers Option Plan Resolution, and (3) the entering into of the Arrangement Agreement, the Canada Packers Governance Agreement, the Tax Matters Agreement, the Voting Support Agreements, the Long-Term Services Agreement, the Supply Agreement, the Transition Services Agreement and the Pension and Benefits Agreement, and the execution and delivery thereof by the Corporation.

The Board unanimously (with Michael H. McCain and Jonathan W. F. McCain abstaining, each as a result of his being a director, officer and/or shareholder of MCI) recommends that Public Shareholders vote **FOR** the Arrangement Resolution and the Canada Packers Option Plan Resolution.

DETAILS OF THE ARRANGEMENT

The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Appendix “A” to the Arrangement Agreement, which is attached as *Schedule “C”* to this Circular. Shareholders are urged to carefully read the Plan of Arrangement in its entirety.

Commencing at the Effective Time, the following events, matters and transactions will occur and will be deemed to occur in the sequence and at the times set out in the Plan of Arrangement, without any further act, authorization or formality:

- (a) the articles of Maple Leaf Foods will be amended to create and authorize the issuance of an unlimited number of MLF Arrangement Common Shares and an unlimited number of MLF Special Shares, each new class having the rights, privileges, restrictions and conditions set out in Exhibit “I” to the Plan of Arrangement;
- (b) the articles of Newco will be amended to create and authorize the issuance of an unlimited number of Newco Preferred Shares, having the rights, privileges, restrictions and conditions set out in Exhibit “II” to the Plan of Arrangement;

- (c) pursuant to a reorganization of the capital of Maple Leaf Foods, each MLF Common Share outstanding immediately prior to the Effective Time will be exchanged into one MLF Arrangement Common Share and one MLF Special Share and the MLF Common Shares so exchanged will be cancelled;
- (d) concurrently with the exchange of the MLF Common Shares described in paragraph (c) above, each Non-Transferred Employee and Former MLF Employee who holds MLF Stock Options will exchange each such MLF Stock Option for a MLF New Stock Option granting such employee the right to acquire a number of MLF Common Shares equal to the MLF Equity Security Ratio multiplied by the number of MLF Common Shares issuable under the exchanged MLF Stock Option (rounded down to the nearest whole number), and with an exercise price equal to the original exercise price of the MLF Stock Option exchanged therefor divided by the MLF Equity Security Ratio (rounded up to the nearest whole cent), and the MLF Stock Options so exchanged will be cancelled;
- (e) concurrently with the exchange of the MLF Common Shares described in paragraph (c) above, each Transferred Employee who holds MLF Stock Options will exchange each such MLF Stock Option for a Subco Stock Option granting such employee the right to acquire a number of Subco Common Shares with a fair market value, immediately after such exchange, that is equal to the total fair market value, immediately before such exchange, of the MLF Common Shares issuable under the exchanged MLF Stock Option, and with an aggregate exercise price equal to the aggregate exercise price of the MLF Stock Option exchanged therefor, and the MLF Stock Options so exchanged will be cancelled;
- (f) each holder of MLF Special Shares will transfer to Newco all of their MLF Special Shares in consideration for the issuance by Newco to such person of one Newco Common Share for every MLF Special Share transferred by such holder;
- (g) Maple Leaf Foods will transfer the Transferred Property to Newco in consideration for the issuance by Newco to Maple Leaf Foods of 1,000 Newco Preferred Shares and the assumption by Newco of liabilities related to the Transferred Property, if any;
- (h) Maple Leaf Foods will redeem for cancellation all of the MLF Special Shares held by Newco for an amount equal to the redemption amount (as determined pursuant to the articles of Maple Leaf Foods) of such MLF Special Shares, which amount will be satisfied by the issuance by Maple Leaf Foods to Newco of the MLF Redemption Note;
- (i) Newco will redeem for cancellation all of the Newco Preferred Shares held by Maple Leaf Foods for an amount equal to the redemption amount (as determined pursuant to the articles of Newco) of such Newco Preferred Shares, which amount will be satisfied by the issuance by Newco to Maple Leaf Foods of the Newco Redemption Note;
- (j) Maple Leaf Foods and Newco will fully set off the MLF Redemption Note against the Newco Redemption Note, and both the MLF Redemption Note and the Newco Redemption Note will thereupon be cancelled;
- (k) Newco and Subco (referred to in this paragraph as “predecessor corporations”) will amalgamate pursuant to the provisions of section 181 of the CBCA to form an amalgamated entity named “Canada Packers Inc.” in such a manner that, on and by virtue of the amalgamation:
 - (i) Newco and Subco will cease to exist as entities separate from Canada Packers;
 - (ii) Canada Packers will possess all the property, rights, privileges and franchises (excluding any amounts receivable from any predecessor corporation) and will be subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of the predecessor corporations (other than any amounts payable to any predecessor corporation);
 - (iii) the Articles of Arrangement will be the articles of amalgamation of Canada Packers and the Certificate of Arrangement will be the certificate of amalgamation of Canada Packers;

- (iv) Canada Packers' authorized share capital will consist of Canada Packers Common Shares and preferred shares, in each case having rights, privileges, restrictions and conditions set out in Exhibit "III" to the Plan of Arrangement;
- (v) each issued and outstanding Newco Common Share immediately prior to the Amalgamation will be converted into such number of Canada Packers Common Shares as is equal to the Canada Packers Share Conversion Ratio;
- (vi) each issued and outstanding Subco Common Share (other than a Subco Common Share held by a predecessor corporation) will be converted into such number of Canada Packers Common Shares as is equal to the quotient determined by the formula

$$A / B$$

where:

A is the product obtained by multiplying (i) the aggregate number of Newco Common Shares that were issued and outstanding immediately prior to the Amalgamation by (ii) the Canada Packers Share Conversion Ratio, and

B is the product obtained by multiplying (i) the aggregate number of Subco Common Shares that were issued and outstanding immediately prior to the Amalgamation by (ii) the Transferred Percentage;

- (vii) each Subco Common Share held by a predecessor corporation will be cancelled for no consideration;
- (viii) the stated capital of the Canada Packers Common Shares will be an amount equal to the stated capital of the Newco Common Shares and the stated capital of the Subco Common Shares (excluding the Subco Common Shares held by a predecessor corporation) immediately prior to the Amalgamation;
- (ix) no securities will be issued except as described in paragraphs (k)(v) and (k)(vi) above and no assets will be distributed by Canada Packers;
- (x) the name of Canada Packers will be "Canada Packers Inc.";
- (xi) the registered office of Canada Packers will be 6985 Financial Dr., Suite 201, Mississauga, Ontario, L5N 0A1, Canada;
- (xii) with respect to the directors of Canada Packers: (A) the directors will consist of a minimum number of 8 and a maximum number of 18 directors, (B) until changed by the shareholders of Canada Packers, or by the directors of Canada Packers if authorized to do so, the number of directors of Canada Packers will be nine (9), and (C) the initial directors of Canada Packers will be: Michael H. McCain, Dennis Organ, Curtis Frank, Gary Maksymetz, Jonathan W. F. McCain, Sarah Piper, Meghan Roach, Heather Stefanson and Michael Vels;
- (xiii) there will be no restrictions on the business Canada Packers may carry on or the powers it may exercise;
- (xiv) the by-laws of Canada Packers will be the by-laws attached as Exhibit "IV" to the Plan of Arrangement and such by-laws will be deemed to have been confirmed by the Canada Packers Shareholders; and
- (xv) KPMG LLP will be the initial auditor of Canada Packers, to hold office until the close of the first annual meeting of Canada Packers shareholders following the Effective Date, or until KPMG LLP resigns as contemplated by Section 164 of the CBCA or is removed from office as contemplated by Section 165 of the CBCA, and the directors of Canada Packers will be authorized to fix their remuneration;
- (l) concurrently with the Amalgamation as described in paragraph (k) above, the Canada Packers Common Shares will, outside of and not as part of the Plan of Arrangement, be listed for trading on the TSX (subject to standard post-closing listing conditions imposed by the TSX in similar circumstances);

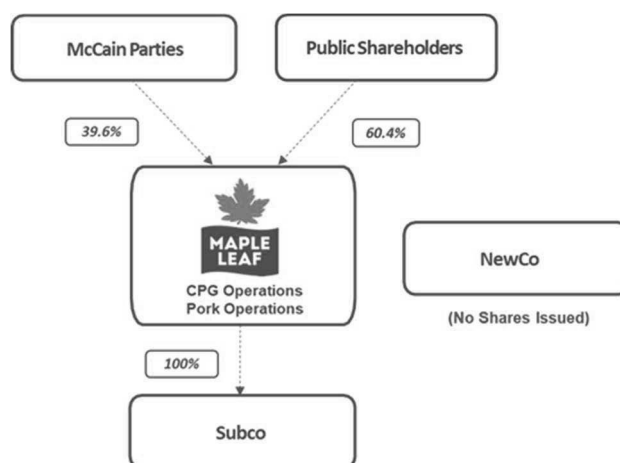
- (m) by virtue of the Amalgamation as described in paragraph (k) above, each Transferred Employee who holds Subco Stock Options will exchange each such Subco Stock Option for a Canada Packers Stock Option granting such employee the right to acquire a number of Canada Packers Common Shares equal to the Canada Packers Equity Security Ratio multiplied by the number of MLF Common Shares issuable under the MLF Stock Option exchanged for such Subco Stock Option described in paragraph (e), (rounded down to the nearest whole number) and with an exercise price equal to the original exercise price of the MLF Stock Option exchanged for such Subco Stock Option described in paragraph (e) divided by the Canada Packers Equity Security Ratio (rounded up to the nearest whole cent), and the Subco Stock Options so exchanged will be cancelled;
- (n) each holder of MLF Arrangement Common Shares will exchange each MLF Arrangement Common Share held thereby for one MLF New Common Shares, and the MLF Arrangement Common Shares so exchanged will be cancelled; and
- (o) the articles of Maple Leaf Foods will be amended to remove the MLF Special Shares and MLF Arrangement Common Shares from the authorized capital of Maple Leaf Foods (and to remove all references to the MLF Special Shares and the MLF Arrangement Common Shares), such that, following such amendment, Maple Leaf Foods' authorized capital will be set out in Exhibit "V" to the Plan of Arrangement.

In respect of the transfer of MLF Special Shares in paragraph (f) above, Newco will jointly elect with each Shareholder that is an Electing Shareholder to have the provisions of subsection 85(1) of the Tax Act and, if applicable, the provisions of any corresponding provincial tax legislation apply to such transfer. This election is being offered to Electing Shareholders because there is uncertainty regarding whether Electing Shareholders can otherwise benefit from a tax provision that permits an automatic tax deferral on the transfer of MLF Special Shares in paragraph (f) above (as described under the heading "Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Exchange of MLF Special Shares for Newco Common Shares" for Shareholders other than Electing Shareholders).

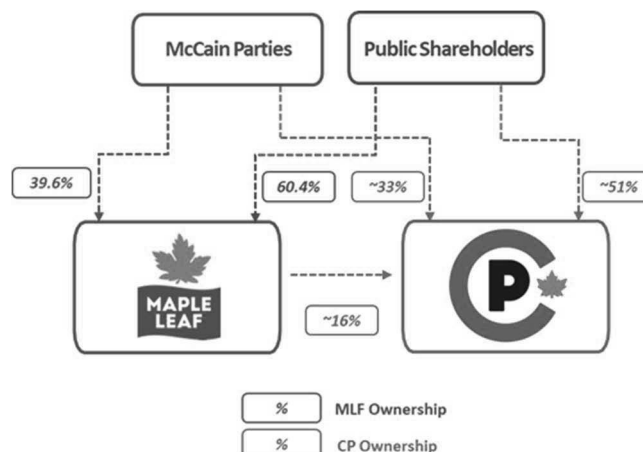
For more information regarding the treatment of MLF Stock Options (including adjustments made to the exercise price thereof), Canada Packers Stock Options (including the determination of the exercise price thereof), RSUs, PSUs, and DSUs pursuant to the Arrangement, see "The Arrangement – Treatment of Equity Compensation Securities".

The above steps and the other steps of the Plan of Arrangement are set out in detail in the Plan of Arrangement attached as Appendix "A" to the Arrangement Agreement, which is attached as *Schedule "C"* to this Circular.

The following diagram sets out an abbreviated organizational structure of Maple Leaf Foods, Newco and Subco immediately prior to the implementation of the Arrangement:



The following diagram sets out an abbreviated organizational structure of Maple Leaf Foods and Canada Packers immediately following the completion of the Arrangement:



As described above, pursuant to the Arrangement, each Shareholder will receive 0.2 of a Canada Packers Common Share in exchange, indirectly, for each Maple Leaf Foods Common Share; provided that Maple Leaf Foods may, at its option, prior to the completion of the Plan of Arrangement, change such exchange ratio if it elects to do so and issues a news release in the manner set out in the Plan of Arrangement. The provision of the Plan of Arrangement that permits Maple Leaf Foods to change such exchange ratio in this manner prior to the completion of the Arrangement is referred to herein as the “Adjustment Provision”.

As of April 22, 2025, there were 123,956,991 MLF Common Shares issued and outstanding. Assuming no additional MLF Common Shares are issued prior to completion of the Arrangement, based on an exchange ratio of 0.2, immediately following completion of the Arrangement, MLF Shareholders will hold an aggregate of 24,791,398 Canada Packers Common Shares, Maple Leaf Foods will hold 4,722,171 Canada Packers Common Shares and an aggregate of 29,513,569 Canada Packers Common Shares will be issued and outstanding.

VOTING SUPPORT AGREEMENTS

Each of the McCain Parties has entered into a Voting Support Agreement pursuant to which, among other things, each such shareholder has agreed, subject to the terms and conditions of such Voting Support Agreement, to vote or cause to be voted the MLF Common Shares owned, directly or indirectly, by such shareholder, and any MLF Common Shares subsequently acquired, directly or indirectly, by each such shareholder, in favour of the Arrangement Resolution and the Canada Packers Option Plan Resolution.

The McCain Parties collectively own an aggregate of 49,088,794 MLF Common Shares, representing approximately 39.60% of the MLF Common Shares, as of April 22, 2025.

Pursuant to the Voting Support Agreements, in addition to agreeing to vote the MLF Common Shares a McCain Party owns, directly or indirectly, in favour of the Arrangement Resolution and the Canada Packers Option Plan Resolution, each of the McCain Parties, among other things, has agreed that prior to the termination of its obligations in respect of the Arrangement, they would: (i) other than as described in the Voting Support Agreements, not grant or agree to grant any proxies or powers of attorney, deliver any voting instruction form, deposit any MLF Common Shares into a voting trust or pooling agreement or otherwise enter into a voting agreement with respect to voting MLF Common Shares on the Arrangement Resolution or the Canada Packers Option Plan Resolution; (ii) not requisition a meeting of securityholders of Maple Leaf Foods; and (iii) vote against any action proposed by any securityholder of Maple Leaf Foods or any other person which is inconsistent with the Arrangement or would reasonably be regarded as being likely to prevent, delay or reduce the likelihood of the successful completion of the Arrangement.

Each of the McCain Parties’ obligations in respect of the Arrangement will terminate upon the earliest to occur of: (i) the Effective Time; (ii) December 31, 2026; (iii) Maple Leaf Foods publicly announcing its intention not to proceed with the Arrangement; (iv) the mutual agreement in writing of the shareholder and Maple Leaf Foods; and (v) written

notice by the shareholder to Maple Leaf Foods, if Maple Leaf Foods substantially varies the Arrangement or any terms or conditions thereof, in each case, in a manner that is material and adverse to the shareholder.

DELIVERY OF SHARES

To facilitate the delivery of the MLF New Common Shares and Canada Packers Common Shares to Shareholders as of the Arrangement Record Date, Maple Leaf Foods will execute and deliver to Computershare an irrevocable power of attorney at or prior to the Effective Time, authorizing Computershare to deliver and transfer the MLF New Common Shares to the applicable Shareholders, and Canada Packers will deliver to Computershare a treasury order, or such other direction as may be requested by Computershare, to effect the issuance of the Canada Packers Common Shares. As soon as practicable after the Effective Time, Computershare will deliver to each registered Shareholder as of the Arrangement Record Date a DRS Advice representing the Canada Packers Common Shares such holder is entitled to receive pursuant to the Arrangement. Following the completion of the Arrangement, certificates and DRS Advices representing MLF Common Shares will be deemed for all purposes to be certificates or DRS Advices, as applicable, representing MLF New Common Shares and accordingly no new certificates or DRS Advices will be issued in respect of the MLF New Common Shares.

NO FRACTIONAL SHARES

The number of Canada Packers Common Shares to be issued to each Shareholder pursuant to the Plan of Arrangement will be rounded down to the nearest whole number and no cash or other consideration will be paid in respect of any fractional Canada Packers Common Share that would otherwise be issued to the Shareholder but for such rounding.

ARRANGEMENT AGREEMENT

The following is a summary of the material terms and conditions of the Arrangement Agreement. This summary may not contain all of the information about the Arrangement Agreement that is important to Shareholders and is qualified in its entirety by the full text of the Arrangement Agreement, which is attached to this Circular as *Schedule "C"*. Shareholders are urged to read the Arrangement Agreement in its entirety.

Maple Leaf Foods, Newco and Subco have entered into the Arrangement Agreement, which provides for, among other things, the terms of the Plan of Arrangement, the conditions to its completion, actions to be taken prior to and after the Effective Date and other matters, the substance of which is summarized below or elsewhere in this Circular.

Covenants

The Arrangement Agreement contains certain customary covenants of the parties that they will, among other things, subject to the terms of the Arrangement Agreement: (a) use their respective commercially reasonable efforts and do all things reasonably required to cause the Pre-Arrangement Transactions and the Arrangement to become effective on such dates as Maple Leaf Foods may determine; (b) do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may be reasonably required to facilitate the carrying out of the intent and purpose of the Arrangement Agreement; (c) cooperate with and assist each other in dealing with transitional and other matters relating to or arising from the Pre-Arrangement Transactions, the Arrangement or the Arrangement Agreement; (d) not perform any act or enter into any transaction that could interfere or be inconsistent with the completion of any Pre-Arrangement Transactions, the Arrangement or the effective application of the Tax Ruling to the Arrangement; (e) for a period of two years after the Effective Date, not perform any act or enter into any transaction that could cause the Pre-Arrangement Transactions, the Arrangement or any related transaction to be taxed in a manner inconsistent with that provided for in the Tax Ruling, and (f) use their respective commercially reasonable efforts to satisfy the conditions precedent to the completion of the Arrangement.

The parties further agreed to assist and cooperate in the preparation and filing with all applicable securities regulatory authorities in Canada and the United States of all necessary applications to seek exemptions, if required, from the prospectus, registration and other requirements of applicable securities laws in Canada and the United States for the issue by Maple Leaf Foods, Newco and Subco of the securities to be issued in the Pre-Arrangement Transactions, the Arrangement, and other exemptions that are necessary or desirable in connection with the Pre-Arrangement Transactions and the Arrangement.

Maple Leaf Foods also agreed to: (a) apply to list on the TSX the MLF New Common Shares issuable on the conversion of the MLF Arrangement Common Shares and the MLF New Common Shares issuable on the exercise of MLF New Stock Options; and (b) make a joint application with Subco and Newco to list on the TSX the Newco Common Shares issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable under the Canada Packers Option Plan, in each case, prior to the Effective Time.

Newco and Subco agreed to cooperate in amending the Ruling Application, applying for such amendments or supplements to, or replacements of, the Tax Ruling, and agreed to make such amendments to the Arrangement Agreement and the Plan of Arrangement, as may be reasonably necessary to give effect to the Tax Ruling or to undertake any transaction contemplated therein or to implement the Plan of Arrangement (provided any such amendments do not adversely affect Maple Leaf Foods or the Shareholders), or as may be determined by Maple Leaf Foods, in its sole discretion, to be reasonably necessary to enable Maple Leaf Foods (or any Affiliate) to carry out any transactions deemed advantageous by Maple Leaf Foods for the separation of the Pork Operations from the CPG Operations.

In addition, each party agreed that it and any successor thereto will not, on or before the Effective Date, perform any act or enter into any transaction or permit any transaction within its control to occur that could reasonably be considered to interfere or be inconsistent with the Tax Ruling. Further, each party agreed that, for a period of two years after the Effective Date, it will not (and that it will cause its subsidiaries to not) take any actions, omit to take any action, or enter into any transaction that could cause the Pre-Arrangement Transactions, the Arrangement or any related transaction to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling without obtaining a tax ruling or an opinion of a nationally recognized accounting or law firm that such action, omission or transaction will not have such effect.

Conditions Precedent

Completion of the Arrangement is subject to certain customary conditions precedent, see “The Arrangement – Conditions to Closing of the Arrangement” and “– Tax Ruling”. Certain conditions precedent to the completion of the Arrangement in the Arrangement Agreement will be deemed to be satisfied, waived or released on the filing of the Articles of Arrangement, as described below.

Tax Covenants and Indemnification

The Arrangement Agreement provides for, among other things, a covenant of each of Maple Leaf Foods, Newco and Subco that, for a period of two years after the Effective Date, it will not (and will cause its subsidiaries to not) take any action, omit to take any action or enter into any transaction that could cause the Pre-Arrangement Transactions, the Arrangement or any transaction contemplated by the Arrangement Agreement to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling without obtaining a tax ruling or an opinion of a nationally recognized law firm that such action, omission or transaction will not have such effect, and also provides for a representation by each of Maple Leaf Foods, Newco and Subco that it has no present intention to take any action, omit to take any action, or enter into any transaction that could cause the Pre-Arrangement Transactions and the Arrangement or any related transaction to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling. Each of Maple Leaf Foods, Newco and Subco has agreed that it will indemnify the other parties to the Arrangement Agreement against any loss suffered or incurred, directly or indirectly, that results from, or is in connection with, the indemnifying party’s breach of this covenant. For a discussion of certain actions and transactions that could cause a loss requiring Maple Leaf Foods, Newco and Subco to indemnify the other parties under the Arrangement Agreement, and the associated risks, see “The Arrangement – Conditions to the Closing of the Arrangement” and “– Tax Ruling” and “– Risk Factors – Risks Relating to the Arrangement and Ownership of Canada Packers Common Shares – Indemnification Obligations”.

Amendments

The Arrangement Agreement provides that at any time and from time to time before and after the Meeting, but not later than the Effective Date, the Arrangement Agreement may be amended by written agreement of the parties without, subject to applicable law, further notice to or authorization on the part of their respective shareholders.

Termination

The Arrangement Agreement may be terminated at any time before or after the holding of the Meeting, but prior to the issue of the Certificate of Arrangement, by Maple Leaf Foods in its sole discretion without the approval of the shareholders, Newco or Subco.

TRANSACTION AGREEMENTS

In connection with the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into the Separation Agreement, Supply Agreement, Long-Term Services Agreement, Transition Services Agreement and Pension and Benefits Agreement, and Maple Leaf Foods, Subco (as predecessor to Canada Packers) and the McCain Holders will enter into the Canada Packers Governance Agreement.

As of the date hereof, the terms of the Transaction Agreements have not been finalized, and changes may be made prior to the entry into of such agreements by Maple Leaf Foods, Subco (as predecessor to Canada Packers) or the McCain Parties, as the case may be.

Separation Agreement

In connection with and prior to the completion of the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into the Separation Agreement and several ancillary agreements to complete the transfer of the Pork Operations to Subco. Canada Packers will become a party to the Separation Agreement in connection with the Amalgamation.

The Separation Agreement will set forth the agreement with respect to the transfer from Maple Leaf Foods to Subco of the assets related to the Pork Operations and the assumption of certain liabilities by Subco and certain transitional arrangements governing the relationship between Maple Leaf Foods and Canada Packers following the completion of the Arrangement. The purchased assets will be transferred on an “as-is”, “where-is” basis.

Pursuant to the Separation Agreement, Subco will assume liabilities in respect of, amongst other things, any legal action to the extent relating to or arising out of the conduct of the Pork Operations or operation of the purchased assets. Further, each of Maple Leaf Foods and Subco will agree, in respect of certain litigation matters, to reasonably cooperate with the other and its counsel in the prosecution, contest or defense of the applicable legal action by a third party.

Pursuant to the Separation Agreement, following the completion of the Arrangement, Canada Packers will indemnify Maple Leaf Foods and its Affiliates from and against any assumed liabilities, and Maple Leaf Foods will indemnify Canada Packers and its Affiliates from and against any specified excluded liabilities. Maple Leaf Foods and Canada Packers will indemnify each other with respect to breaches of representations or warranties or non-performance of their respective obligations under the Separation Agreement.

Other matters governed by the Separation Agreement include responsibility for taxes, access to books and records, confidentiality and insurance.

The Separation Agreement will provide that Maple Leaf Foods and Subco will enter into a transition services agreement pursuant to which Maple Leaf Foods will agree to provide Subco, on a transitional basis, certain services in order to facilitate the orderly transfer of the Pork Operations to Subco, and a pension and benefits agreement. See “The Arrangement – Transaction Agreements – Transition Services Agreement” and “- Pension and Benefits Agreement”.

Supply Agreement

In connection with and prior to the completion of the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into a supply agreement (the “Supply Agreement”) whereby, upon completion of the Arrangement, (i) Canada Packers will provide Maple Leaf Foods with a secure supply of high-quality, sustainable pork, which Maple Leaf Foods will purchase from Canada Packers at United States Department of Agriculture (USDA) based prices, to meet the needs of Maple Leaf Foods’ Prepared Foods portfolio and to provide Canada Packers with a reliable source of business; (ii) Maple Leaf Foods will licence certain intellectual property rights and

trademarks to Canada Packers; and (iii) Maple Leaf Foods will provide Canada Packers with North American customer brokerage services. Canada Packers will become a party to the Supply Agreement in connection with the Amalgamation.

Guaranteed Orders and Supply

Maple Leaf Foods will provide a five-year hog forecast (broken down by RWA, OPG and conventional hogs), updated annually on a rolling basis, to Canada Packers and Canada Packers will raise, or cause to be raised, such number of hogs, specified in each annual hog forecast, up to an agreed upon maximum number of hogs. In particular, the Supply Agreement provides, among other things, that, subject to the terms and conditions contained therein:

- (a) Maple Leaf Foods will pay a premium upcharge for each RWA hog raised by Canada Packers in the forecast intended to cover the incremental cost to raise an RWA hog (the "RWA Upcharge") plus a margin (the "Margin"). Each of the RWA Upcharge and the Margin will be based on a pricing grid set on or before September 30th of each year established in accordance with the terms of the Supply Agreement. To the extent that Canada Packers sells pork to other customers from these RWA hogs with an RWA claim, it will reimburse Maple Leaf Foods for a proportionate amount of the RWA Upcharge. If any component of the RWA Upcharge becomes an industry requirement, such component's cost will be removed from the RWA Upcharge and if the RWA specifications become an industry requirement, the RWA Upcharge will be eliminated;
- (b) Maple Leaf Foods will also pay a premium for each OPG hog raised by Canada Packers in the forecast (the "OPG Upcharge") and to the extent Canada Packers sells pork to other customers from these OPG hogs with an "OPG" claim, it will reimburse Maple Leaf Foods for a proportionate amount of the OPG Upcharge. If the OPG specifications become an industry requirement, the OPG Upcharge will be eliminated;
- (c) Canada Packers will be entitled to retain a minimum number of kilograms of bone-in ham each year and Maple Leaf Foods will provide ham boning services to Canada Packers on a cost-plus basis;
- (d) If Maple Leaf Foods seeks to increase hog production volumes beyond the agreed maximum, Canada Packers and Maple Leaf Foods would need to mutually agree on the requisite capital expenditures to increase production and Maple Leaf Foods will reimburse Canada Packers for its pre-agreed portion of the requisite capital expenditures; and
- (e) Canada Packers will retain Maple Leaf Foods as its exclusive broker for pork made available for sale to North American customers, other than certain excluded accounts (e.g., industrial, pet food) for a monthly fee.

Relief Events

The Supply Agreement contemplates certain events that will entitle a party to relief, including market disruption events and material adverse events (e.g., force majeure).

Intellectual Property

Maple Leaf Foods will grant Canada Packers a limited, non-transferable, non-sublicensable license to certain intellectual property including (i) processes for RWA programs for feed formulas, genetics and know-how; gestation crate fee programs; African Swine Fever prevention programs; animal care; sow density methodologies; specialization processes for Japanese markets; hog raising methods; quality assurance management; biosecurity programs; and food-safety and quality assurance programs; and (ii) trademarks for "Lethbridge Heritage Pork"; "Lethbridge Pork"; "Heritage Lethbridge Pork, Premium"; "Maple Leaf Foods", "MLQA"; "Greenfield Natural Meat Co." and certain other marks (collectively, the "Licensed Intellectual Property"). In consideration for the grant of the Licensed Intellectual Property, Canada Packers will make annual royalty payments, payable in quarterly installments, which will be indexed to 50% of the consumer price index for the prior year.

Indemnification

Generally, the Supply Agreement will provide that Canada Packers will indemnify, defend and hold harmless Maple Leaf Foods and its affiliates and their respective officers, directors, employees, agents and representatives from

and against any and all losses relating to (i) conduct, negligence, misfeasance or non-feasance of Canada Packers, its agents, contractors, officers or employees including any breach by Canada Packers of the Supply Agreement; (ii) any shut down of the facilities or barns or substantial reduction in Canada Packers' capacities in Canada and/or the US; and (iii) use by Canada Packers of any Licensed Intellectual Property other than in accordance with the Supply Agreement.

Further, the Supply Agreement will provide that Maple Leaf Foods will indemnify, defend and hold harmless Canada Packers from and against any and all losses relating to conduct, negligence, misfeasance or non-feasance of Maple Leaf Foods, its agents, contractors (other than Canada Packers), officers or employees including any breach by Maple Leaf Foods of the Supply Agreement.

Step-in Rights

The Supply Agreement will also provide for certain step-in rights, whereby Maple Leaf Foods can step in to mitigate, rectify or protect against a circumstance, if, acting reasonably, it believes that (i) a breach of the Supply Agreement by Canada Packers (A) is likely to create an immediate and serious threat to health or safety or Maple Leaf Foods' reputation or (B) is prejudicial to the ability to carry on Maple Leaf Foods' business to a material degree; or (ii) Canada Packers is otherwise in material breach of its obligations under the Supply Agreement; or (iii) Canada Packers accumulates continuing and material service, quality or safety level failures.

Termination

The Supply Agreement may be terminated immediately by Maple Leaf Foods, upon written notice if (i) Canada Packers becomes insolvent, consents to or makes a general assignment for the benefit of creditors; (ii) Canada Packers is in material default of any of its obligations under the Supply Agreement and fails to cure such default within 30 days; (iii) proceedings are commenced by Canada Packers for the winding-up or dissolution of Canada Packers; or (iv) certain events of payment default by Canada Packers have occurred under its material debt financing documentation (or certain other events of default that have resulted in the acceleration of such debt).

Option to Purchase

Canada Packers will grant to Maple Leaf Foods an option to purchase the Canada Packers' assets which are reasonably required to satisfy Canada Packers' obligations under the Supply Agreement at fair market value (subject to a formal independent appraisal process if such value cannot be mutually agreed) upon the occurrence of certain trigger events, including (i) certain events of payment default by Canada Packers under its material debt financing documentation (or certain other events of default that have resulted in the acceleration of such debt), (ii) Canada Packers becomes insolvent, consents to or makes a general assignment for the benefit of creditors, or (iii) if any proceedings are commenced by Canada Packers for the winding-up or dissolution of Canada Packers (the "Option to Purchase"). Any purchase and sale pursuant to an exercise of the Option to Purchase shall be subject to customary closing conditions, including satisfaction of any required consents or approvals.

Right of First Refusal

Canada Packers will grant to Maple Leaf Foods a right of first refusal to purchase Canada Packers' processing facilities (or any part thereof or any interest therein) in the event Canada Packers receives a *bona fide* third-party offer to purchase its facilities (either by way of a sale of equity interests owned by Canada Packers or a sale of other assets owned by Canada Packers) which Canada Packers is ready, willing and able to accept (the "Right of First Refusal"). Any purchase and sale pursuant to the Right of First Refusal will be on the same terms and conditions as the third-party offer.

Long-Term Services Agreement

In connection with and prior to the completion of the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into a long-term services agreement pursuant to which, upon completion of the Arrangement, Maple Leaf Foods will provide certain information technology ("IT") related services ("IT Services") to support the Canada Packers business operations (the "Long-Term Services Agreement"). Canada Packers will become a party to the Long-Term Services Agreement in connection with the Amalgamation.

Pursuant to the Long-Term Services Agreement, Canada Packers will reimburse Maple Leaf Foods for the costs incurred by Maple Leaf Foods in providing the IT Services based on an agreed cost allocation model plus an annual management fee, payable in monthly installments, and indexed to 50% of the consumer price index for the prior year. Canada Packers may also secure IT project services work based on specified time and materials rates (or other agreed fee).

As of the effective date of the Long-Term Services Agreement, the IT Services include (i) the provision, operation and support of software applications and tools used prior to the effective date and required by Canada Packers in the ongoing conduct of its business operations; (ii) data hosting and management services; (iii) telecommunication services; (iv) managed services supporting the use of software applications, data management services, telecommunications services, and other IT services, inclusive of operating a service desk, incident management services, e-mail services, identity management and directory services, web-hosting, cybersecurity, and IT asset management services; (v) IT project services agreed to by Canada Packers and Maple Leaf Foods from time to time; and (vi) such other services as may be agreed by Canada Packers and Maple Leaf Foods after the effective date. The Long-Term Services Agreement includes security measures, procedures, and protocols designed to create logical separation between, and access to, Canada Packers' and Maple Leaf Foods' physical and virtual environments, systems and data.

The Long-Term Services Agreement will commence on completion of the reorganization and will continue unless it is terminated in accordance with its terms. The termination provisions include the right of each of Canada Packers and Maple Leaf Foods to terminate the Long-Term Services Agreement (i) at any time on three years prior written notice to the other or (ii) on 60 days written notice in the event that the other party breaches any of its material obligations in the Long-Term Services Agreement and fails to cure such breach within 60 days of notice. Maple Leaf Foods may also terminate the Long-Term Services Agreement following Canada Packers' failure to pay amounts when due, subject to certain specified Corporation cure rights.

Maple Leaf Foods will be obligated to provide the IT Services (i) in a manner and at a level of service generally consistent with that provided or performed by Maple Leaf Foods in relation to the conduct of its own business and subject to the terms of any relevant third party contract terms, and (ii) in accordance with Maple Leaf Foods' standard internal policies, practices and procedures. Under the Long-Term Services Agreement (i) each of Canada Packers and Maple Leaf Foods will, subject to the specified limitations and exclusions, indemnify the other, and their respective affiliates and their, and their affiliates', respective directors, officers, employees and agents from and against any liabilities, obligations, losses, damages, costs, expenses and charges suffered by an indemnified person arising out of or otherwise relating to (1) certain breaches of the Long-Term Services Agreement by it and (2) certain third party claims made against the indemnified person that relate to breaches of certain obligations under the Long-Term Services Agreement; and (ii) the liability of each of Canada Packers and Maple Leaf Foods is limited in each year of the Long-Term Services Agreement to the amount of fees paid by Canada Packers subject to certain specified exceptions.

Transition Services Agreement

In connection with and prior to the completion of the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into a transition services agreement pursuant to which, upon completion of the Arrangement, Maple Leaf Foods will provide a limited suite of transition services ("Transition Services") as Maple Leaf Foods and Canada Packers have determined are necessary to support the operations of Canada Packers during the period of transition (the "Transition Services Agreement"). Canada Packers will become a party to the Transition Services Agreement in connection with the Amalgamation.

Maple Leaf Foods will provide the Transition Services on a cost recovery basis without mark-up, margin or administrative charges and based on an agreed cost allocation model.

The Transition Services include certain business, sustainability, regulatory, pension and human resources services and such other services as may be agreed by Canada Packers and Maple Leaf Foods.

Maple Leaf Foods will be obligated to provide the Transition Services in a manner and at a level of service generally consistent with that provided or performed by Maple Leaf Foods prior to the closing of the Proposed Spin-Off. The Transition Services Agreement includes security measures, procedures, and protocols designed to create logical separation between, and access to, Canada Packers' and Maple Leaf Foods' physical and virtual environments, systems and data.

Under the Transition Services Agreement: (i) each of Canada Packers and Maple Leaf Foods will, subject to the specified limitations and exclusions, indemnify the other and their respective Affiliates and their, and their Affiliates', respective directors, officers, employees and agents from and against any liabilities, obligations, losses, damages, costs, expenses and charges suffered by an indemnified person arising out of or otherwise relating to (1) certain breaches of the Transition Services Agreement by it; and (2) certain third party claims made against the indemnified person that relate to breaches of certain obligations under the Transition Services Agreement; and (ii) the liability of each of Canada Packers and Maple Leaf Foods is limited in each year of the Transition Services Agreement to the amount of fees paid by Canada Packers subject to certain specified exceptions.

The initial term of the Transition Services Agreement is anticipated to be 6 months, subject to earlier termination in certain circumstances. The Transition Services Agreement may on the agreement of Canada Packers and Maple Leaf Foods be extended if necessary for an anticipated maximum total Transition Service Agreement duration of 24 months.

Canada Packers Governance Agreement

In connection with and prior to the completion of the Arrangement, Subco (as predecessor to Canada Packers), the McCain Holders and Maple Leaf Foods (the McCain Holders and Maple Leaf Foods, each a "Shareholder Party") will enter into the Canada Packers Governance Agreement. Canada Packers will become a party to the Canada Packers Governance Agreement in connection with the Amalgamation. The following summary of the material terms of the Canada Packers Governance Agreement is qualified in its entirety by the terms of the Canada Packers Governance Agreement, a copy of the form of which is attached as *Schedule "L"* to this Circular.

Provided that a Shareholder Party beneficially owns, controls or directs, directly or indirectly, not less than 10% of the Canada Packers Common Shares (the "Specified Minimum Ownership Threshold"), then such Shareholder Party will have the right to cause the Canada Packers Board to nominate and recommend for election to the Canada Packers Board such number of nominees (rounded up or down, as the case may be) as is proportionate to the aggregate number of Canada Packers Common Shares beneficially owned, controlled or directed by such Shareholder Party; provided, however, that the number of nominees nominated by the McCain Holders shall be capped at two, and the number of nominees nominated by Maple Leaf Foods shall be capped at one. Subject to certain exceptions relating to the fiduciary duties of the Canada Packers Board, all other nominees nominated by Canada Packers for election to the Canada Packers Board will be identified by the Corporate Governance Committee and, other than Canada Packers' chief executive officer, will be "Independent" as defined under the Canada Packers Governance Agreement – namely, individuals who are (i) independent of, and without any material relationship with, management of Canada Packers or any Shareholder Party or any person acting jointly or in concert with any such persons, (ii) "independent" for the purposes of National Instrument 52-110 – *Audit Committees*, and (iii) not nominated for election to the Canada Packers Board at the request of a Shareholder Party pursuant to its rights described in the immediately preceding sentence – and will always constitute a majority of the Canada Packers Board.

Subject to certain exceptions in connection with a Contested Election (as defined in the Canada Packers Governance Agreement), each Shareholder Party will vote in favour of each nominee that is nominated for election to the Canada Packers Board pursuant to the provisions described in the first or (subject to certain exceptions) second sentence of the paragraph directly above.

Provided that the McCain Holders satisfy the Specified Minimum Ownership Threshold, the McCain Holders shall have the right to (i) cause one of their nominees to serve as Chair (or Executive Chair, as applicable) of the Canada Packers Board; and (ii) cause such number of their nominees (not less than one, and capped at the entitlement of the McCain Holders as of the closing of the Arrangement) to be represented on each committee of the Canada Packers Board as is proportionate to the aggregate number of Canada Packers Common Shares beneficially owned, controlled or directed by them, subject to compliance with applicable securities laws and certain other limitations, including that (x) the Audit Committee, the Corporate Governance Committee and the Human Resources and Compensation Committee (or such other committees with responsibility for similar matters) shall consist entirely of directors who satisfy subclause (ii) of the definition of "Independent" provided above; and (y) the Conflicts Review Committee shall consist entirely of directors who are "Independent".

Provided that a Shareholder Party satisfies the Specified Minimum Ownership Threshold, the approval of such Shareholder Party shall be required to (i) change the size of the Canada Packers Board, (ii) hire or (other than for cause) terminate the Chief Executive Officer of Canada Packers, (iii) authorize, create or issue any equity securities

of Canada Packers (other than in accordance with the preemptive rights provisions of the Canada Packers Governance Agreement), (iv) authorize, create or issue any equity securities of any subsidiary of Canada Packers (other than to Canada Packers or to another wholly owned subsidiary of Canada Packers), (v) voluntarily initiate certain insolvency proceedings, or (vi) amend or waive the constating documents of Canada Packers or any subsidiary of Canada Packers.

Provided that the McCain Holders satisfy the Specified Minimum Ownership Threshold, Canada Packers must consult with the McCain Holders before (i) amalgamating or merging with another person, or effecting a plan of arrangement or other corporate reorganization (but excluding an amalgamation or corporate reorganization of Canada Packers with any of its wholly-owned subsidiaries) or otherwise effecting a change of control of Canada Packers; (ii) selling, leasing or exchanging all or substantially all of the property of Canada Packers; (iii) acquiring property (except in the ordinary course) involving consideration in excess of \$25 million, either individually, or in the case of related transactions, in the aggregate; (iv) incurring any indebtedness exceeding \$25 million other than draws under Canada Packers' credit facility or indebtedness incurred pursuant to any capital leases to fund working capital, ordinary course capital expenditures or other general corporate purposes; (v) amending Canada Packers' business purpose or entering a new line of business; (vi) amending or waiving Canada Packers' constating documents; or (vii) continuing Canada Packers under the laws of any jurisdiction outside of Canada.

Provided that a Shareholder Party satisfies the Specified Minimum Ownership Threshold, such Shareholder Party will have customary pre-emptive and top-up rights, subject to certain exceptions, in connection with any future issuance of equity securities or securities convertible into or exchangeable or redeemable for equity securities, or an option or other right to acquire any such securities, of Canada Packers ("Canada Packers Rights"), with such Canada Packers Rights subject to Sections 607(e) and 607(g) of the TSX Company Manual.

Canada Packers will not adopt a shareholder rights plan, adopt a new by-law or amend an existing by-law or charter provision, or enter into any contract that would reasonably be expected to limit, restrict, delay or impair the exercise of the rights of the Shareholder Parties under the Canada Packers Governance Agreement or impede the ability of the Shareholder Parties to acquire additional Canada Packers Common Shares or Canada Packers Rights except in certain circumstances.

Other than pursuant to a Qualifying Bid (as defined below), and subject to certain other limited exceptions, the Shareholder Parties are prohibited from acquiring beneficial ownership of, or control or direction over, more than 35% (in the case of the McCain Holders) or 25% (in the case of Maple Leaf Foods) of the outstanding voting shares of Canada Packers, calculated on a modified fully diluted basis. For this purpose, a "Qualifying Bid" means a take-over bid by a Shareholder Party that is for 100% of the issued and outstanding Canada Packers Common Shares not already beneficially owned, or over which control or direction is exercised, by such Shareholder Party, and is made in compliance with all applicable securities laws (and must include a majority-of-the-minority tender condition and a minimum 10-day bid extension period for acceptance).

Without the consent of Canada Packers, not to be unreasonably withheld, the McCain Holders and Maple Leaf Foods will not transfer any Canada Packers Common Shares for a period of 24 months following the closing of the Arrangement (subject to certain customary exemptions).

Additionally, the Shareholder Parties will not transfer beneficial ownership of, or control or direction over, any outstanding Canada Packers Common Shares to any other person who after the transfer would own 20% or more of the issued and outstanding Canada Packers Common Shares, subject to certain limited exceptions, including pursuant to certain take-over bids for the Canada Packers Common Shares (but excluding any partial bid).

The Canada Packers Governance Agreement will be submitted to Canada Packers Shareholders for approval at every third annual meeting commencing with Canada Packers' 2028 annual meeting. To receive approval at each such meeting, the Canada Packers Governance Agreement must be ratified by a resolution passed by (i) a majority of the votes cast by the Canada Packers Shareholders (excluding votes cast by the Shareholder Parties) and (ii) the McCain Holders (voting separately). If the Canada Packers Governance Agreement is not ratified in the foregoing manner, it will terminate from the date of termination of such annual meeting. The Canada Packers Governance Agreement will also terminate if a Shareholder Party takes up Canada Packers Common Shares pursuant to a Qualifying Bid; upon certain events of insolvency affecting Canada Packers; or if the McCain Holders collectively cease to beneficially own, or exercise control or direction over, at least 10% of the then-issued and outstanding Canada Packers Common Shares.

Tax Matters Agreement

Maple Leaf Foods, Subco (as predecessor to Canada Packers) and the McCain Parties entered into the Tax Matters Agreement on April 29, 2025, which contains a number of covenants and representations related to compliance with the Butterfly Rules. Canada Packers will become a party to the Tax Matters Agreement in connection with the Amalgamation.

The Tax Matters Agreement includes covenants that each McCain Party will not acquire, and such McCain Party will ensure that no person controlled by such McCain Party will acquire, from an unrelated person or from a partnership, any shares in the capital of (i) Maple Leaf Foods prior to or in contemplation of the Arrangement (excluding ordinary course transactions under the MLF Stock Option Plan and the LTIP which are carried out in a manner consistent with past practice prior to November 12, 2024), and will use commercially reasonable efforts to ensure no such acquisitions are made by any other non-arm's length persons, (ii) Maple Leaf Foods in circumstances that would cause such McCain Party or such controlled person, as the case may be, (together with non-arm's length persons, based on the knowledge of such McCain Party as to any non-arm's length person's share ownership) to own shares in the capital of Maple Leaf Foods representing more than 50% of the voting power of all shares in the capital of Maple Leaf Foods then outstanding within two years after the completion of the Arrangement, and will use commercially reasonable efforts to ensure no such acquisitions are made by any other non-arm's length persons, and (iii) Canada Packers in circumstances that would cause such McCain Party or such controlled person, as the case may be, (together with non-arm's length persons based on the knowledge of such McCain Party as to the non-arm's length person's share ownership) and Maple Leaf Foods to collectively own shares in the capital of Canada Packers representing more than 50% of the voting power of all shares in the capital of Canada Packers then outstanding within two years after the completion of the Arrangement, and will use commercially reasonable efforts to ensure no such acquisitions are made by any other non-arm's length persons.

The Tax Matters Agreement further provides that in the event that such person, or any person controlled by such person, contemplates taking any Triggering Action (as defined below) (it being understood that no Triggering Action is currently contemplated by such person) either prior to the completion of the Arrangement or within 2 years after the completion of the Arrangement (each a "hypothetical proposed transaction"), then such person shall provide Maple Leaf Foods and Canada Packers with advance notice in writing, together with certain related information and documentation; Maple Leaf Foods and Canada Packers shall have the right to consult with such person and such controlled person regarding such hypothetical proposed transaction and to receive certain additional information; and such person shall promptly inform Maple Leaf Foods and Canada Packers of any material changes to the information provided with such notice.

For purposes of the Tax Matters Agreement, each of the following actions constitutes a "Triggering Action": sales of MLF New Common Shares or Canada Packers Common Shares to an unrelated person or partnership; sales of any property 10% or more of the fair market value of which is derived from either shares in the capital of Canada Packers or shares in the capital of Maple Leaf Foods; certain dispositions of any of the foregoing property (the "Tax Matters Property") to a related person; certain acquisitions of assets held by Canada Packers immediately after the Arrangement, indirect interests in such assets, or certain other property specified in the Tax Matters Agreement; and certain acquisitions of assets retained by Maple Leaf Foods immediately after the Arrangement, indirect interests in such assets, or certain other property specified in the Tax Matters Agreement.

The Tax Matters Agreement includes representations from each McCain Party that (i) all information relating to such McCain Party or any person controlled by such McCain Party, and to the knowledge of such McCain Party (after reasonable inquiry) any non-arm's length persons, in the Ruling Application is accurate, (ii) neither such McCain Party nor any person controlled by such McCain Party has any present intention to take any Specified Action, and to the knowledge of such person (after reasonable inquiry), no Specified Action is intended to be taken by any other non-arm's length person, and (iii) since November 12, 2024, neither such McCain Party nor any person controlled by such McCain Party has taken any Specified Action, and to the knowledge of such McCain Party (after reasonable inquiry), no Specified Action has been taken by any other non-arm's length person. For purposes of the Tax Matters Agreement, each of the following will constitute a "Specified Action": (a) any acquisition described in (i) – (iii) in the second paragraph of this section above, (b) the sale of shares in the capital of Maple Leaf Foods to an unrelated person or a partnership, (c) the sale of shares in the capital of Canada Packers to an unrelated person or a partnership, (d) the sale of any property (including but not limited to shares in the capital of MCI) 10% or more of the fair market value of which is derived (at any time since November 12, 2024) from either shares in the capital of Canada Packers or shares in the capital of Maple Leaf Foods, to an unrelated person or a partnership, (e) subject to certain exceptions, the disposition of property described in (a), (b) and (c) to a related person as part of a series

of transaction or events in which such property or property received (directly or indirectly) in exchange for such property is acquired by an unrelated person or a person that becomes an unrelated person as part of the same series of transactions or events, or by a partnership, (f) the acquisition of assets held by Canada Packers immediately after the Arrangement, indirect interests in such assets (other than, for this purpose, shares of Canada Packers), or any other property described in subparagraph 55(3.1)(c)(ii) of the Tax Act, where the value of such acquisition exceeds \$1 million individually and \$25 million on a cumulative basis, and (g) the acquisition of assets retained by Maple Leaf Foods immediately after the Arrangement, or indirect interests in such assets (other than, for this purpose, shares in the capital of Maple Leaf Foods), or any other property described in subparagraph 55(3.1)(d)(ii) the Tax Act, where the value of such acquisition exceeds \$1 million individually and \$25 million on a cumulative basis.

Pension and Benefits Agreement

In connection with and prior to the completion of the Arrangement, Maple Leaf Foods and Subco (as predecessor to Canada Packers) will enter into a pension and benefits agreement (the "Pension and Benefits Agreement") which will govern the treatment of pension and employee group benefits for the Transferred Employees. Canada Packers will become a party to the Pension and Benefits Agreement upon the Amalgamation.

The following is a summary of the material terms of the Pension and Benefits Agreement:

Registered Pension Plans

The Pension and Benefits Agreement requires Canada Packers to establish the Canada Packers Plan, a registered pension plan with both defined benefit and defined contribution components which is economically equivalent to the MLF DB Plan and MLF DC Plan. On the Effective Date, Transferred Employees who participated in the MLF DB Plan or the MLF DC Plan will automatically join the equivalent provision of the Canada Packers Plan. Following receipt of applicable pension regulatory approvals, a proportionate share of the solvency liabilities and assets of the MLF DB Plan, as determined by actuarial consultants, as well as the account balances under the MLF DC Plan that relate to Transferred Employees will be transferred to the Canada Packers Plan, at which time the Canada Packers Plan will provide pension benefits for the Transferred Employees in respect of service with both Maple Leaf Foods and Canada Packers.

Non-Registered Supplementary Retirement Plans

The Pension and Benefits Agreement requires Canada Packers to establish the Canada Packers SERP, a non-registered and unfunded supplementary retirement plan with both defined benefit and defined contribution components which is economically equivalent to the MLF SERP. Transferred Employees who participated in the MLF SERP will automatically join the equivalent provision of the Canada Packers SERP and their entitlement under the MLF SERP will automatically be transferred to the Canada Packers SERP.

Employee Benefit Plans

The Pension and Benefits Agreement requires Canada Packers to establish as of the Effective Date non-pension employee group benefit plans which provide the same benefits to the Transferred Employees as were provided under the Maple Leaf Foods non-pension employee group benefit plans immediately prior to the Effective Date.

CERTAIN CREDIT FACILITY MATTERS

Existing Credit Facility

As of the date hereof, Maple Leaf Foods has a syndicated sustainability-linked credit facility (the "Existing Credit Facility") consisting of a \$1,300.0 million unsecured committed revolving line of credit maturing June 29, 2027, and two unsecured committed term facilities for \$350.0 million (Tranche 2) and US\$265.0 million (Tranche 1) maturing June 29, 2026 and June 29, 2027, respectively. On June 20, 2023, the Existing Credit Facility was amended by adding an additional \$400.0 million unsecured committed term credit (Tranche 3) maturing June 20, 2024, and adjusting the financial covenants to facilitate access to the new tranche. On April 30, 2024 the Corporation amended its Existing Credit Facility, downsizing Tranche 3 to \$300.0 million, and extending the maturity date to June 20, 2025.

New Credit Facilities

In April 2025, Maple Leaf Foods and its wholly owned subsidiary, Subco (which will amalgamate to form Canada Packers in connection with the Arrangement) each entered into a commitment letter with a Canadian chartered bank affiliated with BMO Capital Markets (the “Arranger and Administrative Agent”) providing that the Arranger and Administrative Agent would (i) structure and syndicate the new credit facilities expected to replace the Existing Credit Facility upon the completion of the Arrangement (respectively, the “New Maple Leaf Foods Credit Facilities” and the “New Canada Packers Credit Facilities,” and collectively, the “New Credit Facilities”) and (ii) act as administrative agent thereunder. As of the date hereof, third party lenders have committed to provide the New Credit Facilities on the terms described below and subject to the conditions set out in the commitment letters, including the requirement that the Arrangement shall have been completed in the manner described by this Circular and by no later than January 2, 2026.

New Maple Leaf Foods Credit Facilities

The New Maple Leaf Foods Credit Facilities will consist of a \$1,200.0 million unsecured committed revolving line of credit maturing 5 years from the completion of the Arrangement, and two unsecured committed term facilities for US\$200.0 million (Tranche 1) and \$550.0 million (Tranche 2) maturing 4 years and 3 years, respectively, from the completion of the Arrangement.

Maple Leaf Foods will be required to use the proceeds of the term facilities to refinance its existing indebtedness under the Existing Credit Facility. Maple Leaf Foods may use the proceeds of the revolving line of credit for general corporate purposes.

The revolving line of credit may be drawn in Canadian or U.S. dollars (or alternatively, in the case of letters of credit, euros). Borrowings under the New Maple Leaf Foods Credit Facilities will bear interest based on Canadian Overnight Repo Rate Average (“CORRA”) and Prime rates for Canadian dollar loans and based on the Secured Overnight Financing Rate (“SOFR”) for U.S. dollar loans. Subject to the approval of the lenders, the interest rate on the New Maple Leaf Foods Credit Facilities may be adjusted based on the Corporation's performance compared to specified sustainability targets.

The New Maple Leaf Foods Credit Facilities will require the maintenance of certain covenants. The primary financial covenant will require that Maple Leaf Foods maintain a total debt to capitalization ratio below a specified threshold.

Maple Leaf Foods may request an increase to the revolving line of credit by up to \$200 million pursuant to an uncommitted “accordion” feature.

New Canada Packers Credit Facilities

The New Canada Packers Credit Facilities will consist of a \$200.0 million committed secured revolving line of credit and a committed secured term facility for the Term Amount (as defined below).

The “Term Amount” means an amount equal to the lesser of (i) \$415 million and (ii) 3x earnings before interest, tax, depreciation and amortization, less IFRS 16 lease costs of Canada Packers for the twelve months ended at the end of the most recently completed fiscal quarter prior to completion of the Arrangement, calculated in accordance with the methodology set out in the commitment letter (“Financeable EBITDA”). Management estimates on a preliminary, unaudited and unreviewed basis that the Term Amount (if it had been based on Financeable EBITDA for the twelve months ending March 31, 2025) would have been in the range of approximately \$385-\$415 million. No assurance can be given regarding the future financial results of Canada Packers, which may vary materially from historical results and from management's expectations regarding such future results, including due to the factors described under the heading “Risk Factors” in *Schedule “G”* to this Circular, or as to what the Term Amount will be in the future. Although the pro forma financial statements of Canada Packers presented in *Schedule “I”* to this Circular assume a Term Amount of \$415 million, which is the maximum possible amount under the terms of the New Canada Packers Credit Facilities, the actual opening debt amount will not exceed 3x Financeable EBITDA.

The New Canada Packers Credit Facilities will be secured by first-ranking liens over substantially all of the assets of Canada Packers and its material subsidiaries and will mature 4 years from the completion of the Arrangement.

Canada Packers will be required to use a portion of the proceeds of the term facility to fund the price payable by Subco to acquire the Pork Operations from Maple Leaf Foods pursuant to the Separation Agreement, with the balance to be used for working capital such that, after such funding of the term facility, it will have not less than \$30 million of unrestricted cash. Canada Packers may use the proceeds of the revolving line of credit for general corporate purposes.

The revolving line of credit may be drawn in Canadian or U.S. dollars. Borrowings under the New Canada Packers Credit Facilities will bear interest based on CORRA and Prime rates for Canadian dollar loans and based on the SOFR for U.S. dollar loans. The New Canada Packers Credit Facilities may include sustainability provisions if agreed by Canada Packers and the lenders.

The New Canada Packers Credit Facilities will require the maintenance of certain covenants. The primary financial covenant will require that Canada Packers maintain a net debt to capitalization ratio below a specified threshold.

CERTAIN PRE-ARRANGEMENT TRANSACTIONS

On December 9, 2024, Subco was formed under the CBCA for the purpose of effecting the Arrangement. On April 17, 2025, Newco was formed under the CBCA for the purpose of effecting the Arrangement. In connection with the Arrangement, Newco and Subco will amalgamate on the Effective Date to form Canada Packers. See “The Arrangement – Plan of Arrangement”. Canada Packers’ head and registered office will be located at 6985 Financial Drive, Suite 201, Mississauga, Ontario L5N 0A1, the current head and registered office of Newco and Subco.

As of the date of this Circular, Subco’s authorized share capital consists of an unlimited number of common shares and Newco’s authorized share capital consists of an unlimited number of common shares.

As of the date of this Circular, neither Newco nor Subco has carried on any active business. As of the date of this Circular, there are 100 Subco Common Shares issued and outstanding, which shares were issued to Maple Leaf Foods for nominal consideration on incorporation. Newco has not issued any shares.

Under the Separation Agreement, among other things, certain assets related to the Pork Operations will be transferred to Subco and certain liabilities related to the Pork Operations will be assumed by Subco (the “Pre-Arrangement Transactions”). See “Separation Agreement” above.

CONDITIONS TO CLOSING OF THE ARRANGEMENT

Maple Leaf Foods Conditions Precedent

The obligation of Maple Leaf Foods to complete the Arrangement is subject to satisfaction of certain conditions, including the following:

- (a) the Interim Order shall have been obtained and shall not have been set aside;
- (a) the Pre-Arrangement Transactions shall have been completed;
- (b) the Arrangement Resolution shall have been approved by the requisite number of votes cast by Shareholders at the Meeting in accordance with the provisions of the Interim Order and applicable laws;
- (c) the Canada Packers Option Plan Resolution shall have been approved by the requisite number of votes cast by Shareholders at the Meeting in accordance with the provisions of the Interim Order and applicable laws;
- (d) the Final Order shall have been obtained and shall not have been set aside;
- (e) all material consents, orders, rulings, approvals, opinions and assurances, including regulatory, judicial, third party and advisor opinions, approvals and orders, required or necessary, in the sole discretion of Maple Leaf Foods, for the completion of the Pre-Arrangement Transactions, the Arrangement, the transactions contemplated by the Arrangement Agreement and the Tax Ruling shall have been obtained or received from the Persons having jurisdiction in the circumstances and all will be in full force and effect, and none of such consents, orders, rulings, approvals, opinions or assurances shall contain terms or conditions or require

undertakings or security that are considered unsatisfactory or unacceptable by Maple Leaf Foods, in its sole discretion;

- (f) no action shall have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of or relating to, the Arrangement and there shall not be in force any order or decree, in each case, restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement, the Tax Ruling or the Ruling Application and no cease trading or similar order with respect to any securities of any of the parties shall have been issued and remain outstanding;
- (g) no law, regulation or policy shall have been proposed, enacted, promulgated or applied that interferes or is inconsistent with the completion of the Pre-Arrangement Transactions, the Arrangement or any of the other transactions contemplated by the Arrangement Agreement or the Tax Ruling or the effective application of the Tax Ruling to the Arrangement, including any material change to the income tax laws of Canada, or any province or territory thereof;
- (h) the TSX will have conditionally approved the listing thereon of (A) the MLF New Common Shares issuable on the conversion of the MLF Arrangement Common Shares; and (B) the MLF New Common Shares issuable on the exercise of the MLF New Stock Options to be issued pursuant to the Arrangement, in each case, prior to the Effective Time and subject only to compliance with the usual requirements of the TSX imposed in similar circumstances;
- (i) the TSX will have conditionally approved the listing thereon of (A) the Newco Common Shares issuable pursuant to the Arrangement and (B) the Canada Packers Common Shares (including the Canada Packers Common Shares issuable under the Canada Packers Option Plan), in each case, prior to the Effective Time and subject only to compliance with the usual requirements of the TSX imposed in similar circumstances;
- (j) Maple Leaf Foods and Subco shall have entered into the Separation Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Pension and Benefits Agreement and the Supply Agreement;
- (k) Maple Leaf Foods, Michael H. McCain, MCI and Subco shall have entered into the Canada Packers Governance Agreement;
- (l) there shall not have occurred a Material Adverse Effect of Maple Leaf Foods, Newco or Subco; and
- (m) the Arrangement Agreement will not have been terminated pursuant to the provisions thereof.

Maple Leaf Foods may waive, in its discretion, the applicable condition in its favour described above in whole or in part; provided, however, that the conditions described in paragraphs in (a), (c), (e), (h) as it relates to the Tax Ruling, (i) and (j) may not be waived by Maple Leaf Foods.

Mutual Conditions Precedents

The respective obligations of the parties to complete the Arrangement are subject to the satisfaction, on or before the Effective Date of the following conditions, each of which may only be waived, in whole or in part, with the mutual written consent of the parties:

- (a) the Tax Ruling, having been issued by the CRA and received by the parties, in form and substance satisfactory to the parties, shall remain in full force and effect; and
- (b) all of the transactions referred to in the Tax Ruling as occurring on or prior to the Effective Time will have occurred and all conditions or terms of such Tax Ruling shall have been satisfied.

TAX RULING

Maple Leaf Foods has requested the Tax Ruling from the CRA. Although Maple Leaf Foods expects to receive the requested Tax Ruling, no assurances can be given in this regard. The completion of the Arrangement is conditional upon receipt of the requested Tax Ruling.

The Tax Ruling, if received from the CRA, is expected to contain income tax rulings binding on the CRA which would confirm that the transfer of the Transferred Property and other related transactions may generally be accomplished on a tax-free basis for Maple Leaf Foods, Canada Packers, and the Shareholders, and certain other tax matters related to the Arrangement, provided in each case that the material facts presented are accurately stated, the transfer is implemented as disclosed to the CRA and certain other conditions are satisfied. This requires, among other things, that the Arrangement complies with all requirements of the Butterfly Rules.

The Arrangement is structured to comply with these rules. However, there are certain requirements of these rules that may depend on events occurring after the Arrangement is completed or that may not be within the control of Maple Leaf Foods, Newco, Subco and/or Canada Packers. For example, under Section 55 of the Tax Act, Maple Leaf Foods and/or Canada Packers will recognize a taxable gain as a result of the Arrangement if: (a) a “specified shareholder” disposes of Maple Leaf Foods or Canada Packers Common Shares (or property that derives 10 per cent or more of its fair market value from such shares or property substituted therefor) to an unrelated person or to a partnership as part of the series of transactions which includes the Arrangement; (b) there is an acquisition of control of Maple Leaf Foods or of Canada Packers that is part of the series of transactions that includes the Arrangement; (c) a person unrelated to Canada Packers acquires in the aggregate (generally otherwise than in the ordinary course of operations of Canada Packers) as part of the series of transactions that includes the Arrangement, Transferred Property (or certain other property) that has a fair market value greater than 10 per cent of the fair market value of all Transferred Property; (d) a person unrelated to Maple Leaf Foods acquires in the aggregate (generally otherwise than in the ordinary course of operations of Maple Leaf Foods), as part of the series of transactions that includes the Arrangement, property retained by Maple Leaf Foods when it transfers the Transferred Property (or certain other property) that has a fair market value greater than 10 per cent of the fair market value of all such property retained by Maple Leaf Foods; or (e) certain persons or partnerships acquire shares of Maple Leaf Foods (other than in specified permitted transactions) in contemplation of, and as part of the series of transactions that includes, the Arrangement. If any of the above events were to occur and to cause the Arrangement to be taxable to Maple Leaf Foods or to Canada Packers under Section 55 of the Tax Act, Maple Leaf Foods or Canada Packers, as applicable, and in some cases, both Maple Leaf Foods and Canada Packers, would be liable for a substantial amount of tax. In addition, if such an event were due to an act of Maple Leaf Foods or Canada Packers (or one of their respective Affiliates), or an omission by one of them to act, Maple Leaf Foods or Canada Packers, as applicable, could be required under the Arrangement Agreement to indemnify the other party for taxes. For greater certainty, the transactions described in (a) to (e) above are not an exhaustive list of all transactions that could result in Maple Leaf Foods and/or Canada Packers realizing a taxable gain.

COURT APPROVAL OF THE ARRANGEMENT

An arrangement under the CBCA requires court approval. On May 1, 2025, Maple Leaf Foods obtained the Interim Order, authorizing the calling and holding of the Meeting and providing for certain other procedural matters. A copy of the Interim Order is attached as *Schedule “F”* to this Circular. If Shareholders approve the Arrangement Resolution at the Meeting in the manner set forth in the Interim Order, Maple Leaf Foods’ application to the Court to obtain the Final Order approving the Arrangement will proceed. The hearing of the application for the Final Order is scheduled to take place by video conference on June 13, 2025 at 10:00 a.m. (ET) or as soon thereafter as counsel may be heard. Any Shareholder or any other interested party desiring to appear and make submissions at the application for the Final Order may do so, provided that they comply with the applicable procedural requirements set forth in the Interim Order and the Notice of Application, which is attached as *Schedule “E”* to this Circular. The Court, when deciding the application for the Final Order, will consider, among other things, the fairness of the Arrangement, both from a substantive and a procedural perspective, to the Shareholders and other stakeholders as the Court determines appropriate. The Court may approve the Arrangement in any manner it may direct and determine appropriate. The securities to be issued to Shareholders in exchange for their MLF Common Shares pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or any state securities laws, and will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) thereof and exemptions under applicable state securities laws. The Court will be advised prior to the hearing for the Final Order that if the Arrangement is approved by the Court, such approval will be relied upon in seeking an exemption from the registration requirements of the U.S. Securities Act, pursuant to Section 3(a)(10) thereof, with respect to the offer and sale of the securities to be issued or distributed pursuant to the Arrangement.

REQUIRED SHAREHOLDER APPROVAL

At the Meeting, Shareholders will be asked to approve the Arrangement Resolution. In accordance with the Interim Order, the approval of the Arrangement Resolution will require the affirmative vote of:

1. not less than 66 2/3% of the votes cast by all Shareholders; and
2. not less than a simple majority of votes cast by the Public Shareholders,

in each case present in person or represented by proxy at the Meeting ((1) and (2), together, the “Required Shareholder Approval”). For more information, see “The Arrangement – Certain Securities Law Matters – Application of MI 61-101”.

The Canada Packers Option Plan Resolution must be approved by not less than a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

PROPOSED TIMETABLE FOR THE ARRANGEMENT

The expected timeline of key events in respect of the Arrangement below is provided for illustrative purposes only. Such events could be delayed or otherwise changed for a number of reasons and it is not possible to state if or when such events will occur.

See “The Arrangement – Risk Factors – Risks Relating to the Arrangement and Ownership of Canada Packers Common Shares – The Arrangement may be Delayed or Terminated by Maple Leaf Foods”.

Record Date:	April 23, 2025
Proxy Deadline:	June 9, 2025 (9:00 a.m.)
Shareholder Meeting:	June 11, 2025
Final Order Hearing:	June 13, 2025
Effective Date:	H2 2025

Assuming that Shareholders approve the Arrangement Resolution at the Meeting in the manner set forth in the Interim Order, that the Court grants the Final Order on June 13, 2025, in a form acceptable to Maple Leaf Foods, and the satisfaction of certain other conditions to completion of the Arrangement, as described in greater detail above, the Articles of Arrangement and related documents, in the form prescribed by the CBCA, will be filed with the Director at such time as Maple Leaf Foods deems appropriate, in its sole discretion. The Arrangement will become effective upon the issuance of the Certificate of Arrangement by the Director. Provided that the foregoing approvals and conditions are satisfied in a timely manner, Maple Leaf Foods currently expects that the Effective Date will occur in the second half of 2025. Once determined, Maple Leaf Foods will issue a news release announcing the timing of the Effective Date and the Arrangement Record Date.

DIVIDENDS

Maple Leaf Foods’ general practice has been to pay quarterly cash dividends on its common shares. Typically, these dividends are payable on the last business day of the month to Shareholders as of the record date established by the Board. The dividends declared on MLF Common Shares during the past three completed financial years are set out in the Annual Information Form (as filed on SEDAR+) under the heading “Dividends – Dividend History”.

It is currently anticipated that the combined aggregate initial quarterly dividends of Maple Leaf Foods and Canada Packers immediately following the completion of the Arrangement will not be less than the amount of Maple Leaf Foods’ aggregate quarterly dividend immediately prior to the completion of the Arrangement. See “Description of Capital Structure – Dividends” in each of *Schedule “G”* and *Schedule “J”* to this Circular.

TREATMENT OF EQUITY COMPENSATION SECURITIES

Maple Leaf Foods delivers a long-term incentive program in the form of equity based awards. See “Compensation Discussion and Analysis”. In addition, the MLF DSU Plan provides eligible directors the ability to defer the receipt of certain directors’ fees in exchange for DSUs or MLF Common Shares. See “Directors’ Compensation – DSU Plan” and “The Arrangement – Treatment of Equity Compensation Securities – Treatment of Outstanding DSUs”.

The Board determined that, in connection with the Arrangement, it would be in the best interests of Maple Leaf Foods and Canada Packers for:

- MLF Stock Options held by Transferred Employees to be exchanged for Canada Packers Stock Options, subject to adjustment to ensure that the aggregate value of such MLF Stock Options immediately prior to the Effective Time is equal to the aggregate value of such Canada Packers Stock Options immediately following the Effective Time;
- MLF Stock Options held by Non-Transferred Employees and Former MLF Employees to be exchanged for MLF New Stock Options, subject to adjustment to ensure that the aggregate value of such MLF Stock Options immediately prior to the Effective Time is equal to the aggregate value of such MLF New Stock Options immediately following the Effective Time;
- RSUs and PSUs held by Transferred Employees to be amended so that the “Share” underlying such incentive securities refers to a Canada Packers Common Share and the aggregate value of such incentive securities is the same immediately before and immediately after the Effective Time;
- RSUs and PSUs held by Non-Transferred Employees and Former MLF Employees to be adjusted to ensure that the aggregate value of such Maple Leaf Foods incentive securities is the same immediately before and immediately after the Effective Time; and
- DSUs held to be adjusted to ensure that the aggregate value of such securities is the same immediately before and immediately after the Effective Time.

More specifically, MLF Stock Options, RSUs, PSUs and DSUs outstanding as of immediately before the Effective Time will be treated as set out below, subject to the discretion of the Board.

Treatment of Outstanding MLF Stock Options

As of April 22, 2025, there were MLF Stock Options outstanding to acquire a total of 7,501,100 MLF Common Shares. Under these outstanding MLF Stock Options, the exercise price per MLF Common Share ranges from \$22.95 to \$31.57, with a weighted average exercise price of \$24.90. The MLF Stock Option Plan is administered by the Human Resources and Compensation Committee, which is composed entirely of independent directors of Maple Leaf Foods. MLF Stock Options generally vest one third each year, beginning on the first anniversary of the grant date and have a seven-year term. Each MLF Stock Option entitles the holder, upon exercise, to acquire one MLF Common Share at the applicable exercise price. MLF Stock Options are exercisable at a price not below the market value at the time of grant. The market value of a MLF Stock Option is determined based on the volume weighted average trading price of MLF Common Shares on the TSX for the five days prior to the date of grant.

For MLF Stock Options held as of immediately prior to the Effective Time by Non-Transferred Employees and Former MLF Employees, pursuant to the Arrangement:

- (a) each such MLF Stock Option will be exchanged for a MLF New Stock Option granting each respective holder the right to acquire a number of MLF New Common Shares equal to (rounded down to the nearest whole number):
 - (i) the MLF Equity Security Ratio, multiplied by
 - (ii) the number of MLF Common Shares issuable under such MLF Stock Option immediately prior to such exchange; and

- (b) the per share exercise price for the MLF New Common Shares issuable upon exercise of each such MLF New Stock Option for which an MLF Stock Option is exchanged will be (rounded up to the nearest whole cent) equal to:
- (i) the exercise price per MLF Common Share issuable under such MLF Stock Option immediately prior to such exchange, divided by
 - (ii) the MLF Equity Security Ratio.

For greater certainty, the aggregate In The Money Amount of each of a holder's MLF New Stock Options immediately after the exchange will not exceed the aggregate In The Money Amount of such holder's MLF Stock Option exchanged for such MLF New Stock Option immediately before the exchange. Further, all other terms and conditions applicable to a MLF New Stock Option, including the terms of expiry, vesting and conditions to and manner of exercising shall remain the same as the MLF Stock Option exchanged herein.

For MLF Stock Options held as of immediately prior to the Effective Time by Transferred Employees, pursuant to the Arrangement:

- (a) each such MLF Stock Option will be exchanged for a Subco Stock Option granting each respective holder the right to acquire a number of Subco Common Shares with a total FMV, immediately after such exchange, that is equal to the total FMV, immediately before such exchange, of the MLF Common Shares issuable under the exchanged MLF Stock Option, and with an aggregate exercise price equal to the aggregate exercise price of the MLF Stock Option exchanged therefor. All other terms and conditions applicable to a Subco Stock Option, including the terms of expiry, vesting and conditions to and manner of exercising shall remain the same as the MLF Stock Option exchanged herein;
- (b) by virtue of the Amalgamation, each outstanding Subco Stock Option will be exchanged for a Canada Packers Stock Option granting the holder of such option the right to acquire a number of Canada Packers Common Shares equal to (rounded down to the nearest whole number):
 - (i) the Canada Packers Equity Security Ratio multiplied by
 - (ii) the number of MLF Common Shares issuable under the MLF Stock Option which was previously exchanged for the Subco Stock Option; and
- (c) the per share exercise price for the Canada Packers Common Shares issuable upon exercise of each such Canada Packers Stock Option will be (rounded up to the nearest whole cent) equal to: (i) the exercise price per MLF Common Share issuable under the MLF Stock Option which was previously exchanged for the Subco Stock Option, divided by (ii) the Canada Packers Equity Security Ratio.

For greater certainty, the aggregate In The Money Amount of each of a holder's Subco Stock Options immediately after the exchange in (a) above will not exceed the aggregate In The Money Amount of such holder's MLF Stock Option exchanged for such Subco Stock Option immediately before such exchange, and the aggregate In The Money Amount of a holder's Canada Packers Stock Option immediately after the exchange in (b) above will not exceed the aggregate In The Money Amount of such holder's Subco Stock Option exchanged for such Canada Packers Stock Option immediately before such exchange. All other terms and conditions applicable to a Canada Packers Stock Option, including the terms of expiry, vesting and conditions to and manner of exercising shall remain the same as the MLF Stock Option initially exchanged herein.

The specific number of MLF New Stock Options outstanding following the Arrangement cannot be determined at this time as it will depend on, among other things, the volume weighted average trading price of the MLF Common Shares on the TSX for the ten trading days preceding the Effective Date and the volume weighted average trading price of the MLF Common Shares on the TSX for the first ten trading days commencing on the Effective Date.

The specific number of Canada Packers Stock Options outstanding following the Arrangement cannot be determined at this time as it will depend on, among other things, the volume weighted average trading price of the MLF Common Shares on the TSX for the ten trading days preceding the Effective Date and the volume weighted

average trading price of the Canada Packers Common Shares on the TSX for the first ten trading days commencing on the Effective Date.

Treatment of Outstanding RSUs and PSUs

As of April 22, 2025, there were approximately 4,118,971 RSUs and PSUs outstanding. Pursuant to the LTIP, Maple Leaf Foods may grant RSUs and PSUs to employees, including executive officers. RSUs and PSUs typically vest over a period of approximately three years. Subject to Maple Leaf Foods' discretion to cash-settle such units, upon maturity, a participant receives one MLF Common Share for each RSU held, whereas the number of MLF Common Shares to be received by a participant upon maturity of a PSU is subject to upward or downward adjustment to reflect the level of achievement of the performance vesting criteria. Maple Leaf Foods typically settles RSUs and PSUs with market-purchased MLF Common Shares, and may at its discretion, settle RSUs and PSUs with cash. Under the terms of the LTIP, RSUs and PSUs cannot be settled with treasury shares.

Pursuant to the Arrangement, RSUs and PSUs will be treated in a manner which is intended to ensure that the holders of such units will be put in the same aggregate economic position in respect of such RSUs and PSUs immediately following the Arrangement as they were in immediately prior to the Arrangement.

For PSUs and RSUs held by Transferred Employees, pursuant to and in accordance with the LTIP, each such person's holding of PSUs and RSUs will be adjusted such that, following completion of the Arrangement:

- (a) the "**Share**" (as defined in the LTIP) applicable to each PSU and RSU held shall refer to a Canada Packers Common Share in place of an MLF Common Share; and
- (b) the number of PSUs and the number of RSUs held by such person shall be equal to (i) the number of MLF Common Shares underlying such PSUs and RSUs, respectively, as of immediately prior to the Effective Time, multiplied by (ii) the Canada Packers Equity Security Ratio.

Pursuant to the Transaction Agreements, Maple Leaf Foods' obligation in respect of the PSUs and RSUs held by Transferred Employees shall become an obligation of Canada Packers.

For PSUs and RSUs held by Non-Transferred Employees and Former MLF Employees, pursuant to and in accordance with the LTIP, each such person's holding of PSUs and RSUs will be adjusted such that, following completion of the Arrangement, the number of PSUs and the number of RSUs held by such person shall be equal to (i) the number of MLF Common Shares underlying the PSUs and RSUs, respectively, held by such person as of immediately prior to the Effective Time, multiplied by (ii) the MLF Equity Security Ratio.

Performance vesting criteria under the adjusted PSUs will be modified to reflect the expected post-Arrangement performance of Canada Packers for PSUs held by Transferred Employees and of Maple Leaf Foods for PSUs held by Non-Transferred Employees and Former Employees. Otherwise, all other material terms and conditions applicable to the RSUs and PSUs, including the terms regarding time of vesting and time and form of settlement shall remain the same.

Treatment of Outstanding DSUs

As of April 22, 2025, there were 256,284 DSUs outstanding. DSUs are notional shares that have the same value as MLF Common Shares. DSUs earn dividend equivalents as additional units at the same rate as dividends paid on MLF Common Shares. The MLF DSU Plan allows non-employee directors to choose to receive a portion of their retainers and fees in DSUs instead of cash. After a participant's retirement from the Board (provided they are not then an employee of Maple Leaf Foods or a subsidiary thereof), at Maple Leaf Foods' option, DSUs may be settled by the issuance of MLF Common Shares from treasury, the delivery of market-purchased MLF Common Shares, or a cash payment.

Pursuant to and in accordance with the MLF DSU Plan, the number of DSUs recorded in the account of each participant in the MLF DSU Plan will be adjusted such that, following completion of the Arrangement, the aggregate number of DSUs held by such person shall be equal to (i) the number of DSUs held by such participant as of immediately prior to the Effective Time, multiplied by (ii) the MLF Equity Security Ratio. All other material terms and

conditions applicable to the DSUs, including the terms relating to crediting and distribution of DSUs shall remain the same.

TREATMENT OF MAPLE LEAF FOODS EMPLOYEES AND EMPLOYEE BENEFIT PLANS

To provide for the allocation of management and employees to each of Maple Leaf Foods and Canada Packers after giving effect to the Arrangement, certain modifications are required to be made to employment arrangements. These arrangements will become effective on or following the Effective Date. Other than rights to be granted pursuant to the Governance Agreement, the Arrangement will not result in directors, officers or employees of Maple Leaf Foods receiving any material benefit that Shareholders do not receive generally in connection with the Arrangement. Other than as described in “The Arrangement – Arrangement Agreement – Treatment of Equity Compensation Securities”, there will be no acceleration of vesting, redemption or settlement of incentive securities, triggering of change of control provisions or other payments or benefits being made to the directors, officers or employees of Maple Leaf Foods in connection with the Arrangement.

Employment Agreements

As at December 31, 2024, Maple Leaf Foods and its subsidiaries had approximately 13,500 employees. Maple Leaf Foods expects approximately 9,800 employees to remain with Maple Leaf Foods and its subsidiaries after the Arrangement becomes effective and approximately 3,700 employees to be transferred to Canada Packers and its subsidiaries, on equivalent terms of employment, upon or after the Arrangement becoming effective.

Historically, Maple Leaf Foods has not had executive employment agreements that specify the benefits payable on termination of employment or change of control. However, in 2023, Maple Leaf Foods entered into executive employment agreements with, among others, Michael H. McCain and Dennis Organ, which provide benefits containing termination or change of control benefits in certain situations. The Arrangement will not trigger any termination or change of control benefits for purposes of such agreements.

Pension Plans

Maple Leaf Foods Pension and Retirement Plans

Maple Leaf Foods maintains a pension plan registered under the Tax Act and the *Pension Benefits Act* (Ontario) with both a defined benefit component (the “MLF DB Plan”) and a defined contribution component (the “MLF DC Plan”), as well as a non-registered and unfunded supplemental retirement plan with both defined benefit and defined contribution components (the “MLF SERP”).

On the Effective Date, Transferred Employees who participated in the MLF DB Plan or the MLF DC Plan will automatically join an economically equivalent registered pension plan with both defined benefit and defined contribution components established by Canada Packers (the “Canada Packers Plan”). Following the receipt of applicable pension regulatory approvals, a proportionate share of the solvency liabilities and assets of the MLF DB Plan, as determined by actuarial consultants, as well as the account balances under the MLF DC Plan that relate to Transferred Employees will be transferred to the Canada Packers Plan at which time the Canada Packers Plan will provide pension benefits for the Transferred Employees in respect of service with both Maple Leaf Foods and Canada Packers. Transferred Employees who participated in the MLF SERP will automatically join the equivalent provision of a non-registered and unfunded supplementary retirement plan with both defined benefit and defined contribution components established by Canada Packers (the “Canada Packers SERP”) and their entitlement under the MLF SERP will automatically be transferred to the Canada Packers SERP.

DIRECTOR AND OFFICER MATTERS

Directors’ and Officers’ Liability Insurance

Maple Leaf Foods provides directors’ and officers’ liability insurance with a policy limit of \$60,000,000. Under this insurance coverage, Maple Leaf Foods is reimbursed for payments made under corporate indemnity provisions on behalf of its directors and officers subject to a maximum deductible of \$300,000 per occurrence. Individual directors

and officers are also reimbursed for losses arising during the performance of their duties for which they are not indemnified by Maple Leaf Foods. Excluded from coverage are illegal acts and acts which result in personal profit.

On the Effective Date, Canada Packers will purchase separate and distinct liability insurance to protect its directors and officers (or their heirs and legal representatives) against liabilities they may incur while performing their duties as directors and officers of Canada Packers and/or its subsidiaries, subject to the limitations set out in the CBCA.

Certain Intentions of Maple Leaf Foods Directors and Executive Officers

All of the directors and executive officers of Maple Leaf Foods have indicated that they intend to vote all of their MLF Common Shares **FOR** the Arrangement Resolution and **FOR** the Canada Packers Option Plan Resolution. Also see “The Arrangement – Voting Support Agreements.”

As of April 22, 2025, such directors and executive officers beneficially owned or exercised control or direction over, directly or indirectly, an aggregate of 49,573,084 MLF Common Shares representing approximately 39.99% of the outstanding MLF Common Shares.

EXPENSES OF THE ARRANGEMENT

It is expected that, pursuant to the Separation Agreement: (a) Maple Leaf Foods will generally be responsible for all fees and out-of-pocket costs and expenses payable to Governmental Authorities to make filings or applications or obtain rulings, orders or listings necessary or desirable in connection with the Arrangement, other than certain tax-related fees; (b) Maple Leaf Foods will generally be responsible for transaction costs incurred and payable prior to the Effective Date; and (c) all transaction costs incurred and/or payable after the Effective Date in connection with the Arrangement will generally be apportioned to Maple Leaf Foods and Canada Packers depending on which party principally benefits from the applicable expenditure.

RISK FACTORS

Completion of the Arrangement is subject to a number of risks. Shareholders should carefully consider the risks described below in evaluating whether or not to approve the Arrangement Resolution. Additional risks regarding the business of Maple Leaf Foods are disclosed in the Risk Factors section in the Annual Information Form and Annual MD&A, each available on the Corporation’s website at www.mapleleaffoods.com and SEDAR+ at www.sedarplus.ca. Additional risks regarding the business of Canada Packers and the Canada Packers Common Shares and the business of Maple Leaf Foods following completion of the Arrangement and the MLF New Common Shares are disclosed in *Schedule “G”* and *Schedule “J”* to this Circular, respectively. You are advised to carefully review the risk factors set out below as well as the other information contained in and incorporated by reference in this Circular before voting on the Arrangement Resolution and Canada Packers Option Plan Resolution at the Meeting.

Risks Relating to the Arrangement and Ownership of MLF New Common Shares and Canada Packers Common Shares

Conditions Precedent and Required Approvals

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside the Corporation’s control, including receipt of the Tax Ruling, Required Shareholder Approval, Court approval and TSX Approval. There can be no certainty, nor can Maple Leaf Foods provide any assurance, that all conditions precedent to the Arrangement will be satisfied, or, if satisfied, when they will be satisfied. If certain approvals and consents are not received prior to the Effective Date, implementation of all or part of the Arrangement may be amended or delayed, including possibly delaying the completion of the Arrangement in order to allow sufficient time to complete such matters. If the Arrangement is delayed or not completed, the market price of the MLF Common Shares may be materially adversely affected.

The Arrangement may be Delayed or Terminated by Maple Leaf Foods

It is possible that future factors may arise that make it inadvisable to proceed with, or advisable to delay, all or part of the Arrangement. Maple Leaf Foods may, in its sole discretion and without the approval of Shareholders, at any

time before or after holding the Meeting, but prior to the completion of the Arrangement, terminate or indefinitely delay its plans to proceed with the Arrangement. If the Arrangement is delayed or not completed, the market price of the MLF Common Shares may be materially adversely affected.

Diversification and Integration

Maple Leaf Foods currently benefits from the diversification associated with the combination of its CPG operations and the Pork Operations, as the cyclicalities, market and business drivers can be complementary and off-setting. At the same time, it has the opportunity to leverage the benefits of having a fully integrated pork supply chain with the Pork Operations and CPG Operations. The Arrangement will separate the ownership and operation of the Pork Operations from the remaining business of Maple Leaf Foods. Accordingly, this separation will result in reduced diversification for each of Maple Leaf Foods and Canada Packers and will reduce the synergies associated with an integrated pork value chain. Reduced diversification may amplify the risks to Maple Leaf Foods of economic downturns or adverse changes in its Prepared Foods and Poultry portfolios, and to Canada Packers of economic downturns or adverse changes in the pork industry and global pork markets. Moving away from an integrated pork supply chain will change the dynamics and operations between Maple Leaf Foods and Canada Packers, as each move forward dependent upon the contractual arrangements under the Supply Agreement, and the two companies may have competing interests as each seeks to optimize their respective operations.

Volatility and Trading Price Following Completion of the Arrangement

Upon completion of the Arrangement, Shareholders will hold MLF New Common Shares and Canada Packers Common Shares. Following the completion of the Arrangement, the respective businesses of Maple Leaf Foods and Canada Packers will differ from the business of Maple Leaf Foods as it existed immediately prior to the completion of the Arrangement, and their respective results of operations may be affected by factors different from those previously affecting the Corporation's results of operations prior to the completion of the Arrangement. Therefore, events or circumstances that might have caused an increase or decrease in the value of the MLF Common Shares prior to the Arrangement might not have the same effect on the value of MLF New Common Shares and Canada Packers Common Shares following the Arrangement.

The market price for the MLF New Common Shares and Canada Packers Common Shares may be volatile and subject to fluctuations in response to numerous factors, many of which will be beyond Maple Leaf Foods or Canada Packers' control, as applicable, including, but not limited to, the following: (i) actual or anticipated fluctuations in quarterly results of operations; (ii) changes in estimates of Maple Leaf Foods' or Canada Packers' future financial performance; (iii) recommendations by securities research analysts; (iv) changes in the economic performance or market valuations of other issuers that investors deem comparable to Maple Leaf Foods or Canada Packers; (v) the addition or departure of executive officers and other key personnel; (vi) sales or anticipated sales of MLF New Common Shares or Canada Packers Common Shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving competitors of Maple Leaf Foods or Canada Packers; and (viii) news reports relating to trends, concerns, competitive developments, regulatory changes and other related issues in Maple Leaf Foods' or Canada Packers' respective industry or target markets.

The trading price of the MLF New Common Shares is expected to be lower following the Arrangement than the trading price of the MLF Common Shares prior thereto, reflecting the transfer of Maple Leaf Foods' effective interest in the Pork Operations, and such price may fluctuate significantly for a period of time following the Arrangement. Moreover, the trading prices of the MLF New Common Shares and the Canada Packers Common Shares received by a Shareholder pursuant to the Arrangement, taken together, may be materially less than the trading price of the MLF Common Shares immediately prior to the Arrangement.

The fact that MCI and Maple Leaf Foods will each own and control a significant portion of the Canada Packers Common Shares upon completion of the Arrangement will impact the liquidity of the Canada Packers Common Shares. As such, the price of the Canada Packers Common Shares may be more volatile than that of the shares of larger, more established companies, including Maple Leaf Foods. The Canada Packers Common Shares may trade less frequently and in smaller volumes than shares of larger companies. As a result, Canada Packers Common Shares may be more difficult to buy or sell in a timely fashion compared to the shares of larger companies on the secondary market. There may also be relatively few Canada Packers Common Shares outstanding at any given time, so a sale or purchase of Canada Packers Common Shares may have a material impact on the price of the Canada Packers Common Shares.

Financial markets have in the past experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the MLF New Common Shares and Canada Packers Common Shares may decline even if Maple Leaf Foods' and Canada Packers' operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, Canada Packers' operations and the trading price of the Canada Packers Common Shares may be materially adversely affected.

De-scaling Risks and Risks relating to Operating Separately

Following the Arrangement, the separation of Canada Packers from Maple Leaf Foods may materially adversely affect each of Maple Leaf Foods and Canada Packers. Each of Maple Leaf Foods and Canada Packers will be smaller businesses following the Arrangement than Maple Leaf Foods is today, which could impair their respective abilities to recruit and retain key employees, maintain and grow key customer and supplier arrangements and maintain competitiveness in relation to key competitors. In addition, Maple Leaf Foods and Canada Packers may not be able to successfully implement the changes necessary to operate independently. Maple Leaf Foods and Canada Packers may incur additional costs relating to operating independently that could materially affect their respective cash flow and results of operations.

Upon completion of the Arrangement, Maple Leaf Foods will, directly or indirectly, own or control approximately 16.0% of the issued and outstanding Canada Packers Common Shares and will have a significant commercial relationship with Canada Packers through the Supply Agreement. Maple Leaf Foods will therefore continue to be exposed to risks associated with the Pork Operations in those respects. In addition, Maple Leaf Foods will be highly dependent on Canada Packers for its supply of fresh and frozen pork required for its prepared meats operations, including RWA pork that may not be easily sourced from other suppliers. Any disruption in Canada Packers ability to supply Maple Leaf Foods with pork for its prepared meats business could materially affect Maple Leaf Foods' business and operations. See "The Arrangement – Transaction Agreements – Supply Agreement".

Canada Packers will require Maple Leaf Foods to provide it with certain services, including trademark, intellectual property licensing and information systems services, and Canada Packers will, as a result, be dependent on such services and licensing arrangements in its operations. See "The Arrangement – Transaction Agreements – Supply Agreement" and " – Long-Term Services Agreement" above for additional details.

Market for Canada Packers Common Shares

Currently, there is no public market for the Canada Packers Common Shares and the price at which trading in these shares will occur after completion of the Arrangement cannot be predicted. There can be no assurance that an active and liquid trading market will develop after the Arrangement or, if developed, that such a market will be sustained. In addition, if an active public market does not develop or is not maintained, holders of Canada Packers Common Shares may have difficulty selling such shares.

Selling of Shares

Upon completion of the Arrangement, there may be Shareholders who wish to sell their MLF New Common Shares or their Canada Packers Common Shares. Some Shareholders may determine that they do not wish to have an investment solely in the post-Arrangement operations of Maple Leaf Foods or Canada Packers, as the case may be. In addition, some Shareholders may be subject to investment restrictions which preclude them from holding Canada Packers Common Shares, while other Shareholders may elect to sell MLF New Common Shares or Canada Packers Common Shares for different reasons. If there are a significant number of sellers of MLF New Common Shares or Canada Packers Common Shares without a corresponding number of buyers, the trading price of those shares could decline, and such decline could be material.

Indemnification Obligations

In connection with the Arrangement, Maple Leaf Foods, Newco and Subco have entered into the Arrangement Agreement, which contains a number of representations, warranties and covenants of those parties, including

agreement by each of those parties to indemnify and hold harmless the other parties and their respective representatives against any loss suffered or incurred resulting from or in connection with a breach of certain tax-related covenants. One of these covenants is that, on or before the Effective Date, each party will not perform any act or enter into any transaction or permit any transaction within its control to occur that could reasonably be considered to interfere or be inconsistent with the Tax Ruling. Another of these covenants is that each of Maple Leaf Foods, Newco and Subco (or the successor to Newco and Subco), for a period of two years after the Effective Date, will not (and will cause its subsidiaries to not) take any action, omit to take any action, or enter into any transaction that could cause the Pre-Arrangement Transactions, the Arrangement or any related transactions to be taxed in a manner inconsistent with that provided for in the Tax Ruling without obtaining a tax ruling or an opinion of a nationally recognized law firm that such action, omission or transaction will not have such effect.

Any indemnification claim against Maple Leaf Foods or Canada Packers (on its own account or as the successor to Newco and Subco) pursuant to the provisions of the Arrangement Agreement could be substantial, may not be able to be satisfied and may have a Material Adverse Effect upon Maple Leaf Foods or Canada Packers, as applicable.

Costs of the Arrangement

There are certain costs related to the Arrangement, such as those for legal, accounting and financial advisory services and the Fairness Opinion, that must be paid even if the Arrangement is not completed. There are also opportunity costs associated with the diversion of management attention away from the conduct of Maple Leaf Foods' business in the ordinary course.

Canadian Tax Considerations

The Tax Ruling requested from the CRA requires, among other things, that the Arrangement comply with all requirements of the public company "butterfly" rules in Section 55 of the Tax Act. Although the Arrangement is structured to comply with these rules, there are certain requirements of these rules that depend on events occurring after the Arrangement is completed or that may not be within the control of Maple Leaf Foods or Canada Packers. The Tax Matters Agreement includes certain provisions related to compliance with requirements of the Butterfly Rules, but does not prevent the parties thereto from taking certain actions that could result in the failure of these requirements to be met. See "The Arrangement – Transaction Agreements – Tax Matters Agreement". If these requirements are not met, Maple Leaf Foods and/or Canada Packers would recognize a taxable gain in respect of the Arrangement. If incurred, tax liabilities could be substantial and could have a material effect on the financial position of Maple Leaf Foods and/or Canada Packers. In addition, if such requirements are not met due to an act of Canada Packers or Maple Leaf Foods, Canada Packers (as the successor of Newco and Subco) or Maple Leaf Foods, as applicable, could be required to indemnify the other party under the terms of the Arrangement Agreement. See "The Arrangement – Arrangement Agreement – Tax Covenants and Indemnification".

CERTAIN SECURITIES LAW MATTERS

Canadian Securities Laws

Maple Leaf Foods is a reporting issuer in all of the provinces of Canada. Upon completion of the Arrangement, it is expected that Canada Packers will be a reporting issuer in all of the provinces of Canada.

Application of MI 61-101

Maple Leaf Foods is subject to the provisions of MI 61-101, which regulates certain types of transactions to ensure equality of treatment among securityholders, which in certain circumstances may require enhanced disclosure, approval by a majority of securityholders excluding interested or related parties, independent valuations and approval and oversight of certain transactions by a special committee of independent directors.

The protections afforded by MI 61-101 apply to, among other transactions, (i) "business combinations" (as defined in MI 61-101), which are certain transactions that may terminate the interests of security holders without their consent and where a "related party" (as defined in MI 61-101) is party to a "connected transaction" (as defined in MI 61-101) to the transaction or is entitled to receive a "collateral benefit" (as defined in MI 61-101) as a consequence of the transaction; and (ii) "related party transactions" (as defined in MI 61-101), being certain transactions with a related party. A "related party" of an issuer includes a director, senior officer and a shareholder

holding over 10% of the issued and outstanding shares of the issuer. A “connected transaction” means two or more transactions that have at least one party in common, directly or indirectly, other than transactions related solely to services as an employee, director or consultant, and (i) are negotiated or completed at approximately the same time, or (ii) the completion of at least one of the transactions is conditional on the completion of each of the other transactions.

Each of the members of the Excluded Voting Group is a related party of Maple Leaf Foods and is entering into one or more agreements in connection with the Arrangement as described in this Circular, including the Canada Packers Governance Agreement, the Voting Support Agreements and the Tax Matters Agreement. The entering into the Canada Packers Governance Agreement by the McCain Holders, Maple Leaf Foods and Canada Packers in connection with and prior to the completion of the Arrangement may be considered a connected transaction to the Arrangement, since such agreement has parties in common with the Arrangement Agreement and will be completed at approximately the same time, may be considered a “related party transaction” of Maple Leaf Foods, and may also constitute a “collateral benefit” (within the meaning of MI 61-101) to the members of the Excluded Voting Group. As such, the Arrangement may be considered a “business combination” subject to MI 61-101.

Pursuant to MI 61-101, any related party of the Corporation that is entitled to receive a collateral benefit would be considered an “interested party” (within the meaning of MI 61-101) to the Arrangement, as a consequence of which Maple Leaf Foods (i) would be required to obtain approval of the Arrangement by a simple majority of Shareholders, excluding such interested parties and their related parties and joint actors, unless an exemption is available under MI 61-101, and (ii) could also be required to obtain a formal valuation for the Arrangement from a qualified and independent valuator and to provide security holders with a summary of such valuation, unless an exemption is available under MI 61-101.

As a result of the considerations described above, Maple Leaf Foods is required to obtain minority approval for the Arrangement Resolution. Each of the members of the Excluded Voting Group may be considered an interested party in respect of the Arrangement. Accordingly, the votes attached to the MLF Common Shares held by any member of the Excluded Voting Group will be excluded in determining minority approval of the Arrangement Resolution.

Pursuant to section 4.3(1) of MI 61-101, a formal valuation is not required for the Arrangement, as no interested party would acquire or combine with Maple Leaf Foods or its business pursuant to the Arrangement, and no interested party is party to a connected transaction to the Arrangement that is a related party transaction for which the issuer is required to obtain a formal valuation under section 5.4 of MI 61-101. To the extent that the entry into the Canada Packers Governance Agreement constitutes a related party transaction of Maple Leaf Foods, the Corporation is relying on the exemption from the formal valuation requirement that is available in subsection 5.5(a) of MI 61-101 (and the corresponding exemption from the minority approval requirement that is available under subsection 5.7(a) of MI 61-101), which provides for an exemption from such requirements if neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the related party transaction, insofar as it involves interested parties, exceeds 25% of the Corporation’s market capitalization.

To the knowledge of Maple Leaf Foods, after reasonable inquiry, there are 49,088,794 MLF Common Shares (approximately 39.60% of the outstanding MLF Common Shares) which will be excluded in determining whether minority approval for the Arrangement Resolution is obtained, including: (i) 48,948,794 MLF Common Shares beneficially owned, or which are controlled or directed, directly or indirectly, by Michael H. McCain; and (ii) 140,000 MLF Common Shares beneficially owned, or which are controlled or directed, directly or indirectly, by Jonathan W.F. McCain.

U.S. Securities Law Matters

The MLF New Common Shares and Canada Packers Common Shares to be issued to Shareholders in exchange for their MLF Common Shares under the Arrangement have not been and will not be registered under the U.S. Securities Act or the state securities laws of any state of the United States and will be issued and exchanged in reliance upon the exemption from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof, and exemptions provided under the state securities laws of each state of the United States in which Shareholders reside.

Section 3(a)(10) of the U.S. Securities Act exempts the issuance of securities issued in exchange for one or more *bona fide* outstanding securities from the general requirement of registration where the terms and conditions of

such issuance and exchange have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court granted the Interim Order on May 1, 2025, and, subject to the approval of the Arrangement Resolution by Shareholders and satisfaction of certain other conditions, a final hearing on the Arrangement is expected to be held on June 13, 2025 by the Court. All Shareholders are entitled to appear and be heard at this hearing, provided they satisfy the applicable conditions set forth in the Interim Order. See “The Arrangement – Court Approval of the Arrangement”. The Final Order of the Court will, if granted, be relied upon as the basis for the exemption from the registration requirement of the U.S. Securities Act provided by section 3(a)(10) thereof with respect to the MLF New Common Shares and Canada Packers Common Shares issuable in connection with the Arrangement.

The MLF New Common Shares and Canada Packers Common Shares issued under the Arrangement will be freely transferable under United States federal securities laws, except by persons who are affiliates of Maple Leaf Foods or Canada Packers or who were affiliates of Maple Leaf Foods within 90 days before the completion of the Arrangement. Persons who may be deemed to be “affiliates” of an issuer generally include individuals or entities that control, are controlled by or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as 10% or greater shareholders of the issuer. Any resale of the MLF New Common Shares and Canada Packers Common Shares received under the Arrangement by such an affiliate (or, former affiliate) may be subject to the registration requirement of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such securities pursuant to Rule 144 under the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale of the MLF New Common Shares and Canada Packers Common Shares received upon completion of the Arrangement. All holders of such securities are urged to consult with their own counsel to ensure that the resale of their MLF New Common Shares and Canada Packers Common Shares complies with applicable securities legislation.

See “Information for U.S. Shareholders”.

STOCK EXCHANGE LISTING

Maple Leaf Foods has applied to list on the TSX (a) the Canada Packers Common Shares issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable under the Canada Packers Option Plan; (b) the Newco Common Shares issuable pursuant to the Arrangement; (c) the MLF New Common Shares issuable on the conversion of the MLF Arrangement Common Shares; and (d) the MLF New Common Shares issuable on the exercise of the MLF New Stock Options to be issued pursuant to the Arrangement.

Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved the above listing application and there is no assurance that the TSX will approve such application. It is a condition precedent to the completion of the Arrangement under the terms of Arrangement Agreement that Maple Leaf Foods receives the conditional approval of the TSX in respect of the above listing application, subject only to compliance with the usual requirements of the TSX. Maple Leaf Foods will not proceed with the Arrangement without receiving such approval.

The trading symbol for the Canada Packers Common Shares on the TSX will be “CPKR”. Following the Arrangement, the MLF New Common Shares will continue to be listed on the TSX under Maple Leaf Foods’ current trading symbol, “MFI”.

TRADING OF SHARES ON THE TSX

The following is a summary of the trading markets that may develop in MLF Common Shares and Canada Packers Common Shares prior to the Effective Date. Shareholders are encouraged to consult their brokers and financial advisors regarding the specific consequences of trading MLF Common Shares and Canada Packers Common Shares prior to the Effective Date.

Types of Trading and Markets

Shares may trade on the TSX under a variety of methods and markets as follows:

Regular Way

“Regular-way” trading typically involves a trade of a listed share that settles on the first full trading day following the date of the acquisition or disposition of such share. The MLF Common Shares currently trade on a “regular-way” basis on the TSX and, on the first trading day following the Effective Date, the MLF New Common Shares and Canada Packers Common Shares will trade on a “regular-way” basis on the TSX.

Ex-Distribution

As the settlement of a “regular-way” trade occurs on the first full trading day following the date of the acquisition or disposition of a listed share, in the event an issuer is making a distribution to holders of that share of record on a particular record date, at the opening of trading on such record date (the “Ex-Date”), the share will trade “ex-distribution”, meaning those who acquire or dispose of that share on or after the Ex-Date will have settlement occur on the first full trading day following the date of the acquisition or disposition, which settlement day will be after the record date and thus the buyer will not be entitled to receive, and the seller will retain the right to receive, the applicable distribution when made. As a result, the market value of the listed share will typically decline as of the Ex-Date to reflect the lack of entitlement to the distribution.

Due Bills

A “due bill” is an entitlement to receive (among other things) a security that can attach to a share. In circumstances where an issuer will be undergoing certain material corporate events that will involve a distribution, such as stock splits, spin offs or other distributions in circumstances where the effective date or payment date of the event cannot be determined with certainty in advance, “due bills” are often attached to the listed shares of that issuer on the Ex-Date, which “due bills” represent the entitlement to receive that distribution notwithstanding that the shares began trading “ex-distribution” on the Ex-Date. In this way, the buyer and seller of the share will be acquiring and disposing of both the share and the distribution “due bill” entitlement on and after the Ex-Date, and therefore the listed share should continue to carry the appropriate market value until the “due bill” entitlement has been paid.

With respect to the Arrangement, since completion of the Arrangement is subject to the satisfaction of a number of conditions precedent, it is possible that the Arrangement will not be completed on the expected Effective Date or at all, in which case, the expected Arrangement Record Date and Effective Date will change or be nullified, as the case may be. Therefore, the Ex-Date in respect of the Arrangement cannot be determined with certainty and market valuation issues could arise between the expected Ex-Date and the actual Effective Date and/or Effective Date. Accordingly, a “due bill” trading market may be used in connection with the Arrangement in order to address such uncertainties. In such market, any MLF Common Shares traded during the applicable period will have “due bills” attached carrying the right to receive Canada Packers Common Shares. By having such a “due bill” market for the MLF Common Shares, the Ex-Date for the MLF Common Shares in such market will be deferred and buyers and sellers of MLF Common Shares will be certain of the entitlements attaching thereto. Shareholders trading MLF Common Shares in this market during the applicable period will not be required to take any special action. Any trades of MLF Common Shares that are executed during the applicable period will be automatically flagged to ensure buyers receive the distribution entitlement and sellers do not.

In the event that a “due bill” trading market is used in connection with the Arrangement, the details thereof will be disclosed prior to the Arrangement Record Date by way of a news release.

When Issued/If, As and When Issued

“When issued” or “if, as and when issued” trading refers to a share transaction made conditionally on or before the distribution or issuance date because the share is not yet available (and if the conditions to the distribution or issuance are not met, such that the distribution or issuance is not made, all “when issued” or “if, as and when issued” trades do not settle and are null and void). A “when issued” market for the Canada Packers Common Shares is expected to be made available on the TSX. In addition, a “when issued ex-distribution” market for the MLF Common Shares, which would allow the MLF Common Shares to trade without an entitlement to receive Canada Packers Common Shares under the Arrangement, is expected to be made available on the TSX.

Trading on the TSX

It is anticipated that, on the Arrangement Record Date and continuing through the Effective Date, there will be the following two markets in the MLF Common Shares (which will be MLF New Common Shares after the Effective Date pursuant to the Arrangement) on the TSX:

1. a “*due bill*” market – the MLF Common Shares that trade on the “*due bill*” market will trade with an entitlement to receive Canada Packers Common Shares on the Effective Date under the Arrangement, and such shares will settle on a “*regular-way*” basis; and
2. a “*when issued ex-distribution*” market – MLF Common Shares that trade on the “*when issued ex-distribution*” market will trade without an entitlement to receive Canada Packers Common Shares under the Arrangement, and such trades will generally settle within two trading days after the Effective Date.

Therefore, if you sell MLF Common Shares in the “*due bill*” market during the period commencing on the Arrangement Record Date and ending on the Effective Date, you will be selling your right to receive Canada Packers Common Shares on the Effective Date under the Arrangement. However, if you own MLF Common Shares on the Arrangement Record Date and sell those shares in the “*when issued ex-distribution*” market during the period commencing on the Arrangement Record Date and ending on the Effective Date, you will still be entitled to receive Canada Packers Common Shares on the Effective Date under the Arrangement. On the first trading day following the Effective Date, MLF Common Shares (which will then be MLF New Common Shares) will begin trading on the TSX without any entitlement to receive Canada Packers Common Shares. If the Arrangement is not approved and the Arrangement and the issuance of the Canada Packers Common Shares does not occur, all “*when issued ex-distribution*” trades in MLF Common Shares will not be settled and therefore will be null and void.

MATERIAL INCOME TAX CONSIDERATIONS

Tax Ruling

Maple Leaf Foods has applied for an advance income tax ruling (the “Tax Ruling”) from the CRA requesting confirmation of certain expected Canadian federal income tax consequences of the Arrangement. The Arrangement will not be completed if a favourable Tax Ruling is not received. Maple Leaf Foods expects that, if obtained, the Tax Ruling, which would be binding on the CRA, will confirm that the transfer of the Transferred Property and other related transactions may be accomplished on a tax-free basis for Maple Leaf Foods, Newco, Subco, and Canada Packers, as applicable, and the Shareholders, and certain other tax matters related to the Arrangement, provided that the material facts presented are accurately stated, the transfer is implemented as disclosed to the CRA and certain other conditions are satisfied. This requires, among other things, that the Arrangement complies with all requirements of the “butterfly” rules in Section 55 of the Tax Act. See “The Arrangement – Conditions to Closing of the Arrangement and Tax Ruling”.

Although Maple Leaf Foods expects to receive the requested Tax Ruling, no assurances can be given in this regard. The Arrangement is conditional upon receipt of the requested Tax Ruling.

Meaning of “Tax-Free”

The use of the phrase “tax-free” in this Circular is a reference to the tax-deferred nature of the Arrangement. Specifically, with respect to the Holders (as defined below), the receipt of Canada Packers Common Shares pursuant to the Arrangement is generally intended not to result in taxable income or gain to Holders for Canadian federal income tax purposes. As described under the heading “Material Income Tax Considerations – Certain Canadian Federal Income Tax Considerations”, a Holder may trigger certain tax consequences on a subsequent disposition of a MLF Common Share or a Canada Packers Common Share (in the ordinary course or otherwise). With respect to MLF, Newco and Canada Packers, the Arrangement is generally intended not to result in taxable income or gain to MLF, Newco or Canada Packers. MLF or Canada Packers may trigger certain tax consequences on a subsequent disposition (in the ordinary course or otherwise) of, in the case of MLF, property retained by MLF on the Arrangement or, in the case of Canada Packers, property acquired by Newco in the Arrangement.

Certain Canadian Federal Income Tax Considerations

The following represents, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act of the Arrangement generally applicable to a Shareholder who holds MLF Common Shares as beneficial owner and who, for the purposes of the Tax Act and at all relevant times: (a) holds MLF Common Shares, and will hold any MLF Arrangement Common Shares, MLF Special Shares, MLF New Common Shares, Newco Common Shares and Canada Packers Common Shares received pursuant to the Arrangement, (all such shares, collectively, the “Arrangement Shares”) as capital property; and (b) deals at arm’s length with each of Maple Leaf Foods, Newco and Canada Packers and is not affiliated with any of Maple Leaf Foods, Newco or Canada Packers (a “Holder”). Generally, the MLF Common Shares and the Arrangement Shares will be capital property to a Holder provided that the Holder does not hold such shares in the course of carrying on a business and has not acquired such shares in one or more transactions considered to be an adventure or concern in the nature of trade.

The Tax Ruling from the CRA, if received, is expected to confirm certain of the tax consequences discussed in this summary. This summary assumes that the conditions and qualifications to the rulings in the Tax Ruling will be satisfied or complied with. See “The Arrangement – Conditions to Closing of the Arrangement and Tax Ruling – Conditions to the Arrangement” and “The Arrangement – Conditions to Closing of the Arrangement and Tax Ruling – Conditions to the Tax Ruling”.

This summary is not applicable to a Holder: (a) that is a “financial institution” as defined in the Tax Act for the purposes of the “mark-to-market” rules; (b) that is a “specified financial institution” as defined in the Tax Act; (c) an interest in which is a “tax shelter investment” as defined in the Tax Act or who acquires any MLF Common Shares or Arrangement Shares as a “tax shelter investment” (and this summary assumes that no such persons hold such shares); (d) that has entered into a “synthetic disposition arrangement” or a “derivative forward agreement” (each as defined in the Tax Act) with respect to the MLF Common Shares or the Arrangement Shares; (e) that has elected to report its “Canadian tax results” as defined in the Tax Act in a currency other than Canadian currency; (f) that is an Electing Shareholder; (g) that receives dividends on its MLF Common Shares or the Arrangement Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act); or (h) that is exempt from tax under Part I of the Tax Act. All such Holders should consult their own tax advisors to determine the tax consequences to them of the Arrangement.

This summary does not address the Canadian federal income tax considerations applicable to holders of MLF Stock Options, DSUs, PSUs or RSUs, as applicable, or to Holders who received MLF Common Shares upon the exercise or settlement of MLF Stock Options, or upon the settlement of DSUs, PSUs, or RSUs, as applicable. Any such persons should consult their own tax advisors with respect to the tax consequences to them of the Arrangement.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “Regulations”) and counsel’s understanding of the administrative practices and assessing positions of the CRA published in writing and made publicly available prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) (the “Tax Proposals”) before the date hereof. This summary assumes that the Tax Proposals will be enacted in the form proposed; however, no assurance can be given that the Tax Proposals will be enacted in the form proposed, if at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and does not otherwise take into account or anticipate any changes in law or administrative policies, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account any other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is not exhaustive and is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax consequences to any particular Holder are made. Holders should consult their own tax advisors to determine the tax consequences to them of the Arrangement having regard to their particular circumstances, including the application and effect of the income and other tax laws of any country, province, territory, state or local tax authority.

Shareholders Resident in Canada

The following portion of the summary is generally applicable to Holders who, for the purposes of the Tax Act and at all relevant times, are, or are deemed to be, resident in Canada ("Resident Shareholders").

Certain Resident Shareholders whose MLF Common Shares or Arrangement Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with Subsection 39(4) of the Tax Act to have such shares, and any other "Canadian security" (as defined in the Tax Act) owned by the Resident Shareholder in the taxation year in which the election is made and in all subsequent taxation years, deemed to be capital property. Resident Shareholders contemplating making such an election should consult their own tax advisors as to whether such election is available and/or advisable in the Resident Shareholder's particular circumstances.

Exchange of MLF Common Shares for MLF Arrangement Common Shares and MLF Special Shares

As part of the Arrangement, each Resident Shareholder will transfer each MLF Common Share held by such Resident Shareholder to Maple Leaf Foods in exchange for (a) one MLF Arrangement Common Share and (b) one MLF Special Share.

On such exchange, a Resident Shareholder will be deemed to have disposed of such MLF Common Share for proceeds of disposition equal to the adjusted cost base of such share immediately before the exchange. Accordingly, a Resident Shareholder will not realize a capital gain or a capital loss as a result of such exchange.

The aggregate adjusted cost base of the MLF Arrangement Common Shares and MLF Special Shares acquired by a Resident Shareholder on such exchange will be equal to the Resident Shareholder's aggregate adjusted cost base of its MLF Common Shares immediately before the exchange. The aggregate adjusted cost base of a Resident Shareholder's MLF Common Shares immediately before the exchange will be allocated among the MLF Arrangement Common Shares and MLF Special Shares acquired by the Resident Shareholder on the exchange in proportion to the relative fair market value of such shares immediately after the exchange. It is intended that, following the Arrangement, Maple Leaf Foods and Canada Packers will inform Resident Shareholders either by news release or on their websites of their estimate of the appropriate proportionate allocation; however, such allocation will not be binding on the CRA or on any Resident Shareholder.

Exchange of MLF Special Shares for Newco Common Shares

As part of the Arrangement, and following the exchange described above under the heading "Material Income Tax Considerations – Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Exchange of MLF Common Shares for MLF Arrangement Common Shares and MLF Special Shares", each Resident Shareholder will transfer each MLF Special Share acquired by it pursuant to the Arrangement to Newco in exchange for one Newco Common Share. No joint election pursuant to Subsection 85(1) will be made available to a Holder as between such Holder and Maple Leaf Foods or Newco.

Unless a Resident Shareholder includes any portion of the gain or loss otherwise determined in respect of such exchange in computing its income for the taxation year in which the exchange occurs, the Resident Shareholder will be deemed to have disposed of such MLF Special Share for proceeds of disposition equal to the Resident Shareholder's adjusted cost base of such MLF Special Share immediately prior to such exchange. Accordingly, the Resident Shareholder will not realize a capital gain or a capital loss as a result of the exchange. The aggregate adjusted cost base of the Newco Common Shares acquired by the Resident Shareholder on the exchange will be equal to the aggregate adjusted cost base immediately before the exchange of the MLF Special Shares disposed of by the Resident Shareholder on the exchange.

Where a Resident Shareholder includes any portion of the gain or loss otherwise determined in respect of such exchange in computing its income for the taxation year in which the exchange occurs, the Resident Shareholder will realize a capital gain (or capital loss) on the MLF Special Shares to the extent that the Resident Shareholder's aggregate proceeds of disposition for such shares, net of any reasonable costs of disposition, exceed (or are less than) the Resident Shareholder's aggregate adjusted cost base of such shares immediately before the exchange. The tax treatment of capital gains and capital losses is discussed in the below portion of this summary under the heading "Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses". The Resident Shareholder's aggregate proceeds of disposition for the MLF

Special Shares will be equal to the aggregate fair market value of the Newco Common Shares received on the exchange. The Resident Shareholder's aggregate adjusted cost base of the Newco Common Shares received by the Resident Shareholder on the transfer will also be equal to that fair market value.

Amalgamation of Newco and Subco to form Canada Packers

As part of the Arrangement, and following the exchange described above under the heading "Material Income Tax Considerations – Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Exchange of MLF Special Shares for Newco Common Shares", Newco and Subco will amalgamate to form Canada Packers and each Newco Common Share held by a Resident Shareholder will become 0.2 (subject to the Adjustment Provision) of a Canada Packers Common Share.

On the Amalgamation, each Resident Shareholder will be deemed to dispose of their Newco Common Shares for proceeds of disposition equal to the adjusted cost base of such shares. Accordingly, Resident Shareholders will not realize a capital gain or a capital loss as a result of the Amalgamation. The adjusted cost base of the Canada Packers Common Shares acquired by the Resident Shareholder on the Amalgamation will be equal to the aggregate adjusted cost base immediately before the Amalgamation of the Newco Common Shares.

Exchange of MLF Arrangement Common Shares for MLF New Common Shares

As part of the Arrangement and following the exchange under "Material Income Tax Considerations – Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Amalgamation of Newco and Subco to form Canada Packers", each Resident Shareholder will transfer each MLF Arrangement Common Share held by such Resident Shareholder to Maple Leaf Foods in exchange for one MLF New Common Share.

On such exchange, a Resident Shareholder will be deemed to have disposed of such MLF Arrangement Common Share for proceeds of disposition equal to the adjusted cost base of such share immediately before the exchange. Accordingly, a Resident Shareholder will not realize a capital gain or capital loss as a result of such exchange. The aggregate adjusted cost base of the MLF New Common Shares acquired by a Resident Shareholder on such exchange will be equal to the Resident Shareholder's aggregate adjusted cost base of its MLF Arrangement Common Shares immediately before such exchange.

Dividends on MLF New Common Shares or Canada Packers Common Shares (Post-Arrangement)

Dividends received or deemed to be received by a Resident Shareholder on MLF New Common Shares or Canada Packers Common Shares after the Arrangement will be included in computing the Resident Shareholder's income for the purposes of the Tax Act. Such dividends received or deemed to be received by a Resident Shareholder that is an individual (including a trust) will generally be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from corporations resident in Canada, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated as "eligible dividends" for these purposes. There may be limitations on the ability of Maple Leaf Foods or Canada Packers to designate dividends as "eligible dividends".

Generally, dividends received or deemed to be received by a Resident Shareholder that is a corporation on MLF New Common Shares or Canada Packers Common Shares after the Arrangement will be included in computing the corporation's income but will be deductible in computing the corporation's taxable income, subject to certain limitations in the Tax Act. In certain circumstances, Subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Shareholder that is a corporation as proceeds of disposition or a capital gain. Resident Shareholders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Shareholder that is a "private corporation" or a "subject corporation" (each as defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on MLF New Common Shares or Canada Packers Common Shares, to the extent that such dividends are deductible in computing the Resident Shareholder's taxable income. Such additional tax may be refundable in certain circumstances.

Dispositions of MLF New Common Shares or Canada Packers Common Shares (Post- Arrangement)

A disposition by a Resident Shareholder of MLF New Common Shares or Canada Packers Common Shares after the Arrangement generally will result in a capital gain (or a capital loss) to such Resident Shareholder to the extent that the proceeds of disposition received, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such shares to such Resident Shareholder immediately before the disposition. The tax treatment of capital gains and capital losses is discussed in the below portion of this summary under the heading “Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses”.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Shareholder will be required to include in computing its income for a taxation year one-half of the amount of any capital gain (a taxable capital gain) realized by it in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Shareholder must deduct one-half of the amount of any capital loss (an allowable capital loss) realized in a taxation year from taxable capital gains realized by such Resident Shareholder in that taxation year. Allowable capital losses in excess of taxable capital gains in a particular taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such year to the extent and under the circumstances specified in the Tax Act.

The amount of a capital loss otherwise arising on the disposition of a share by a Resident Shareholder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by dividends previously received or deemed to have been received on such share (or on a share for which such share was exchanged). Similar rules apply where a corporation is a member of a partnership or a beneficiary of a trust that owns shares, either directly or indirectly through a partnership or trust. Resident Shareholders to whom these rules may be relevant should consult their own tax advisors.

A Resident Shareholder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) or, at any time in the year, a “substantive CCPC” (as defined in the Tax Act) may be liable to pay an additional tax, refundable in certain circumstances, on its “aggregate investment income”. For this purpose, aggregate investment income will include an amount in respect of taxable capital gains.

Alternative Minimum Tax

Dividends received or deemed to be received, or a capital gain realized, on MLF New Common Shares or Canada Packers Common Shares by a Resident Shareholder who is an individual (including certain trusts) may give rise to a liability for alternative minimum tax under the Tax Act. The Minister of Finance (Canada) announced proposed changes to the existing rules in the Tax Act relating to alternative minimum tax in the federal budget on March 28, 2023, and subsequently on August 4, 2023 and as part of the 2024 federal budget. Resident Shareholders are urged to consult their own tax advisor with respect to the potential application of the alternative minimum tax.

Eligibility for Investment

Provided that the MLF Arrangement Common Shares, the MLF Special Shares, the MLF New Common Shares, the Newco Common Shares and the Canada Packers Common Shares are at all relevant times listed on a “designated stock exchange” (as defined in the Tax Act and which currently includes the TSX) or are shares of a “public corporation” (as defined in the Tax Act), such shares will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), registered disability savings plans (“RDSPs”), deferred profit sharing plans, registered education savings plans (“RESPs”), first home savings accounts (“FHSAs”), and tax-free savings accounts (“TFSA”).

Notwithstanding the foregoing, if a MLF Arrangement Common Share, a MLF Special Share, a MLF New Common Share, a Newco Common Share or a Canada Packers Common Share is a “prohibited investment” (as defined in the Tax Act) for a trust governed by an RRSP, RRIF, RDSP, RESP, FHSA or TFSA, the holder of the FHSA, TFSA or RDSP, the annuitant under the RRSP or RRIF or the subscriber of the RESP, as the case may be, will be subject to a penalty tax under the Tax Act. Based on the current provisions of the Tax Act and Regulations, a MLF Arrangement Common Share, a MLF Special Share, a MLF New Common Share, a Newco Common Share or a Canada Packers Common Share will not be a prohibited investment for a trust governed by an RRSP, RRIF, RDSP,

RESP, FHSA or TFSA, provided that the holder of the FHSA, TFSA or RDSP, the annuitant under the RRSP or RRIF or the subscriber of the RESP, as the case may be: (a) deals at arm's length with Maple Leaf Foods, Newco or Canada Packers, as the case may be, for purposes of the Tax Act; and (b) does not have a "significant interest" (as defined in Subsection 207.01(4) of the Tax Act) in Maple Leaf Foods, Newco or Canada Packers, as the case may be. In addition, a MLF Arrangement Common Share, a MLF Special Share, a MLF New Common Share, a Newco Common Share or a Canada Packers Common Share will not be a prohibited investment if such shares are "excluded property" (as defined in the Tax Act) for an RRSP, RRIF, RDSP, RESP, FHSA or TFSA.

Resident Shareholders who will hold or who intend to hold the MLF Arrangement Common Shares, the MLF Special Shares, the MLF New Common Shares, the Newco Common Shares or the Canada Packers Common Shares in a RRSP, RRIF, RDSP, RESP, FHSA or TFSA should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

Shareholders Not Resident in Canada

The following portion of the summary is applicable generally to Holders who, at all relevant times and for purposes of the Tax Act and any applicable income tax treaty or convention, are not, and are not deemed to be, resident in Canada, and do not use or hold and are not deemed to use or hold, and will not use or hold or be deemed to use or hold, the MLF Common Shares or the Arrangement Shares in carrying on a business in Canada ("Non-Resident Shareholders"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Shareholder that carries on an insurance business in Canada or elsewhere or an "authorized foreign bank" (as defined in the Tax Act) and any such Non-Resident Shareholders should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

The following portion of the summary assumes that no Non-Resident Shareholder will file a Canadian tax return that reports all or any portion of the gain or loss otherwise determined in respect of the exchange of MLF Special Shares for Newco Common Shares pursuant to the Arrangement. For the reasons set out below in "Certain Canadian Federal Income Tax Considerations – Shareholders Not Resident in Canada – Taxable Canadian Property", this summary assumes that the MLF Common Shares and the Arrangement Shares disposed of pursuant to the Arrangement will not be, or be deemed to be, "taxable Canadian property" of any Non-Resident Shareholder for purposes of the Tax Act.

The Arrangement

A Non-Resident Shareholder will generally be subject to the same Canadian federal income tax consequences as a Resident Shareholder in respect of: (a) the exchange of MLF Common Shares for MLF Arrangement Common Shares and MLF Special Shares; (b) the transfer of MLF Special Shares to Newco in exchange for Newco Common Shares; (c) the amalgamation of Newco and Subco to form Canada Packers; and (d) the exchange of MLF Arrangement Common Shares for MLF New Common Shares, as discussed above in this summary under the heading "Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada". Accordingly, a Non-Resident Shareholder will generally not realize a capital gain or a capital loss as a result of the Arrangement.

Dividends on MLF New Common Shares or Canada Packers Common Shares (Post-Arrangement)

Dividends on MLF New Common Shares or Canada Packers Common Shares that are paid or credited or deemed to be paid or credited to a Non-Resident Shareholder after the Arrangement will be subject to Canadian withholding tax at the rate of 25 per cent of the gross amount of such dividends, unless such rate is reduced by the terms of an applicable income tax treaty or convention. For example, under the *Canada – United States Tax Convention (1980)*, as amended ("Canada-U.S. Treaty"), dividends paid or credited to a Non-Resident Shareholder who is the beneficial owner of such dividends and who is a resident of the United States for purposes of the Canada-U.S. Treaty and who is fully entitled to the benefits of the Canada-U.S. Treaty will generally be subject to Canadian withholding tax at a rate of 15 per cent of the gross amount of the dividends. Non-Resident Shareholders should consult their own tax advisors to determine their entitlement to relief under any applicable income tax treaty or convention.

Dispositions of MLF New Common Shares or Canada Packers Common Shares (Post-Arrangement)

On a disposition or deemed disposition of MLF New Common Shares or Canada Packers Common Shares after the Arrangement, a Non-Resident Shareholder will not be subject to tax under the Tax Act in respect of a capital gain realized by the Non-Resident Shareholder on such disposition or deemed disposition, and capital losses arising

on such disposition or deemed disposition will not be recognized under the Tax Act, unless such shares constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Shareholder at the time of disposition and the Non-Resident Shareholder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Shareholder is resident, in which case any capital gain or capital loss realized by the Non-Resident Shareholder will be treated in the same manner as described under the heading “Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Capital Losses” above.

Taxable Canadian Property

Provided that the MLF New Common Shares or the Canada Packers Common Shares, as the case may be, are listed on a “designated stock exchange” (as defined in the Tax Act and which currently includes the TSX) at the time of the disposition or deemed disposition, the MLF New Common Shares or the Canada Packers Common Shares, as the case may be, generally will not constitute “taxable Canadian property” of a Non-Resident Shareholder, unless at any time during the 60-month period immediately preceding the disposition or deemed disposition, the following two conditions have been met concurrently: (a) one or any combination of (i) the Non-Resident Shareholder, (ii) persons with whom the Non-Resident Shareholder did not deal at arm’s length for purposes of the Tax Act, or (iii) partnerships in which the Non-Resident Shareholder or persons described in (ii) hold a membership interest directly or indirectly through one or more partnerships, owned 25 per cent or more of the issued shares of any class of the capital stock of Maple Leaf Foods or Canada Packers, as the case may be; and (b) more than 50 per cent of the fair market value of the MLF New Common Shares or the Canada Packers Common Shares, as the case may be, was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, “Canadian resource properties” (as defined in the Tax Act), “timber resource properties” (as defined in the Tax Act) or an option in respect of, an interest in, or for civil law a right in, any such property, whether or not such property exists. Notwithstanding the foregoing, the MLF New Common Shares or the Canada Packers Common Shares may be deemed to be “taxable Canadian property” to a Non-Resident Shareholder for the purposes of the Tax Act in certain circumstances.

Non-Resident Shareholders who may hold the MLF New Common Shares or the Canada Packers Common Shares as “taxable Canadian property” should consult their own tax advisors.

INFORMATION CONCERNING MAPLE LEAF FOODS PRIOR TO THE ARRANGEMENT

Overview

Maple Leaf Foods is a leading protein company responsibly producing food products under leading brands including Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Mina®, Greenfield Natural Meat Co.®, Lightlife® and Field Roast™. As a purpose-drive company, Maple Leaf Foods has a vision to *Become the Most Sustainable Protein Company on Earth*. Driven by this vision, together with its purpose to *Raise the Good in Food*, the Corporation believes in creating shared value by delivering commercial and financial results that sustain the business, while engaging in social issues and building trust with stakeholders in order to contribute to positive societal outcomes.

The Corporation’s operations consist of its Prepared Foods (including prepared meats and plant protein), Poultry and Pork portfolios. The Prepared Foods and Poultry portfolios account for approximately 75% of the Corporation’s annual sales (with the balance between Prepared Foods and Poultry being approximately 55% and 20% of the Corporation’s total annual sales, respectively) and the Pork portfolio accounting for approximately 25% of the Corporation’s total annual sales.

Maple Leaf Foods is a leading producer of RWA meat employing approximately 13,500 people with 22 manufacturing facilities in Canada and the U.S., three hatcheries and five feed mills. It operates primarily in Canada, the U.S. and Asia. The Corporation is headquartered in Mississauga, Ontario and its shares trade on the Toronto Stock Exchange (MFI). The address of the Corporation’s registered office is 6897 Financial Dr., Mississauga, Ontario, L5N 0A8, Canada.

Documents Incorporated by Reference

Information has been incorporated by reference into this Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained free

of charge, upon request, from the Corporate Secretary of Maple Leaf Foods at 6897 Financial Drive, Mississauga, Ontario L5N 0A8 and are also available electronically at www.sedarplus.ca.

The following documents filed by Maple Leaf Foods with the various securities commissions or similar authorities in Canada are specifically incorporated by reference into and form an integral part of this Circular:

- (a) the Annual Information Form;
- (b) the Annual Financial Statements;
- (c) the Annual MD&A; and
- (d) the material change report dated July 9, 2024.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by Maple Leaf Foods with the applicable securities regulatory authorities after the date of this Circular and before the Meeting shall be deemed to be incorporated by reference into this Circular.

Any statement contained in this Circular or a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Circular to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

INFORMATION CONCERNING MAPLE LEAF FOODS POST-ARRANGEMENT

For further information concerning Maple Leaf Foods post-Arrangement, see *Schedule “J”* to this Circular.

INFORMATION CONCERNING CANADA PACKERS POST-ARRANGEMENT

For further information concerning Canada Packers post-Arrangement, see *Schedule “G”* to this Circular.

OTHER ARRANGEMENT MATTERS TO BE ACTED UPON

In connection with the closing of the Arrangement, Canada Packers intends to adopt the Canada Packers Option Plan. A summary of the key features of the Canada Packers Option Plan is provided below.

SUMMARY OF THE CANADA PACKERS OPTION PLAN

Purpose

The purpose of the Canada Packers Option Plan is to advance the interests of Canada Packers by assisting Canada Packers in attracting, retaining and motivating key employees and officers through performance related incentives.

Eligibility

The Canada Packers Board will be authorized to grant Canada Packers Stock Options under the Option Plan to full-time and part time employees of Canada Packers, its Affiliates and any partnership of which Canada Packers is a partner, as well as to consultants. Non-employee directors are specifically excluded from participating in the Canada Packers Option Plan.

Exercise Price of Options

Canada Packers Stock Options to be granted under the Canada Packers Option Plan are exercisable at a price not below market value at the time of grant. For purposes of the Canada Packers Option Plan, market value shall be the volume weighted average trading price on the TSX for the ten days prior to the date of grant.

Plan Maximum

The aggregate number of Canada Packers Common Shares that may be issued pursuant to grants made under the Canada Packers Option Plan shall be equal to 10% of the aggregate number of issued and outstanding Canada Packers Common Shares from time to time. For certainty, should Canada Packers issue additional Canada Packers Common Shares in the future, the number of Canada Packers Common Shares issuable under the Canada Packers Option Plan will increase accordingly, and the Canada Packers Common Shares covered by Canada Packers Stock Options which have been exercised shall be available for subsequent grants under the Canada Packers Option Plan.

Approval of Unallocated Options

As the Canada Packers Option Plan is a security based compensation arrangement which does not have a fixed maximum number of securities issuable, all unallocated options under the Canada Packers Option Plan must be approved by a majority of the Canada Packers Board and Canada Packers Shareholders every three years in accordance with Section 613(a) of the TSX Company Manual.

Exercise Periods/Term of Options /Blackout Periods/Assignability

The options granted may have a term of up to ten years. Notwithstanding the ten-year limit, it is expected that Canada Packers' practice will generally be to grant Canada Packers Stock Options with a seven-year term.

The exercise periods and expiration of Canada Packers Stock Options to be granted under the Canada Packers Option Plan and the associated termination of employment rules as set out in the Canada Packers Option Plan are summarized below:

Reason for Termination of Employment	Early Expiry of Canada Packers Stock Options ⁽¹⁾
Termination by Canada Packers for Cause	All vested and unvested Canada Packers Stock Options held expire on the date of termination.
Normal Retirement ⁽³⁾	Unvested Canada Packers Stock Options expire on the date of termination. Vested Canada Packers Stock Options are exercisable until their expiry date.
Termination by Canada Packers Without Cause, Early Retirement ⁽⁴⁾ , Termination by Voluntary Resignation or for any other reason other than Cause or Normal Retirement	Unvested Canada Packers Stock Options are immediately forfeited and cancelled as of the date of termination. Vested Canada Packers Stock Options are exercisable until the earlier of (a) their expiry date and (b) 90 days after the date of termination.

Notwithstanding the foregoing, the Canada Packers Option Plan provides discretion to the Plan Administrator (as defined in the Canada Packers Option Plan) to modify the standard exercise period, expiration and termination of employment rules described above in an option grant agreement. It is expected that Canada Packers' practice will generally be to provide the following exercise periods and expiration of Canada Packers Stock Options and the associated termination of employment rules in option grant agreements as summarized below:

Reason for Termination of Employment	Early Expiry of Canada Packers Stock Options ⁽¹⁾
Termination by Canada Packers for Cause	All vested and unvested Canada Packers Stock Options held expire on the date of termination.
Termination by Voluntary Resignation	Unvested Canada Packers Stock Options held expire on the date of termination. Vested Canada Packers Stock Options expire 90 days from the date of termination.
Termination Due to Death of the Employee	Unvested Canada Packers Stock Options granted less than six months before the date of termination and unvested Canada Packers Stock Options that do not, in accordance with terms of the award, vest within 12 months of the date of death expire on the date of death. Unvested Canada Packers Stock Options granted at least six months before the date of death that, in accordance with the terms of the award, vest within 12 months of the date of death expire 15 months following the date of death. Vested Canada Packers Stock Options expire 15 months following the date of death.
Termination by Canada Packers Without Cause	Unvested Canada Packers Stock Options held expire on the date of termination. Vested Canada Packers Stock Options held expire 90 days following the date of termination.

Reason for Termination of Employment	Early Expiry of Canada Packers Stock Options ⁽¹⁾
Retirement from the Industry ⁽²⁾	Unvested Canada Packers Stock Options granted less than six months before the date of retirement expire on the date of retirement. Unvested Canada Packers Stock Options granted at least six months before the date of retirement and vested Canada Packers Stock Options continue to be held until exercised or the normal expiry date.
Normal Retirement ⁽³⁾	Unvested Canada Packers Stock Options granted less than six months before the date of retirement expire on the date of retirement. Unvested Canada Packers Stock Options granted at least six months before the date of retirement and vested Canada Packers Stock Options continue to be held until exercised or the normal expiry date.
Early Retirement ⁽⁴⁾	Unvested Canada Packers Stock Options granted less than six months before the date of retirement expire on the date of retirement. Unvested Canada Packers Stock Options granted at least six months before the date of retirement that do not, in accordance with terms of the award, vest within 12 months of the date of retirement expire on the date of retirement. Vested Canada Packers Stock Options and unvested Canada Packers Stock Options that vest within 12 months of the date of retirement expire 15 months following the date of retirement.

Notes:

- (1) All Canada Packers Stock Options expire on the date or dates determined by the Canada Packers Board at the time of grant in accordance with the terms of the plan. The comments in the table refer to the early termination in the event of a termination of employment before the exercise or distribution date.
- (2) Retirement from the Industry is termination of employment, other than by Canada Packers for cause, at the time when the employee is 55 or older with a minimum of five (5) years of service and the employee agrees to comply with applicable restrictive covenants. If the employee does not comply with the applicable restrictive covenants, Canada Packers Stock Options that have not already vested at the time of non-compliance expire at the time of the event of non-compliance and vested Canada Packers Stock Options expire five business days after the event of non-compliance. This definition and the associated termination rules are consistent with those adopted under the MLF Stock Option Plan and will apply to the Canada Packers Stock Options received upon the exchange of the MLF Stock Options. The Canada Packers Board may change the definition or termination rules for "Retirement from the Industry" for future grants.
- (3) Normal Retirement is defined as termination of employment at the time when the employee is 60 years or older and has at least 10 years of service.
- (4) Early Retirement is defined as termination of employment at the time when the employee is 55 years or older and has at least 10 years of service, subject to such other terms and conditions as the Corporation may require.

If a Canada Packers Stock Option expires during or within five business days after a routine or special trading blackout period imposed by Canada Packers to restrict trades in its securities, then, notwithstanding any other provision of the Canada Packers Option Plan, unless the delayed expiration would result in tax penalties, the Canada Packers Stock Options shall expire ten business days after the trading blackout period is lifted by the Corporation.

Generally, options are not assignable except to a permitted assign as defined in National Instrument 45-106, Prospectus and Registration Exemptions, as amended from time to time.

Recoupment

The Canada Packers Option Plan provides for cancellation, recoupment, rescission or payback in accordance with the Canada Packers' recoupment policy, which requires distributions under incentive programs in which vesting is

at least in part determined by the financial statements or other performance measures that are later found to be incorrect or are restated; however, the options to be granted at the Effective Time under the Canada Packers Option Plan will not be made subject to performance criteria.

Surrender of Options

The Canada Packers Option Plan allows a holder of Canada Packers Stock Options, in lieu of exercising vested options, to surrender them for cancellation and receive Canada Packers Common Shares equal to the in-the-money value of such surrendered options. For example, an employee wishes to exercise 1,000 Canada Packers Stock Options with an exercise price of \$15 per share at a time when the shares have a market value of \$20. Normally, the employee would pay the total of \$15,000 for the exercise price and proceed to sell 750 shares in the market in order to fund the \$15,000. By electing to surrender the Canada Packers Stock Options under the Canada Packers Option Plan, the employee will receive only 250 shares and will surrender the Canada Packers Stock Options for the 750 shares instead of paying the exercise price. This is an alternative to broker-based cashless exercise programs that will reduce dilution and permit an employee to avoid a sale in the market that he or she may be required to undertake in order to fund the exercise price for the Canada Packers Stock Options. Other than foregoing proceeds for the exercise price, the alternative does not have any negative tax or other consequences to Canada Packers. However, the surrendered Canada Packers Stock Options will be deemed to have been exercised for purposes of the Canada Packers Common Shares reserved under the Canada Packers Option Plan.

The in-the-money value of a vested Canada Packers Stock Option is the amount, if any, by which the closing trading price of a share on the last trading day immediately preceding the date of exercise exceeds the exercise price of such option. Following the surrender of options, Canada Packers shall issue to the employee the number of shares (rounded down to the nearest whole number) which, valued at the closing trading price on the last trading day immediately preceding the date of exercise, have an aggregate value equivalent to the in-the-money value.

Limits on Individual and Insider Participation

The aggregate number of Canada Packers Common Shares issuable to insiders under the Canada Packers Option Plan together with Canada Packers Common Shares issuable to insiders at any time under Canada Packers' other security-based compensation arrangements, may not exceed 10% of all its issued and outstanding shares. In addition, the number of Canada Packers Common Shares that may be issued to insiders in any one-year period under the Canada Packers Option Plan and any other security-based compensation arrangement of Canada Packers may not exceed 10% of all its issued and outstanding Canada Packers Common Shares. The Canada Packers Option Plan does not provide for a maximum number of Canada Packers Common Shares which may be issued to an individual pursuant to the Canada Packers Option Plan and any other share compensation arrangement (expressed as a percentage or otherwise).

Share Capital Adjustments

Adjustments to the terms of outstanding Canada Packers Stock Options by the Board, without shareholder approval, are permitted under the Canada Packers Option Plan in the event of a capital reorganization of Canada Packers including any amalgamation, combination, arrangement or merger, a subdivision or consolidation of Canada Packers Common Shares or any similar capital reorganization or payment of a stock dividend, that does not constitute a Change in Control (as defined in the Canada Packers Option Plan). In the event Canada Packers' capital structure is otherwise amended, the Board shall, and without any requirement for shareholder approval, make any amendments to the terms of any outstanding option awards as it considers equitable in order to preserve the proportionate rights and obligations of the participants.

Vesting

Under the Canada Packers Option Plan, the Canada Packers Board is authorized to determine the time vesting and performance vesting restrictions for grants of Canada Packers Stock Options. Upon a change in control of Canada Packers, the Canada Packers Board may accelerate the vesting of any outstanding options, in which case any unexercised options will be terminated following the change in control. Similarly, the Canada Packers Board may at any time accelerate the vesting of any Canada Packers Stock Options in circumstances involving the retirement or other termination of employment of a participant.

Amendment

The Canada Packers Board may from time to time, without notice and without approval of the shareholders, amend, modify, change, suspend or terminate the Canada Packers Option Plan or any options granted pursuant to the Canada Packers Option Plan as it in its discretion determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the Canada Packers Option Plan or any Canada Packers Stock Options granted thereunder may materially impair any rights of an optionee or materially increase any obligations of an optionee under the Canada Packers Option Plan without the consent of the optionee, unless the Canada Packers Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or TSX requirements. However, shareholder approval is required for any amendment, modification or change that:

- (a) increases the number of shares reserved for issuance under the Canada Packers Option Plan, except pursuant to the provisions in the Canada Packers Option Plan which permit the Canada Packers Board to make equitable adjustments in the event of transactions affecting Canada Packers or its capital;
- (b) increases or removes the 10% limit on shares issuable or issued to insiders;
- (c) reduces the exercise price of a Canada Packers Stock Option (for this purpose, a cancellation or termination of an option of an optionee prior to its expiry date for the purpose of reissuing an option to the same optionee with a lower exercise price shall be treated as an amendment to reduce the exercise price of an option) except pursuant to the provisions in the Canada Packers Option Plan which permit the Canada Packers Board to make equitable adjustments in the event of transactions affecting Canada Packers or its capital;
- (d) extends the term of a Canada Packers Stock Option beyond the original expiry date (except where an expiry date would have fallen within a blackout period applicable to the optionee or within five business days following the expiry of such a blackout period);
- (e) permits a Canada Packers Stock Option to be exercisable beyond 10 years from its date of grant (except where an expiry date would have fallen within a blackout period of Canada Packers);
- (f) permits members of the Canada Packers Board who are not employees to receive Canada Packers Stock Options under the Canada Packers Option Plan;
- (g) permits Canada Packers Stock Options to be transferred to a person other than a permitted assign or for normal estate settlement purposes; or
- (h) deletes or reduces the range of amendments which require approval of Canada Packers shareholders.

Examples of amendments that may be made by the Canada Packers Board without shareholder approval include amendments to the forfeiture and expiry in the event of a termination of employment and changes to the vesting provisions of options.

RECOMMENDATION OF THE BOARD

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, approve the Canada Packers Option Plan Resolution to authorize, approve and ratify the Canada Packers Option Plan. See *Schedule "B"* to this Circular for the full text of the Canada Packers Option Plan Resolution.

In order for the Canada Packers Option Plan Resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting. The persons named in the enclosed proxy form, if named as proxyholder, intend to vote **FOR** the Canada Packers Option Plan Resolution.

Ratification and approval of the Canada Packers Option Plan by Shareholders is required by the TSX and has been made a condition precedent to completion of the Arrangement to allow the Canada Packers Stock Options to be granted under a share option plan. This condition precedent may be waived by Maple Leaf Foods.

The Board recommends that you vote **FOR** the Canada Packers Option Plan Resolution.

REPORT ON GOVERNANCE

OVERVIEW

Maple Leaf Foods believes that sound governance is fundamental to the success of its business and to building stakeholder confidence. Consistent with its vision to be the most sustainable protein company on earth, Maple Leaf Foods pursues an integrated business strategy that reflects its social and environmental commitments, as well as its financial and growth objectives, all with a view to delivering long-term value in the best interests of the Corporation. In this context, the Board plays an integral role in providing stewardship, oversight and guidance, while management engages in the execution of the planning and execution of the strategy.

In fulfilling its commitment to a high standard of corporate governance, the Corporation has adopted a number of guidelines, practices and procedures. The following table highlights some of the key features of the Corporation's governance practices that are discussed in more detail in this Report on Governance.

Element	Highlights
Board Mandate	The Board's role is one of overall stewardship and oversight of Maple Leaf Foods' strategic direction.
Code of Conduct	Maple Leaf Foods has high standards of integrity and ethical behavior for directors, management and employees.
Board Independence	8/11 Directors on the current Board are independent, and 8/11 Director nominees are independent.
Director Attendance	Attendance at all Board and Committee meetings in 2024 was 100%.
Director Orientation and Education	Briefings by external advisors, guest speakers and management on key issues, developments and trends are provided to Directors at scheduled meetings, strategy sessions, and other events.
Director Skills Matrix	To ensure that the Board has an appropriate mix of skills and experience, it has adopted a skills matrix. This matrix is used as part of the Corporation's Board succession planning and director nomination process.
Board and Executive Diversity	The Corporation has adopted a Board diversity policy, setting a goal of maintaining at least 30% women on the Board and committing to grow diversity on the Board from other designated groups. Of the total number of directors and director nominees, three are women and one is a member of another underrepresented group. Historically, at least 30% of the Corporation's directors have been women and the Corporation intends add another woman director before its next annual general meeting. The Corporation also has a set of diversity goals to increase the representation of women and black, indigenous and people of colour (BIPOC) in management, as well as to achieve top quartile performance in its equity and inclusions performance across all designated demographics.
Board Tenure	The Board has a policy with respect to Board tenure which takes into consideration years of service and age.
No Casting Vote	The Board and committee Chairs do not have a casting vote.
Majority Voting Policy/Vote Against	The Corporation had adopted a policy requiring that any Director nominee in uncontested election who does not receive majority approval must tender their resignation. Given the recent amendments to the Canada Business Corporations Act, the Corporation will issue a proxy giving shareholders the ability to vote "against" a director.
Director and Board Assessments	The Corporation has a director assessment process. In 2024, the assessment consisted of detailed interviews covering a range of questions related to the progress toward the criteria identified by the Board to achieve a world-class board experience. This was supplemented with Board experience discussions at Board meetings.
Director Compensation	Director compensation is simple and transparent. It is designed to attract and retain high quality director candidates and to align with the interests of shareholders. Directors are required to receive at least 50% of their annual retainer in equity, either in the form of common shares or DSUs under the DSU Plan
Share Ownership	Each director is required to own shares equal to 3 times the annual retainer within five years.
Say on Pay	The Corporation provides Shareholders with the opportunity to vote on an advisory resolution on executive compensation each year.
Conflicts of Interest and Related Party Transactions	The Corporation has developed a comprehensive conflict of interest policies and procedures related to the identification and reporting of conflicts of interest and related party transactions. The CGC has responsibility for reviewing any potential conflicts of interests and monitors any situations that could give rise to a conflict of interest. The AC oversees and receives regular reports on related party transactions and these are reported in the Corporation's financial statements. Significant related party transactions are reviewed by the Corporation's Internal Audit and reported to the Audit Committee. Directors are required to declare any conflicts of interest and to recuse themselves from voting on matters in which they have an interest. In addition, the Corporation periodically assesses Directors' material relationships against the Corporation's customer and supplier records to identify any potential overlap and a report is provided to the CGC.

Element	Highlights
Shareholder Engagement	The Corporation has developed and continues to evolve its investor relations and communications programs, and is committed to open, transparent communication with its stakeholders. For stakeholders who wish to specifically reach the Board, communication can be directed to Corporate.Secretary@mapleleaf.com .

BOARD RESPONSIBILITIES

Oversight Responsibilities

The Board has many key responsibilities and activities that the Board undertakes in fulfilling its role. In many instances the Board delegates responsibilities to its committees, with all committees reporting regularly to the Board as a whole to ensure full reporting and transparency around all areas of oversight. The committees are discussed in more detail under the heading “Report on Governance – Committee Structure and Terms of Reference” in this Circular. Below is an overview of the responsibilities and activities of the Board.

Responsibility	Activities
Culture and Conduct	- Contributes to establishing an appropriate “tone at the top”, including high standards of ethics and integrity - Promotes a respectful environment - Oversees compliance with the Maple Leaf Foods Code of Conduct through regular reporting through the AC and HRCC
Governance	- Planning Board and committee composition and size and terms of reference - Ensuring effective independent leadership through the appointment of an independent lead director and independent committee chairs - Approving director compensation - Assessing Board effectiveness - Establishing appropriate structures and procedures to allow the Board to function effectively and independently of management
Talent Management and Succession Planning	- Approving the appointment of the Corporation’s officers, including the CEO and CFO, and ensuring officer succession planning programs are in place, including programs to appoint, develop and monitor management - Annually reviewing the mandate and performance of the CEO - Reviewing Executive Chair and CEO succession planning and execution, including emergency succession preparedness - Evaluating and approving compensation of the officers of the Corporation - Receiving regular talent updates on employee retention, engagement, attrition, demographics and diversity - Overseeing the Corporation’s approach to diversity, equity and inclusion
Strategic Planning based on an Integrated Environmental, Social and Financial Framework	- Overseeing the strategic planning process, providing strategic guidance to management, approving management’s strategic plan after consultation and discussion and investigating alternate strategies that could enhance shareholder value - Overseeing the enterprise approach to sustainability (environmental, climate change, animal care and social) matters, including the execution of the Corporation’s sustainability blueprint - Approving capital and operating budgets, major acquisitions and dispositions and other business opportunities outside the authority delegated to management - Integrating the Corporation’s strategic vision into the Board’s decision-making processes in light of the opportunities and risks of the business - Reviewing business and operational performance and monitoring strategic initiatives
Financial Performance and Reporting	- Monitoring financial performance of the Corporation and its progress toward strategic and operational goals, and taking action when performance falls short of the established goals or as special circumstances warrant - Monitoring financial reporting and approving the annual financial statements as well as management’s discussion and analysis
Risk Management	- Understanding the principal risks associated with the business and confirming that systems to monitor and manage risk are in place - Overseeing management’s risk management processes and mitigation strategies, including receiving reports on key risks and mitigation strategies
Policies, Procedures and Ethical Conduct	- Approving and monitoring compliance with all significant policies and procedures by which the Corporation is operated - Overseeing the integrity of internal control and management information systems

Responsibility	Activities
	Overseeing key compliance matters, including the Corporation's Code of Conduct and associated Business Conduct Policies
Stakeholder Communications	- Reviewing and approving the Corporation's disclosure policies and practices - Approving major communications to Shareholders and the investing public, such as the information circulars, financial statements, management discussion and analysis, annual information forms and prospectuses - Engaging with Shareholders as appropriate, including at annual shareholder meetings

In fulfilling any of its responsibilities, the Board may retain independent advisors. The Board has also approved a formal Board mandate that is available on SEDAR+ (www.sedarplus.ca) and is incorporated by reference into this Circular. The Corporation will also provide a copy of the Board's mandate to any security holder of the Corporation free of charge upon request.

Climate Change Oversight

In keeping with Maple Leaf Foods' vision to be the Most Sustainable Protein Company on Earth, the Board and its committees play a role in overseeing the Corporation's climate-related strategy, risk analysis and performance on climate change matters.

Responsibility	Activities
Oversight	The Corporation's sustainability strategy and commitment to carbon neutrality was approved by the Board. The SSC receives detailed quarterly reporting on the Corporation's sustainability performance, including climate change matters and the Corporation's progress toward its Science-Based Targets. The SSC reports directly to the Board on these matters following each committee meeting. In addition, the Board receives detailed updates from management on climate change and sustainability matters and also receives input from outside experts as appropriate. Climate-related experience and expertise is a core competency on the Director skills matrix.
Independent Assurance	Maple Leaf Foods has appointed KPMG to provide independent assurance in accordance with ISAE 3000 and ISAE 3410. In line with industry practice, KPMG's scope provides limited assurance of selected environmental data and performance measures.
Risk Management	The Corporation has had an independent risk analysis of climate-related risks associated with its business completed. The result of this report and updates on the Corporation's actions with respect to this risk analysis have been shared through the disclosure in its Annual Management Discussion and Analysis and its Integrated Report, both of which are available annually on the Corporation's website. Climate-related risk management strategies are integrated into the Corporation's overall corporate strategy and decision-making processes. For example, through the review and approval process for capital projects there is a requirement to assess climate-related impacts of each project.
Metrics and Targets	Maple Leaf Foods is advancing work on a number of fronts to accelerate reductions across its key environmental performance indicators. These actions include: executing on the-ground action plans across its network and advancing several longer-term large-scale high impact projects, including scaling up its regenerative agriculture initiatives and investments, and approving the next phase of engineering work on anaerobic digestion. The Corporation manages its sustainability goals through a combination of prioritizing avoidance and reductions in its greenhouse gas emissions, and purchasing high-impact environmental project verified emissions reduction credits to offset currently unavoidable emissions. Through this methodology, the Corporation neutralizes its Scope 1 & 2 emissions and a portion of its Scope 3 GHG emissions. In 2019, the Science-Based Target initiative ("SBTi") approved Maple Leaf Foods' science-based targets ("SBT") for GHG emissions reduction. The SBTi verified the Corporation's comprehensive carbon inventory that was developed in accordance with the internationally accepted Greenhouse Gas Protocol which was developed by the World Resources Institute and World Business Council for Sustainable Development. SBTi has recently established new requirements for Food, Land, and Agriculture (FLAG) sectors. The Corporation is assessing these requirements and the implications for its target setting going forward. Along with refreshing its other environmental targets, the Corporation is assessing these new SBT requirements to update its GHG emissions targets in line with the best available science and alignment with evolving global reporting standards and viable decarbonization pathways. Drawing on best available science, together with new standards and protocols the Corporation is re-evaluating its key environmental performance indicators to set new, meaningful, science-backed environmental targets over the course of the coming year. As it re-sets its formal targets, it will not slow its efforts to reduce its environmental footprint and will continue to be a thought leader in climate change and pursue its commitment to be a leader in sustainability. Detailed reporting on progress toward the Corporation's goals is provided through the SSC at each committee meeting. In addition, both the SSC and the Board receive updates on the ongoing work to update the Corporations goals and performance indicators. Detailed reporting is provided in the Maple Leaf Foods' Integrated Report which provides readers with a comprehensive review of the Corporation's performance and reflects the integration of the Corporation's financial, environmental, social and governance performance.

Other Areas of Focus

Key areas of focus for the Board and the Corporation during the year are outlined below.

1. Strategic Blueprint and Renewed Corporate Focus

- In 2024, there was concerted focus on the Corporation's strategy and priorities by the Board. The Board oversaw and endorsed the refresh of the Corporation's strategic blueprint. Grounded in this strategic blueprint, Maple Leaf Foods intends to deliver shared value creation by:
 - Leading the Way by making better food, taking better care and nurturing a better planet;
 - Building Loved Brands by growing consumer relevance, delivering impactful innovation and leveraging its unique capabilities;
 - Broadening its Impact by expanding its geographic reach, developing new channels and categories, and diversifying its protein portfolio;
 - Operating with Excellence by harnessing advanced technologies, applying data science and analytics, and driving cost efficiency; and
 - Developing Extraordinary Talent by embedding its values-based culture, investing in future ready leaders, and inspiring enduring engagement
- To support the refreshed strategic blueprint, the Corporation completed a reorganization of its operating units and restructured the commercial and operations teams. As part of this reorganization the plant protein portfolio was fully integrated into the Prepared Foods operating unit and creating a structure to accelerate growth across meat and plant protein categories in Canada and the U.S. The Board received regular updates and approved changes to the senior leadership team as part of this reorganization.
- The Board received comprehensive analysis and updates on the spin-off of the Corporation's pork operations from Management and its legal, strategic and financial advisors to assess the value creation opportunities, the structural, operational and functional separation considerations and executional detail. (See "The Arrangement").
- The Board maintained its approach of holding dedicated strategic discussion sessions at each regular meeting, as well as roundtable sessions.

2. Operations and Execution

- The Corporation significantly advanced its operational efficiency and optimization efforts through 2024. The Board received regular updates on these initiatives which were brought together under a "Fuel for Growth" program which includes optimizing resources and processes in the Corporation's collection of assets; investing in automation technology where appropriate; and streamlining the organizational structure for improved execution. Key aspects of the program include:
 - Supply Chain Optimization: By the end of 2024, the Corporation completed a sourcing optimization project that is expected to deliver enhanced savings, scalability, and supply chain agility in 2025.
 - Selling, General & Administrative (SG&A) Improvements: The Corporation successfully implemented the initial phase of SG&A reductions by restructuring commercial and operations teams at the end of 2024. This has resulted in a leaner organizational structure and reduced headcount. These measures, combined with the rightsizing previously completed in the plant protein category, are expected to yield significant savings in 2025.
 - Strategic Manufacturing Review: The Corporation has initiated a strategic review of its manufacturing and operating network to boost capacity utilization, rationalize its footprint where necessary, adopt advanced technologies, and embed operational excellence across its processes. While this strategic review is still underway, initial outcomes include the planned closure of the Brantford plant in the first half of 2025.

- The Board received regular updates on the Corporation's progress on its 2024 operating plan, including analysis of the factors influencing performance, as well as risks and opportunities.
- The Board continued to oversee the Corporation's capital allocation decisions and its deleveraging strategies. It received regular updates on the ramp-up business case for key capital projects such as the new, state-of-the-art poultry facility in London, Ontario and the Bacon Centre of Excellence in Winnipeg, Manitoba. It also received quarterly balance sheet updates to support the Corporation's deleveraging initiatives as it moved from a phase a heavy capital investment in growth projects, to a phase of realizing the benefits of these investments.
- The Board received detailed operating unit and functional updates, including a review of the Corporation's technology, cyber and automation plans and the initiation of its manufacturing strategy.
- Consistent with the Corporation's commitment to provide a safe work environment, the Corporation also delivered excellent safety results in 2024, both from a food safety and occupational health and safety perspective. Regular safety performance reporting is provided through the SSC and shared with the full Board. The Board also monitored the Corporation's social compliance program, which includes internal and external social audits, as well as a Supplier Code of Conduct to ensure that workers are treated with respect and dignity, that business operations are environmentally responsible, that business activities are conducted ethically, and that animals are under good care.
- The Board approved the 2025 operating plan, having considered the key initiatives and the operating environment.

3. Risk Management Oversight

- Understanding the key risks facing the Corporation, the interplay between those risks and the Corporation's risk management strategies is an important area of focus for the Board and its committees.
- The Board receives regular operating reviews, market updates and risk management reports from Management. Detailed reviews with respect to internal audit reviews, business risk and financial risk management positions are carried out by the AC; health, safety, operating and sustainability risks are reviewed by the SSC; governance related risks are overseen by the CGC; and compensation-related risks are overseen by the HRCC. Each of these committees also reports directly to the Board on these matters.
- The Board also received detailed updates on the implications of the spread of foreign animal disease, international trade, pork markets, protein market dynamics, including implications for the business and the Corporation's preparedness strategies to deal with these external factors. A detailed environmental scan and "strengths, weaknesses, opportunities and threats" analysis was also completed.

4. Succession planning and senior leadership development

- Succession planning has been another key area of focus for the Board, with a particular focus the senior leadership team.
- The Board received regular updates regarding the redesign of the organizational structure for the commercial and operations teams to align with the Corporation's refreshed Strategic Blueprint. It also approved several changes to the Senior Leadership Team as part of the redesign and other succession planning initiatives. In 2024, the Board appointed David Smales as Chief Financial Officer, Adam Grogan as President and Chief Operating Officer, Casey Richards as President, Maple Leaf Foods USA, Ryan Walker as Senior Vice President, Poultry, Josh Kuehnbaum a Senior Vice President, Customer Business Development (Canada), and Patrick Lutfy as Senior Vice President, Marketing and Innovation. They also approved the appointment of Mike Yang, as Chief Supply Chain Officer, effective in early 2025.
- The Board and the HRCC have also been engaged in and have received updates on the development and execution of the Corporation's People Strategy.

- The Board also receives updates on the Corporation's employee engagement survey results and the Corporation's action plans and progress coming out of those surveys.

5. Board Governance and Director Succession Planning

- The Board continued to place a strong emphasis on its own governance and succession planning processes, including reviewing its succession processes and its approach to Board experience, engagement and rhythms.
- Supported by a third-party expert, the Board completed a search to identify an additional director to complement the mix of skills, talent and diversity which resulted in Fareed Khan, another financial expert, being appointed in 2024.

BOARD ORGANIZATION AND MEMBERSHIP

Executive Chair

The Executive Chair provides leadership to the Board. The CGC has endorsed a role description for the Executive Chair and periodically reviews the responsibilities and accountabilities, which include:

- Chairing meetings of the Board and contributing to the stewardship of discussions and dialogue amongst all directors;
- Facilitating the effectiveness of the Board and Board meetings, including forward agenda development, meeting cadence, director interaction and engagement with management and advisors;
- Providing leadership to the Directors in carrying out their collective responsibilities;
- In collaboration with the Independent Lead Director and the CGC, advancing Board succession and renewal processes;
- Contributing to the strategy and management of the business and affairs of the Corporation in collaboration with the CEO while continuing to engage in a senior executive capacity, including engagement in key decisions related to strategy, senior leadership team succession, capital allocation and capital structure, risk management, merger and acquisition activity, long-term value creation and mentorship; and
- Stewarding an effective relationship between the Board and management.

Independent Lead Director of the Board

The Independent Lead Director provides leadership for the independent Directors of the Board. The Board from time to time reviews the Independent Lead Director's responsibilities and accountabilities, which include:

- Chairing *in camera* meetings of independent directors and contributing to stewardship of discussions and dialogue amongst independent directors within and outside meetings;
- Consulting with the Executive Chair to contribute to the development of agendas and distribution of materials and information to directors;
- Collaborating with the Executive Chair to ensure the effectiveness of the Board and individual directors, including engaging, as appropriate, in the annual assessment and evaluation processes, and engaging in one-on-one meetings with the directors and the Executive Chair as appropriate;
- Fostering an effective relationship between management and the Board;
- Supporting Board succession planning and renewal processes; and

- Contributing to the oversight of the Corporation's strategies, plans and policies.

Mr. Hayes currently serves as the Independent Lead Director.

Board Size

The maximum number of directors permitted by the Corporation's articles is 18; the minimum is eight. The Board believes that the number of directors within this range that is appropriate to fulfill the Board mandate in the best interests of the Corporation is between nine and 11. The Board is currently comprised of eleven directors. Four of the eleven current directors were nominated by the McCain Holders (defined below) pursuant to the Amended Governance Agreement which is described in more detail below under the subheading "Report on Governance – Board Organization and Membership – Board Composition and Selection of Directors." At the Meeting, eleven directors are being nominated, of which four are nominated by the McCain Holders, consistent with the Amended Governance Agreement.

Board Composition and Selection of Directors

Directors must possess the highest personal and professional ethics, integrity and values and be committed to representing the best interests of the Corporation. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. Each director should also have outstanding ability in his or her individual fields of expertise and be able to devote necessary time to Board matters.

Subject to rights to nominate directors under the Amended Governance Agreement (described below), the CGC (as defined below) manages the process of recommending qualified directors for nomination to the Board. The CGC has responsibility for identifying and recommending qualified individuals as nominees to be directors of the Corporation. The framework for director selection and board succession planning seeks to achieve the best mix of skills, experience, competencies, tenure and diversity. The CGC also seeks to ensure that any nominee (i) will have sufficient time to dedicate to fulfilling their role as a director, and (ii) is not over-boarded.

The CGC reviews the competencies, skills and personal qualities of candidates to be considered for nomination to the Board. In fulfilling this responsibility, it uses the director skills matrix to help guide its search for potential new director nominees, solicits input from existing directors, maintains a list of potential candidates and engages an independent consultant to assist in developing a full skills profile and in identifying potential candidates. As discussed in more detail in the "Report on Governance – Diversity" section of this Circular, the Board values diversity and has adopted a written diversity policy which informs its approach to candidate selection. Diversity considerations play a role in the director succession processes and will continue to do so as the Corporation intends to return to having at least 30% women directors by the next meeting of shareholders and to maintain representation from underrepresented groups.

Annually, prior to each annual Shareholder meeting, the Board, acting on the advice of the CGC and having received the names of nominees put forward under the Amended Governance Agreement, approves the director nominees to be nominated for election.

In the event there is a vacancy prior to an annual meeting, the CGC may make a recommendation to the Board with respect to a replacement nominee to fill the vacancy. Further, if appropriate, the CGC may recommend the appointment of additional directors between annual meetings of Shareholders. In both cases, the recommendations are subject to compliance with the CBCA and the Corporation's constating documents and the Amended Governance Agreement.

Amended Governance Agreement

The Corporation entered into an amended and restated governance agreement with MCI and Mr. Michael H. McCain, the Corporation's Executive Chair (together, the "McCain Holders"), dated February 21, 2017 (the "Amended Governance Agreement") which amends and restates the original governance agreement (the "Governance Agreement") entered into on July 28, 2011 with Michael H. McCain and McCain Capital Corporation, a company controlled by the Wallace McCain family.

The Amended Governance Agreement provides, among other things:

- (i) The McCain Holders have the right to nominate that number of directors of the Corporation proportionate to their ownership interest as provided for in the Governance Agreement; however, the Amended Governance Agreement caps the number of nominees of the McCain Holders so that, regardless of the McCain Holder's ownership interest, the CGC has the right to nominate the majority of directors.
- (ii) All directors nominated by the CGC will be independent of the Corporation and unrelated to the McCain Holders, except in certain circumstances where the Board determines it would be in the best interests of the Corporation to nominate a director that is not independent.
- (iii) The McCain Holders are prohibited from acquiring beneficial ownership of, or control or direction over, more than 45% of the outstanding voting shares of the Corporation (calculated on a modified fully diluted basis) except as a result of the exercise of rights to acquire shares granted under the Corporation's equity compensation plans, actions taken by the Corporation such as an issuer bid, or by way of a permitted take-over bid by the McCain Holders. A permitted take-over bid for purposes of the Amended Governance Agreement is one that is for 100% of the shares not already owned by the McCain Holders and which is otherwise in compliance with applicable law. A partial bid (which may have qualified as a permitted bid under the Corporation's previous shareholder rights plan) will not constitute a permitted take-over bid for purposes of the Amended Governance Agreement.
- (iv) The McCain Holders have agreed that they will not transfer beneficial ownership of, or control or direction over, the outstanding shares held by them to any other person who after the transfer would own 20% or more except in specified circumstances, including pursuant to a take-over bid for 100% of the shares of the Corporation or pursuant to certain permitted estate planning transactions. Eligible transferees under these estate planning transactions can become parties to the Amended Governance Agreement and succeed to the rights and obligations of the McCain Holders under the Amended Governance Agreement.
- (v) The McCain Holders have agreed that they will not enter into lock-up agreements in respect of an acquisition of their shares, except certain permitted lock-up agreements that allow the McCain Holders to terminate their obligations thereunder in order to accept a higher price available for their shares that is higher by a specified percentage pursuant to another transaction.
- (vi) The Corporation agreed that it would not put the previous shareholder rights plan of the Corporation to Shareholders for reconfirmation at the Corporation's annual meeting in 2017 (and accordingly, the shareholder rights plan expired in accordance with its terms at the termination of that meeting). Furthermore, the Corporation has agreed that it will not adopt a new rights plan, by-law or amend an existing by-law or charter provision, or enter into any contract that would reasonably be expected to limit, restrict, delay or impair the exercise of the rights of the McCain Holders under the Amended Governance Agreement except in certain circumstances.

In approving the Amended Governance Agreement, the Board determined that it was in the best interests of the Corporation to amend and restate the Governance Agreement in order, (i) to allow the Corporation's shareholder rights plan to expire in accordance with its terms and to eliminate impediments to the accumulation of shares by third parties, (ii) upon the expiry of the Corporation's previous shareholder rights plan, to regulate in a similar manner dispositions by Michael H. McCain and MCI of their shares and to establish a limit on ownership by MCI and Michael H. McCain to a maximum of 45% of shares and rights and entitlements to acquire shares, (iii) to ensure that a majority of directors are nominated by the CGC, (iv) to give the Board flexibility with respect to share issuances and repurchases and generally with respect to capital allocation decisions, and (v) to address potential intergenerational transfers of the McCain family shareholdings. The Amended Governance Agreement was approved by the independent directors of the Corporation and was not entered into in response to any proposed or pending transaction or material event.

In 2024, pursuant to the Amended Governance Agreement, the McCain Holders have put forward four incumbent directors as nominees at the Meeting: Michael H. McCain, Ronald G. Close, William E. Aziz and Jonathan W. F. McCain.

Independence of Directors

The Board has adopted a policy requiring a majority of the directors to be independent. The CGC has been delegated the responsibility to assess director independence. Annually, the CGC delivers a report on director independence to the full Board. In assessing independence, the CGC and the Board apply the definitions of independence under applicable securities laws and considers a director who is not a member of management and is free from any interest and any business, family or other relationship which could or could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Corporation to be independent. All members of the AC, CGC and HRCC meet the definition of independence.

While nominated by MCI, the CGC has concluded that neither Ronald G. Close nor William E. Aziz have any relationships that would compromise their independence and accordingly have determined that they are independent directors. Michael H. McCain is the Executive Chair of the Corporation and Jonathan W. F. McCain is the President of MCI and the son of Michael H. McCain, and accordingly neither is considered independent.

Set forth below is a summary indicating the current and proposed directors of the Corporation who are considered "independent" and who are considered "not independent", along with the reasons why the latter is not considered independent.

Name	Independent of Corporation	Relationship Affecting Independence
W.E. Aziz	Yes	
R.G. Close	Yes	
C.E. Frank	No	President and CEO
T.P. Hayes	Yes	
F. Khan	Yes	
K.N. Lemon	Yes	
A.G. Macdonald	Yes	
L. Mantia	Yes	
J.W.F. McCain	No	President of MCI Son of Executive Chair
M.H. McCain	No	Executive Chair
B. Newlands Campbell	Yes	

Term Limits for Directors

The Board believes that the advantages that accrue from experience and long service on the Board need to be balanced against the benefits of renewal. Accordingly, the Board has adopted term limits for its directors. No candidate will be nominated for election at a meeting if they have completed 15 years of continuous service on the Board or has reached 75 years of age. The term limit restrictions do not apply to McCain Family members. The tenure and age of each director standing for election is reported in the biographies of each director under the heading "Director Nominees."

Qualifications, Competencies and Director Skills Matrix

The Board seeks to ensure that its directors possess certain specific skills that assist the Board in performing its functions of overseeing the conduct and operations of the Corporation. These skills are in addition to the key personal and leadership characteristics, including integrity and commitment to representing the long-term interests of the Shareholders, that are integral to fulfilling the role of a director. The skills matrix is reviewed annually.

The following table sets out the Director Skills Matrix that has been adopted by the Board, along with each director nominee's evaluation of the skills he or she most strongly brings to the role. The Board is of the opinion that the eleven nominees possess the necessary mix of skills and experience to ensure that as a group they can fulfill the Board's mandate and contribute to the success of the Corporation.

Skill	W.E. Aziz*	R.G. Close	C.E. Frank	T.P. Hayes	F. Khan*	K.N. Lemon	A.G. Macdonald	L. Mantia	J.W.F. McCain	M.H. McCain	B. Newlands Campbell
Consumer Packaged Goods. Experience with a leading consumer packaged goods company.			✓	✓	✓	✓			✓	✓	
International. Experience working in a major organization that has business in one or more international jurisdictions or in international trade.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Government Relations. Experience in or a strong understanding of the workings of government and public policy in Canada and internationally through public administration or government relations.	✓	✓						✓		✓	
Education and Academia. Experience and skills in teaching, training, academia.		✓				✓					
CEO/COO. Senior leadership operating experience as a CEO or COO of a publicly listed company or large organization.	✓	✓	✓	✓	✓		✓	✓		✓	✓
Financial Literacy, Audit & Risk. Experience in accounting, auditing, financial reporting, and corporate finance, financial designation or expertise in insurance or risk management.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Law. Legal training or experience relating to commercial enterprises.	✓							✓			
Board and Corporate Governance. Experience as a board member of a public company or as professional or legal governance counsel to the board of a public company other than MLF or governance experience as an influential shareholder.	✓	✓	✓	✓	✓			✓	✓	✓	
Food and Agricultural Industries. Experience in the food and agricultural industries.			✓	✓	✓	✓			✓	✓	✓
People. Experience in organizational design, compensation and benefits, leadership development, diversity, equity and inclusion, workplace safety, or labour relations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Skill	W.E. Aziz*	R.G. Close	C.E. Frank	T.P. Hayes	F. Khan*	K.N. Lemon	A.G. Macdonald	L. Mantia	J.W.F. McCain	M.H. McCain	B. Newlands Campbell
Mergers & Acquisitions. Understanding of issues associated with acquisitions through experience in investment banking or with organizations that have undertaken acquisitions.	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Information Systems and Cybersecurity. Experience major information technology or systems implementations, cybersecurity, digital technology or digital marketing.	✓	✓	✓	✓	✓	✓	✓	✓		✓	
Engineering and Project Management. Experience with organizations that have undertaken major capital expenditure projects.		✓	✓	✓	✓			✓	✓	✓	✓
Environment and Sustainability (inc. Climate). Experience in sustainability, climate risk/climate change, environmental management, social welfare, animal welfare or shared value creation.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

* Mr. Aziz and Mr. Khan are financial experts

Individual Voting for Directors

Shareholders have the right to vote for or against a director in accordance with the *Canada Business Corporations Act*. Director nominees must receive a majority of votes cast to be elected as director. The results of the vote for each director at the 2024 Annual Meeting are included under “Business of the Meeting – Directors Nominees at a Glance: Update” and “Director Nominee” biographies.

Director Orientation and Education

The Corporation has a comprehensive orientation program for new directors and offers information and educational opportunities for all directors throughout the year.

The new director orientation program includes both written materials and in-person or virtual meetings. It provides new directors with an introduction to the Corporation, its business and operations, key policies and the structure of the Board and its committees, as well as the opportunity to engage directly with other directors and members of management. As part of the orientation program, each new director meets one-on-one with representatives from senior management of the Corporation covering each functional area to gain a deeper understanding of the Corporation's operations, strategies, risk profile, and core processes. These sessions also provide new directors with the opportunity to engage directly with a cross section of the management team to gain insights into the skills and competencies of its talent. The orientation also offers new directors the opportunity to participate in tours (live or virtual) of the Corporation's facilities.

Educational opportunities are also offered to the full Board throughout the year. The ongoing educational initiatives include a range of presentations and reports from the Corporation's business units, as well as periodic presentations, reports or updates from third parties and experts. Special presentations to the Board and to its

committees are also made, as appropriate, regarding changes and proposed changes in laws and regulations or other issues relevant to the Corporation or the industry in which it operates.

In 2024, a number of special presentations and educational sessions were held, including:

Topic	Presentation	Presenter	Audience
Strategy	Strategic Blueprint and 5 Year Plan Update • Updates on progress made toward realizing the Corporation's strategic objectives • Roll out of the refresh and renewal of the Strategic Blueprint	Management	Board
Strategy	Environmental Scan	Management	Board
Strategy	Strengths, Weaknesses, Opportunities and Threats Analysis	Management	Board
Strategy	Competitive Landscape Review	Management	Board
Strategy	Business Unit and Functional Strategy Review for Prepared Foods and Poultry: • Information Technology and Cyber Security; • People Strategy; • Manufacturing; • Supply Chain; • Sales and Marketing;	Management	Board
Strategy	Business Unit and Functional Strategy Review for the Pork Complex: • Market dynamics • Industry drivers • Initiatives and Opportunities	Management	Board
Strategy	Portfolio Strategy	Management	Board
Talent	Talent Management and Succession (including Labor and DEI Update)	Management	HRCC Board
Talent	Pay Equity	Management	HRCC
Disclosure and Governance	Trends in Compensation and Governance Disclosure	External Advisor	HRCC
Risk Management	Review of the Corporation's Risk Management strategies and performance	Management	AC
Environmental and Sustainability	Report on Materiality Assessment	Management	SSC
Environment and Sustainability	Climate Change Update	External Advisor	Board
Health and Safety	Social Compliance and Occupational Health and Safety	Management	SSC
Climate Change	Report on Carbon Neutral and Science Based Targets	Management	SSC Board
Animal Care	Hatchery Breeder Strategy	Management	Board
Animal Care	Animal Care Strategy	Management	SSC
Governance	Creating a World Class Board Experience	Management	Board

Equity Ownership Requirements

The Board has determined that it is appropriate to align the interests of the directors receiving fees (excluding those who are full-time employees of the Corporation) with those of Shareholders by requiring them to own a minimum number of shares of the Corporation or equivalent units. Each director is required to hold a minimum number of shares of the Corporation or equivalent units having a value equal to three times their annual retainer. For this purpose, value is calculated as the greater of market value and cost of acquisition. Such holdings are to be acquired within five years of the director's appointment or any increase in the amount of the retainer. For this purpose, ownership could take the form of actual shares or equivalent units acquired under the DSU Plan. The share

ownership requirements are described in detail under the heading “Directors’ Compensation” of this information Circular.

COMMITTEE STRUCTURE AND TERMS OF REFERENCE

Overview of the Board Committee Structure

The Board has established four committees to assist it in fulfilling its mandate:

1. the Audit Committee,
2. the Human Resources and Compensation Committee,
3. the Corporate Governance Committee, and
4. the Safety and Sustainability Committee.

The Board has adopted a written charter for each committee. Each committee reviews its charter annually, both to ensure that it has fulfilled all of its responsibilities and to identify whether any updates are required. The results of these reviews are reported to the Board. The Board is also responsible for approving any proposed amendments to the charters that may be recommended. The full text of the charters for each committee are available on the Maple Leaf Foods website at www.mapleleaffoods.com.

Each committee is responsible for carrying out the matters delegated to it by the Board, however the Board ultimately remains responsible for ensuring that all matters are carried out in the best interests of the Corporation. Matters may be delegated to a committee through its committee charter or by resolution of the Board.

The committee structure may change from time to time as the Board considers which of its responsibilities can best be fulfilled through a detailed review of matters at the committee level. From time to time, the Board may also establish special purpose committees or working groups to address particular matters that arise.

Committee Practices

The Board has passed a general policy respecting the composition, appointment and practices of each committee of the Board which, among other requirements, provides that:

- (a) The Chair of the committee shall be the chair of any meeting of the committee. If the Chair of the committee is not present at any meeting of the committee, the Chair of the meeting shall be chosen by the committee from among the members present; and
- (b) Upon the request of the auditors of the Corporation, the Chair of the AC shall convene a meeting of the AC to consider any matters the auditors believe should be brought to the attention of that AC and to the attention of the directors or Shareholders.

Each committee’s charter requires the committee to report to the Board after each meeting through its Chair. Additionally, the by-laws of the Corporation provide that the Chair of a committee shall not have a second or casting vote in the event of a tie. All committees have the ability to retain independent expert advice whenever they determine it would be appropriate.

The Board remains responsible for matters assigned to the committees and the responsibility of the committees is to assist the Board in discharging those responsibilities. Each committee is to review and make recommendations to the Board with respect to the approval of matters, except as explicitly provided in the charter of the committee or a resolution of the Board.

Committee Chairs

The Chair of each committee is responsible for:

- providing leadership to that committee;
- facilitating the flow of information between the committee and the Board of Directors;
- managing any outside advisors retained by the committee;
- overseeing the planning and organization of meetings of the committee; and
- consulting as appropriate with the Executive Chair and Independent Lead Director with respect to the effectiveness, performance, composition and mandate of their committee.

Committee Membership

The Board, on the advice and recommendation of the CGC, approves committee membership each year. As part of the CGC's review and recommendation process, it seeks to ensure each committee has an appropriate mix of skills to carry out its mandate, that the effectiveness of the committees can be optimized and that there is an appropriate balance of the workload among the directors. The appointments are intended to make the best use of individual directors' skills and experience and seek to maintain some level of continuity. New members and chairs of the committees receive orientation to the work of the committee as required.

All members of the AC, CGC and HRCC must be independent. Non-independent directors may be a member of the SSC. In addition, all members of the AC must be financially literate within the meaning of applicable securities laws.

The table below summarizes the membership on each committee and the year each member was first appointed to such committee.

May 2023 – May 2024	Year Appointed	May 2024 – Present	Year Appointed
AC		AC	
W.E. Aziz (Chair since 2015)	2014	W.E. Aziz (Chair since 2015)	2014
K.N. Lemon	2018	F. Khan	2024
A.G. Macdonald	2023	K.N. Lemon	2018
L. Mantia	2023	A.G. Macdonald	2023
		L. Mantia	2023
CGC		CGC	
T.P. Hayes (Chair since 2023)	2021	T.P. Hayes (Chair since 2023)	2021
R.G. Close	2015	R.G. Close	2015
L. Mantia	2023	L. Mantia	2023
B. Newlands Campbell	2023	B. Newlands Campbell	2023
SSC		SSC	
K.N. Lemon (Chair since 2023)	2018	K.N. Lemon (Chair since 2023)	2018
R.G. Close	2023	R.G. Close	2023
J.W.F. McCain	2018	F. Khan	2024
B. Newlands Campbell	2023	J.W.F. McCain	2018
		B. Newlands Campbell	2023
HRCC		HRCC	
R.G. Close (Chair since 2023)	2021	R.G. Close (Chair since 2023)	2021
W.E. Aziz	2023	W.E. Aziz	2023
T.P. Hayes	2022	T.P. Hayes	2022
A.G. Macdonald	2023	A.G. Macdonald	2023

Committee Mandates

The primary responsibilities and functions of each committee are summarized below.

Audit Committee

(a) To assist the Board by reviewing the adequacy and effectiveness of financial and reporting processes including:

- (i) systems of internal and financial controls;
- (ii) selection of accounting policies and principles;
- (iii) preparation and audit of financial reports;
- (iv) review of financial risk management functions;
- (v) oversight of the stewardship of the Corporation's pension plan funds and report to the Board; and,
- (vi) monitoring of certain other financial matters.

(b) To oversee and monitor the appointment, independence and performance of the internal and external auditors.

(c) To establish and monitor procedures for handling concerns and complaints related to financial matters.

- (d) To approve, on behalf of the Board, certain financial and other matters as delegated by the Board.
- (e) To review and make recommendations for approval of annual financial statements, management's discussion and analysis of the financial condition of the Corporation and the results of its operations for release to Shareholders.
- (f) To review and approve the interim financial statements, management's discussion and analysis of the financial condition of the Corporation and the results of its operations for release to Shareholders.
- (g) To conduct independent investigations into matters that may come under its scope of responsibilities and to oversee financial and reporting matters reported through the Corporation's whistleblower arrangements.
- (h) To review the reporting of related party transactions.

Corporate Governance Committee

- (a) To assist the Board in matters pertaining to the Corporation's approach to governance issues, the organization and staffing of the Board, the organization and conduct of Board meetings and the effectiveness of the Board in performing and fulfilling its responsibilities.
- (b) To assist the Board in matters pertaining to the delegation of responsibilities to Board committees by reviewing annually the terms of reference for Board committees and making recommendations to the Board for any amendments deemed necessary or advisable, including recommending directors for membership to each Board committee.
- (c) To assess the independence of individuals nominated for election to the Board and the committees of the Board and the financial literacy of members of the AC.
- (d) To assess the effectiveness of the Board, individual directors and committee members.
- (e) Receives and reviews all declarations of interest by a director that may give rise to a related party transaction.

Safety and Sustainability Committee

- (a) To review, on behalf of the Board, the Corporation's progress in meeting its objective of being a sustainable company including the areas of:
 - Nutrition and Health (including Food Safety);
 - People and Communities (including employee health and safety and community involvement);
 - Animal Care; and
 - Environmental Performance and Sustainability.
- (b) To assist the Board in ensuring that
 - the Corporation has appropriate environmental, health and safety and animal care policies to meet or exceed legislative and regulatory requirements and industry standards in those areas as well as the sustainability objectives;
 - risks relating to matters outlined in the SSC's four key areas of responsibility receive oversight by being periodically assessed and addressed in the appropriate policies; and
 - the Corporation has and maintains management systems to implement and monitor compliance with and performance against its policies and strategies.

Human Resources and Compensation Committee

- (a) To review, develop and propose to the Board the necessary policies and procedures to ensure that all employees of the Corporation will be fairly and competitively compensated. Special attention is devoted to the executive group.
- (b) To evaluate annually the performance of the CEO against predetermined goals and criteria and to recommend to the Board the amount of compensation to be paid to the CEO.
- (c) To review annually the CEO's evaluation of the performance of the other executive officers of the Corporation and its major subsidiaries and the CEO's recommendations with respect to the amount of compensation to be paid to the other executive officers.
- (d) To assist the Board in ensuring that appropriate human resource development, succession planning and performance evaluation programs are in place and operating effectively.
- (e) To review and report to the Board on the pension and retirement benefits to employees.
- (f) To oversee matters reported through the Corporation's whistleblower ethics line related to non-financial matters.

BOARD MEETINGS AND MATERIALS

Functioning of the Board

The CGC, together with the Independent Lead Director and the Executive Chair, is responsible for assessing and recommending changes to ensure the Board carries out its objectives effectively and operates independently of management.

Meeting Agendas, Materials and Attendance of Non-Directors

Procedures are in place governing the conduct of meetings including, among other things, agendas, distribution of briefing materials and attendance of non-directors at meetings. These procedures are followed to promote informed and effective consideration of the matters on the agenda. Senior officers attend each Board meeting to provide information and opinions to assist the directors in their deliberations.

In Camera Meetings

In camera meetings of the independent directors are scheduled in connection with each Board meeting and additional *in camera* meetings may be scheduled outside of the regular Board meetings as necessary or desirable. *In camera* sessions are also scheduled for the independent directors after each committee meeting. The AC meets *in camera* quarterly with each of the internal and external auditors to maintain open and unfettered communication with those groups.

DIRECTOR ATTENDANCE

The following table shows the attendance of each director at Board and committee meetings in 2024. The attendance record reflects the number of meetings held and each director's attendance since the date of their election or appointment to the Board and each committee. Effective September 19, 2024, Mr. Khan was appointed as a member of the AC and SSC.

DIRECTOR	Board	AC	CGC	SSC	HRCC	Total # of Meetings	Percentage
W.E. Aziz	9/9	6/6			7/7	22/22	100%
R.G. Close	9/9		5/5	3/3	7/7	24/24	100%
C.E. Frank	9/9					9/9	100%
T.P. Hayes	9/9		5/5		7/7	21/21	100%
F. Khan	3/3	1/1		1/1		5/5	100%

DIRECTOR	Board	AC	CGC	SSC	HRCC	Total # of Meetings	Percentage
K.N. Lemon	9/9	6/6		4/4		19/19	100%
A.G. Macdonald	9/9	6/6			7/7	22/22	100%
L. Mantia	9/9	6/6	5/5			20/20	100%
J.W.F. McCain	9/9			4/4		13/13	100%
M.H. McCain	9/9					9/9	100%
B. Newlands Campbell	9/9		5/5	4/4		18/18	100%
Aggregate Total	93/93	25/25	20/20	16/16	28/28	182/182	
Aggregate Percentage	100%	100%	100%	100%	100%	100%	100%

BOARD'S RELATIONSHIP WITH MANAGEMENT

Board's Relationship with Management

Management engages with the Board before making decisions on key issues. The CGC regularly reviews and assesses the Board's relationship with management.

Executive Chair and Independent Lead Director

Mr. M.H. McCain is Executive Chair and Mr. Hayes was originally appointed as the Independent Lead Director in May of 2023. As discussed under the heading "Report on Governance – Board Organization and Membership", the Executive Chair and Independent Lead Director work closely together to provide leadership for the Board and to facilitate effective engagement with management.

CEO

The CEO's prime responsibility is to lead the Corporation by providing the vision, strategic and operational direction for the growth and profitable operation of the Corporation. The CEO's duties include general management and oversight of the business, strategic vision and planning, human resources and personnel, succession planning and communications. The CEO reports to the Board and is expected to ensure that the Board is fully informed of the progress and issues involving the business. The CEO must also seek approval for any matter for which he has not been delegated authority.

In accordance with the executive succession plan, Mr. Frank was appointed CEO in May 2023. The CGC has reviewed and endorsed the terms of reference defining the relationship between the Executive Chair and the CEO and outlined the level of ongoing engagement by the Executive Chair in decisions related to the development and execution of the strategy and management of the business and affairs of the Corporation, including engagement in key decisions related to near and long-term strategy, senior leadership team succession, capital allocation and capital structure, risk management, merger and acquisition activity, long-term value creation and executive mentorship.

Limits to Management Authority

As required by the Corporation's by-laws, the Board has established limits on management's approval authority, depending on the nature and size of a proposed transaction. These limits provide for some flexibility for approvals within approved budgets. However, the guidelines require that transactions in excess of \$15 million be approved by the Board.

Evaluation of the CEO

The HRCC conducts an annual assessment of the performance of the CEO against the goals and objectives for the Corporation that have been established by the Board. The Chair of the HRCC reviews the assessment with the full Board.

Succession Planning

Management succession planning is an ongoing activity. The succession plans, including emergency plans, for each of the executive officer positions are reviewed by the HRCC each year and the conclusions are reported to the Board. These plans include the CEO's recommendation of short- and long-term successors for the CEO and each of the Corporation's senior executive officers.

Through 2024 the Corporation continued to advance its succession plans as it advanced updates to its Strategic Blueprint and evolve the organizational structure to support the new blueprint. This work resulted in an organizational announcement effective in February 2024 to bring the plant protein and meat protein businesses together and creating a strengthened platform to grow in the United States. Under this new structure Mr. Grogan was appointed as President and Chief Operating Officer and Mr. Richards was appointed as President, Maple Leaf Foods USA.

The HRCC also conducts an overall review of senior talent in the organization. Due to its importance to the long-term health and success of the Corporation, the results of the review are shared with the full Board. See the "Report on Governance – Diversity" section of this Circular for information on the Corporation's approach to diversity within its succession planning framework.

Access to Management

All directors have open access to the Corporation's senior management for relevant information. Individual directors are encouraged to make themselves available for consultations with management outside Board meetings to provide specific advice and counsel on subjects where the directors have special knowledge and experience.

DIRECTOR RESPONSIBILITIES AND PERFORMANCE

Director Responsibilities

A director is expected to use his or her skill and experience to provide oversight to the business of the Corporation. A director has a duty to act honestly and in good faith in the best interests of the Corporation and to exercise the care, diligence and skill of a reasonably prudent person in comparable circumstances.

Directors are expected to attend all Board and committee meetings in person, by video, or by telephone. In circumstances where a director is unable to do so, he or she has the opportunity to communicate his or her views, which are then shared with the full Board. A summary of the attendance record of each director at Board and committee meetings held in 2024 is detailed under the heading "Report on Governance – Director Attendance" in this Circular. The CGC reviews director attendance annually, taking note of any exceptional circumstances accounting for director absences. In 2024, attendance at all regularly called meetings by all incumbent directors nominated for re-election at the 2025 Annual Meeting averaged 100%. The CGC was satisfied with the attendance record of each director or was satisfied with the reasons for any absences.

Outside Advisors for Individual Directors

The Board has determined that any director who wishes to engage, at the expense of the Corporation, a non-management advisor to assist on matters involving his or her responsibilities as a director should obtain authorization from the CGC. This approval requirement does not limit the authority of the AC to engage consultants or advisors on matters of financial reporting or the authority of the HRCC to engage compensation consultants. Detailed information concerning compensation consultants who have been engaged and their responsibilities is contained in the Compensation Discussion and Analysis portion of this Circular.

For the past number of years, the CGC has engaged an independent search consultant to assist in identifying potential candidates for election to the Board. The CGC is of the view that the Board, through use of an independent consultant, is able to identify a larger pool of potential candidates with the skills and diversity necessary to build an effective board. As part of its mandate, the consultant meets with directors to articulate the skills required.

Assessment of Board and Individual Director Performance

The CGC is responsible for completing annual assessments of the overall performance and effectiveness of the Board and each committee. The CGC is also responsible for reporting these assessments to the Board and recommending changes to the charter. The objective of the assessments is to ensure the continued effectiveness of the Board overall and Directors individually in the execution of its responsibilities, and to contribute to a process of continuing improvement. The evaluation and effectiveness framework is reviewed annually, and typically consists of a curated set of questions, supplemented by one-on-one discussions between each director and one or both of Board Executive Chair and the Chair of the CGC.

In 2024, the Board engaged in an evaluation of its processes and effectiveness through a series of activities, including individual interviews and group discussions which gathered input with respect to individual performance, interaction amongst directors, the relationship between the Board and management, and overall progress toward Board's goal of advancing its commitment to building world class board processes and experience. Feedback was shared with the CGC and the full Board, and periodic updates have been integrated into the Board's meeting cadence. The action items coming out of these processes form the basis upon which the Board is continuing to advance its governance structures, effectiveness and succession processes.

DIVERSITY

Maple Leaf Foods recognizes the value that diversity brings. The Corporation believes that a range of perspectives, experiences and expertise are required to create and maintain an effective board and senior management team and recognizes that gender diversity is an important aspect of boardroom diversity.

Board Diversity

Maple Leaf Foods recognizes the value of diversity. The Corporation believes that a range of perspectives, experiences, and expertise are required to create and maintain an effective Board and recognizes that building greater diversity within the boardroom is an important objective with the potential to deliver high impact. The Corporation has had a long-standing philosophy and practice of maintaining a board in which women represent at least 30% of its Directors. In 2022, the Board approved amendments to its Diversity Policy to formalize the objective of having at least 30% of directors from each gender represented on the Board, and at the same time specifically incorporated a commitment to increase representation from underrepresented groups on the Board. In 2024, the Corporation increased the diversity of the Board from underrepresented groups, such that one out of eleven directors is from an underrepresented group, and three out of eleven directors are women. The Board composition has temporarily dipped below 30% women as it has increased other dimensions of diversity, and as it manages the unique circumstances associated with advancing plans for the spin-off of Canada Packers, including recruiting three women directors to join that board and managing the representation rights of the McCain Holders under the Amended Governance Agreement. The Corporation fully intends to add another woman to the Board in the coming year, to return to a balance of at least 30% representation from each gender.

Management Diversity

Recognizing the value of diversity, the Corporation is committed to building, investing in, recognizing, and rewarding people who value an inclusive workplace, embrace all forms of diversity, and commit to include every voice in a highly collaborative environment. The Corporation believes that achieving a diverse and inclusive culture is an important component to advancing its vision. As part of this commitment, Maple Leaf Foods refreshed its diversity, equity and inclusion goals in 2023 to include the following:

- 50% women in management outside manufacturing by 2030;
- 25% women in management in manufacturing by 2030;
- 25% black, indigenous or people of colour ("BIPOC") in management by 2030;
- top quartile equity scores in each designated demographic group compared to global benchmarks annually; and

- top quartile inclusion scores in each designated demographic group compared to global benchmarks annually.

The designated demographic groups for these goals include women, BIPOC, 2SLGBTQ+ and persons with disabilities.

Building on its learnings, the Corporation is continuing to advance its diversity initiatives and is in the process of setting a broader suite of next generation goals covering diversity, equity and inclusion. Since 2017, the Corporation's approach to building a more diverse and inclusive workplace has evolved from a targeted focus on women which was reflected in its original goal, to an intersectional approach that aspires to unlock the potential of all its employees.

As part of its commitment, the Corporation has adopted and is executing a diversity and inclusion strategic blueprint ("D&I Blueprint"). It has also established a Diversity, Equity and Inclusion Council ("DEI Council") to advise and provide input into advancing the D&I Blueprint, and to amplify activities, initiatives and communications aimed at building belonging and driving results. Recognizing the importance of leading from the top, the DEI Council is led by the SVP, General Counsel, Communications and Corporate Secretary, and consists of a group of the Corporation's senior leaders.

The DEI Council engages with the Corporation's many employee resource groups as part of its mandate to support and advance the D&I Blueprint, and also works closely with the operations task force that was formed as part of the Corporation's goal of increasing the representation of women in manufacturing and information technology.

The Corporation is committed to ensuring that it attracts and retains the most highly qualified and experienced directors and executive officers and recognizes that diversity is an important consideration to achieve effective management. The Corporation's diversity, equity and inclusion initiatives are overseen by the HRCC.

Diversity Amongst Designated Groups

The Corporation conducts an annual voluntary survey of its directors and officers asking whether they identify with any of the four designated groups under the *Employment Equity Act*. The following table is based on information voluntarily provided by the directors and executive officers in response to this survey. Out of respect for the privacy of its directors and officers, and in accordance with privacy laws, the Corporation does not require anyone to disclose personal information, should they choose not to respond.

	Women	Visible Minorities	Persons with Disabilities	Indigenous Persons
Board of Directors	3/11	1/11	-	-
Executive Officers	4/22	3/22	-	-

In addition to this annual survey of directors and officers, the Corporation has a self-identification campaign amongst its employee base to collect information to use in setting goals, understanding its workforce, developing programs, measuring its progress toward its goals, and enabling it to create plans and strategies that improve the work experience and create a supportive, diverse, welcoming, and inclusive work environment.

ETHICS AND CONFLICTS OF INTEREST

Ethical Behaviour

The Board takes all steps to assure itself of the ethics and integrity of the CEO and the executive officers and ensure that they establish an appropriate "tone-at-the-top" for ethical conduct.

Code of Business Conduct

The Board expects directors, officers and employees to act ethically at all times and to acknowledge their compliance with the Corporation's Code of Business Conduct (the "Code"). Every year, salaried employees are required to reaffirm in writing his or her adherence to the Code and the CGC monitors the results of the signoff.

New employees are given a copy of the Code upon joining the Corporation. Copies are available from the Corporation and at www.mapleleaffoods.com. In 2024, the degree of compliance with the requirement to reaffirm an employee's adherence to the Code was 100%.

An Ethics Committee composed of management personnel reviews and addresses issues of interpretation of the Code raised by employees and proposes changes to the Code. The Ethics Committee reports on its activities to the CGC. The AC reviews reports received through the "whistle-blower" hotline (see "Report on governance – Ethics and Conflicts of Interest – Whistle-Blower Procedures" below) and reviews reports from internal audit on compliance with the Corporation's business expense reimbursement policy by the senior executives. Release from the application of a specific part of the Code for an officer or a director may only be given by the CGC.

Whistle-Blower Procedures

The Corporation has established a whistle-blower hotline named the Ethics Line. The Ethics Line provides employees with an avenue to raise concerns such as fraud, accounting irregularities, kickbacks, product tampering or other issues. The process was designed to reassure complainants that they will be protected from reprisals or victimization when reporting concerns in good faith. All calls are recorded and logged at an independent call centre, and the incidents reported are tracked and resolved using the case management system. The AC receives and reviews reports on the calls and their outcome on a quarterly basis. Starting in 2018, the disposition of any matters of a human resources nature are reported to the HRCC. The HRCC review the reports and the steps taken to address or dispose of the matters.

Conflicts of Interest and Related Party Transactions

Each director has the responsibility to disclose all actual or potential conflicts of interest, recuse himself or herself from any discussion on such matters and generally to refrain from voting on matters that could affect his or her personal, business or professional interests.

In addition to this basic requirement, the CGC has adopted written procedures to supplement the Corporation's Code of Conduct and its bylaws with respect to identifying and managing conflicts of interest. These processes further facilitate clear and transparent identification, review and reporting of potential conflicts of interest (including through the use of questionnaires, periodic updates and tracking), and clarify the role of the CGC in providing oversight in these matters. Directors are required to report all material relationships. This information is reported to the CGC along with a description of the relationship and potential or actual business transactions with Maple Leaf Foods. These are recorded in the minutes of the CGC and reported in the CGC's report to the Board.

The AC is responsible for related party transactions (as defined under IFRS). Related party transactions are reported to and reviewed by the AC each quarter and are reflected in the Corporation's Management Discussion and Analysis and Financial Statements. The AC also receives an annual report from the Corporation's Internal Auditor on related party transactions over a certain size annually. The AC is satisfied that all related party transactions in 2024 were transacted at market value.

Supplier Code of Conduct

The Corporation has adopted a Supplier Code of Conduct to ensure that its supply chain is safe, that workers are treated with respect and dignity, that business operations are environmentally responsible, business activities are conducted ethically, and that animals are under good care. Suppliers can raise any concerns directly with management or may report any potential violations to the following third-party agent and all information will be collected anonymously if desired and passed to the appropriate authority in Maple Leaf Foods for investigation. Please call 1-866-890-8901 (North America), 1-678- 250-7508 (Outside of North America) or www.ethicsline.mapleleaf.com.

SHAREHOLDER ENGAGEMENT

Maple Leaf Foods regularly engages with its Shareholders through accurate and timely public reporting, as well as ongoing dialogue regarding Maple Leaf Foods' strategy, financial and operational performance, sustainability performance and corporate governance practices. Shareholder engagement is also achieved through a consistent schedule of investor meetings, investor conferences and one-on-one meetings. During these engagement opportunities, feedback is actively solicited from Shareholders about the Corporation's activities. This feedback is

provided to the board at regularly scheduled meetings and discussed at its annual strategy session. Examples of the Shareholder engagement activities include:

- Participation in many conferences and speaking engagements
- Investor presentations
- Frequent investor calls and meetings
- Meetings with Shareholder representatives
- Meetings with governance organizations
- Quarterly conference calls
- Annual Meeting

The Corporation has also undertaken a comprehensive outreach effort with several of its significant Shareholders to seek input on its approach to investor communication and is using this feedback to further develop its shareholder engagement and communication strategies. Shareholders are welcome to engage with both management and the Board as appropriate. To contact management please reach out to the Maple Leaf Foods' Investor Relations team at investor.relations@mapleleaf.com and to contact the Board please reach out through corporate.secretary@mapleleaf.com.

DIRECTORS' COMPENSATION

OVERVIEW

The Board has determined that the directors should be compensated appropriately considering the time commitment, degree of professional and personal responsibility and current trends in director compensation. The Corporation's non-employee director compensation program is based on flat fees for each role, rather than individual meeting fees. The fees are paid in quarterly instalments, in arrears, and are pro-rated from the date of the director's appointment to the Board or a particular committee. The Corporation also reimburses these directors for out of pocket expenses incurred to attend Board and committee meetings, as well as any other activities requested by the Corporation. Non-employee directors do not participate in any of the Corporation's short- or long-term incentive plans and do not receive a pension.

The Corporation does not pay compensation to directors who are (i) full-time employees of Maple Leaf Foods or any of its subsidiaries, or (ii) shareholders holding more than 20% of the issued shares of the Corporation.

The CGC typically reviews director compensation every two years and makes recommendations for adjustments to the Board.

All directors are required to receive at least 50% of their annual director retainer in either shares or DSUs pursuant to the DSU Plan. All directors comply with this requirement.

DIRECTORS' COMPENSATION IN 2024

Schedule of Fees

The following table sets out the Corporation's 2024 director fee structure.

<i>Compensation – retainers for service on the Board and standing committees</i>		
Annual Director Retainer	\$	175,000
Annual Committee Retainer	\$	5,000
Annual Audit Committee Chair Retainer	\$	25,000
Annual Human Resources and Compensation Committee Chair Retainer	\$	20,000
Annual Corporate Governance Committee Chair Retainer	\$	15,000
Annual Safety and Sustainability Committee Chair Retainer	\$	15,000
Annual Retainer for Independent Lead Director	\$	40,000
<i>Compensation – retainers and fees for service on special committees or ad hoc working groups⁽¹⁾</i>		
Monthly Retainer for each member of a particular special committee	\$	3,500
Monthly Retainer for the Chair of a particular special committee	\$	7,500
Meeting fee for members of an ad hoc working group including the chair of working group	\$	1,500

Notes:

- (1) Payable for each month or part thereof that the special committee is active.

Fees earned in 2024

The tables below present a breakdown of the compensation paid to each non-executive director in 2024 in fulfilling their regular responsibilities.

Name ⁽¹⁾	Fees Earned ⁽²⁾ (\$)	Share Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
W.E. Aziz	205,000	-	-	-	-	-	205,000
R.G. Close	203,599	-	-	-	-	-	203,599
T.P. Hayes	277,000	-	-	-	-	-	277,000
F. Khan	80,714	-	-	-	-	-	80,714
K.N. Lemon	285,000	-	-	-	-	-	285,000
A.G. Macdonald	185,000	-	-	-	-	-	185,000
L. Mantia	227,000	-	-	-	-	-	227,000
J.W.F. McCain	180,000	-	-	-	-	-	180,000
B. Newlands Campbell	185,000	-	-	-	-	-	185,000
Total	1,828,313	-	-	-	-	-	1,828,313

Notes:

- (1) Directors serving as employees of the Corporation or any of its subsidiaries are not entitled to directors' fees. Mr. M.H. McCain, who has been the Executive Chair since May 2022 and Mr. Frank, who was appointed to the Board in May 2023, did not receive fees for acting as a director during 2024.
- (2) Fees are paid quarterly in the month following the end of each quarter. The fees shown in the table are those payable in respect of service in 2024 and includes fees for the fourth quarter, which were paid in January 2025.

The table below provides a detailed breakdown of the fees earned by each director in 2024 and the form of payment selected by the director.

Name ⁽¹⁾	Retainer Amount (\$)	Deferred Under DSU Plan (\$)	Form of Payment ⁽²⁾	
			Used For Share Purchases (\$)	Paid in Cash or Retained After Share Purchases (\$)
W.E. Aziz	205,000	205,000	-	-
R.G. Close	203,599	203,599	-	-
T.P. Hayes	277,000	-	136,083	140,917
F. Khan	80,714	80,714	-	-
K.N. Lemon	285,000	-	140,033	144,967
A.G. Macdonald	185,000	185,000	-	-
L. Mantia	227,000	227,000	-	-
J.W.F. McCain	180,000	180,000	-	-
B. Newlands Campbell	185,000	185,000	-	-
Total	1,828,313	1,266,313	276,116	285,884

Notes:

- (1) Fees in the table are paid quarterly in the month following the end of each quarter. The fees shown in the table are those payable in respect of service in 2024. Mr. M.H. McCain, who has been the Executive Chair since May 2022 and Mr. Frank, who was appointed to the Board in May 2023, did not receive fees for acting as a director during 2024.
- (2) The amounts in the table are before applicable tax withholding amounts.

Changes to Director Compensation for 2025

In late 2024, the CGC approved increases to the director fee structure based on an independent analysis and refreshed benchmarking prepared by Hugessen Consulting. Therefore effective January 1, 2025, the Corporation's director fee structure is as follows:

<i>Compensation – retainers for service on the Board and standing committees</i>		
Annual Director Retainer	\$	230,000
Annual Committee Retainer	\$	10,000
Annual Audit Committee Chair Retainer	\$	30,000
Annual Human Resources and Compensation Committee Chair Retainer	\$	25,000
Annual Corporate Governance Committee Chair Retainer	\$	20,000
Annual Safety and Sustainability Committee Chair Retainer	\$	20,000
Annual Retainer for Independent Lead Director	\$	40,000
<i>Compensation – retainers and fees for service on special committees or ad hoc working groups⁽¹⁾</i>		
Monthly Retainer for each member of a particular special committee	\$	3,500
Monthly Retainer for the Chair of a particular special committee	\$	7,500
Meeting fee for members of an ad hoc working group including the chair of working group	\$	1,500

Notes:

- (1) Payable for each month or part thereof that the special committee is active.

DSU PLAN

The DSU Plan provides eligible directors with the opportunity to participate in the long-term success of the Corporation and to promote a greater alignment of interests between directors and Shareholders. Under the DSU Plan, eligible directors can elect to receive their retainer and fees in the form of DSUs or as common shares of the Corporation under the DSU Plan. Distributions to directors on maturity may be in the form of common shares of the Corporation issued from treasury or purchased by the Corporation on the TSX.

If an eligible director elects to receive his or her retainer and fees as common shares, the Corporation purchases shares on the TSX at market prices quarterly on predetermined dates on behalf of the participating directors. The Corporation arranges the purchase of the common shares and is responsible for commissions and any administration fees. Shares acquired for an eligible director are registered in accordance with the instructions of the director.

If an eligible director elects to receive his or her fees and retainer in the form of DSUs, each DSU has a value equal to the market value of one common share of the Corporation at the time the DSU is credited to the director. The value of a DSU when redeemed for cash is equivalent to the market value of a common share of the Corporation at the time of redemption. DSUs attract dividends in the form of additional DSUs at the same rate as dividends on common shares of the Corporation. An eligible director cannot redeem the DSUs in cash until he or she ceases to be a member of the Board and then must do so within approximately one calendar year (exactly six months in the case of U.S. directors in respect of units earned before 2014) of leaving the Board.

The DSU Plan may be amended, suspended or terminated by the Board. However, no amendment, suspension or termination of the DSU Plan may adversely affect any previously granted DSUs without the consent of the affected director. If the Board chooses to terminate or suspend the DSU Plan, no new DSUs will be issued, but previously credited DSUs will remain outstanding (but are not entitled to dividends except at the discretion of the Board) and shall be paid out in accordance with the terms of the DSU Plan.

The table below shows details of the number and value of DSUs held by directors at December 31, 2024.

Name	Number of Shares or Units of Shares That Have Not Vested ⁽¹⁾ #	Market or Payout Value of Share-Based Awards That Have Not Vested ⁽¹⁾ \$	Market or Payout Value of Vested Share-Based Awards Not Paid Out Or Distributed ⁽²⁾ \$
W.E. Aziz	n/a	n/a	1,675,444
R.G. Close	n/a	n/a	1,452,303
T.P. Hayes ⁽³⁾	n/a	n/a	-
F. Khan	n/a	n/a	32,046
K.N. Lemon ⁽³⁾	n/a	n/a	-
A.G. Macdonald	n/a	n/a	221,602
L. Mantia	n/a	n/a	259,379
J.W.F. McCain	n/a	n/a	973,360
B. Newlands Campbell	n/a	n/a	221,602

Notes:

- (1) Units credited under the DSU Plan vest at the time of being credited to the plan.
- (2) The "market or payout value" is based on the closing share price of the Corporation's shares on the TSX on December 31, 2024 (\$20.34) and the number of units under the DSU Plan credited to the participant for director's fees earned and dividends up to December 31, 2024. Contributions for fees earned in the quarter ended on December 31, 2024 were credited to the accounts on January 15, 2025 and accordingly are not included in the balances above.
- (3) Mr. Hayes and Dr. Lemon have elected to receive shares rather than DSUs for all or a portion of their director fees.

The table below shows the details of the number and value of DSUs that vested during the year.

Name	Share-Based Awards That Vested During the Year ⁽¹⁾ #	Share-Based Awards That Vested During the Year ⁽¹⁾⁽²⁾ (\$)
W.E. Aziz	7,803	205,000
R.G. Close	7,737	203,599
T.P. Hayes ⁽³⁾	-	-
F. Khan	3,888	80,714
K.N. Lemon ⁽³⁾	-	-
A.G. Macdonald	4,584	185,000
L. Mantia	5,039	227,000
J.W.F. McCain	6,852	180,000
B. Newlands Campbell	4,584	185,000

Notes:

- (1) The "Share-Based Awards That Vested During the Year" represent all DSUs credited to the directors' accounts (excluding dividend reinvestment) in respect of fees earned in 2024. Units credited for dividends are not included. Contributions for fees earned in the quarter ended on December 31, 2024 were credited to the accounts on January 15, 2025 and are included in the balances above.
- (2) Amount in the column represents the amount of fees earned in 2024 and converted to DSUs.
- (3) Mr. Hayes, and Dr. Lemon receive shares rather than DSUs under the DSU Plan for all or a portion of their director fees.

DIRECTOR EQUITY OWNERSHIP

Total Director Equity Ownership

The table below shows equity ownership for each current director.

Name	Equity Ownership at April 22, 2025		Equity Ownership at March 1, 2024		Net Change in Equity		Market Value of Equity Holdings at April 22, 2025(\$) ⁽¹⁾
	Common Shares (#)	DSUs (#)	Common Shares (#)	DSUs (#)	Common Shares (#)	DSUs (#)	
W.E. Aziz	19,280	88,476	19,280	72,739	-	15,737	2,638,944
R.G. Close	8,400	77,288	8,400	62,182	-	15,106	2,098,499
T.P. Hayes	55,726	-	28,174	-	27,552	-	1,364,730
F. Khan	-	6,453	-	-	-	6,453	158,034
K.N. Lemon	31,733	1,863	25,660	-	6,073	1,863	822,766
A.G. Macdonald	62,200	15,862	39,200	4,615	23,000	11,247	1,911,738
L. Mantia	4,548	18,684	-	5,070	4,548	13,614	568,952
J.W.F. McCain	140,000	53,010	110,000	40,321	30,000	12,689	4,726,815
B. Newlands Campbell	-	15,862	-	4,615	-	11,247	388,460
Directors Not Subject to Director Equity Ownership Guidelines ⁽²⁾							
M.H. McCain	48,948,794	-	48,948,794	-	-	-	1,198,755,965
C.E. Frank	62,877	-	57,573	-	5,304	-	1,539,858

Notes:

- (1) The closing price of the Corporation's stock on March 1, 2024 was \$22.99 and on April 22, 2025 was \$24.49
- (2) The ownership guidelines do not apply to directors who are employees of the Corporation and do not receive director's fees. Mr. M.H. McCain and Mr. Frank are subject to the Management Equity Ownership Guidelines.

Compliance with Equity Ownership Guidelines

The Board requires directors who are not officers or employees of the Corporation to own and hold a minimum number of shares of the Corporation or equivalent units equal to three times the annual retainer for directors. With the annual retainer being \$175,000, the holding requirement in dollars is \$525,000. Ownership may take the form of actual shares or equivalent units acquired under the DSU Plan. The value of any actual shares for this purpose is the market value or the cost of the shares, whichever is greater. DSUs are valued at the greater of the current share price and the amount of fees contributed to the DSU Plan. The guideline holdings are to be acquired within five years of the director's appointment or any increase in the amount of the annual retainer, whichever is later. All non-officer directors receive all or a portion of their fees in shares or DSUs.

The table below shows each non-executive director's compliance with the equity ownership guidelines.

Name	Date Joined Board	Number of Shares and DSUs held (#)	Value of Equity Holdings ⁽¹⁾ (\$)	Multiple of Current Retainer ⁽¹⁾	Complies with Share Ownership Requirements Yes/No
Required Holding ⁽²⁾				3.0X	
W.E. Aziz	2014	107,756	2,638,944	15.1X	Yes
R.G. Close	2015	85,688	2,098,499	12.0X	Yes
T.P. Hayes	2021	55,726	1,364,730	7.8X	Yes
F. Khan	2024	6,453	158,034	0.9X	Yes
K.N. Lemon	2018	33,596	822,766	4.7X	Yes
A.G. Macdonald	2023	78,062	1,911,738	10.9X	Yes
L. Mantia	2023	23,232	568,952	3.3X	Yes

J.W.F. McCain	2018	193,010	4,726,815	27.0X	Yes
B. Newlands Campbell	2023	15,862	388,460	2.2X	Yes

Notes:

- (1) The information given is as of April 22, 2025 using the closing share price of \$24.49.
- (2) Directors have five years from date of appointment to reach the three times ownership level. Ms. Mantia and Ms. Newlands Campbell each have until 2028 to acquire sufficient shares or DSUs to fulfill the equity ownership guidelines. Mr. Khan has until 2029 to acquire sufficient MLF Common Shares or DSUs to fulfil the equity ownership guidelines.

LETTER TO SHAREHOLDERS FROM HUMAN RESOURCES & COMPENSATION COMMITTEE

Dear Fellow Shareholders:

The team members at Maple Leaf Foods are at the center of the Corporation's ability to deliver on its vision and purpose. Bringing the Maple Leaf Foods values to life each day through their dedication, innovation, and teamwork, their commitment to excellence not only drives success but also fosters a culture of integrity and sustainability. Under the leadership of Curtis Frank, President and CEO, this commitment continues to be strengthened. Since stepping in as CEO in 2023, Curtis has played an instrumental role in shaping the company's growth strategies, fostering a diverse and inclusive culture, and empowering team members to drive innovation and positive change.

Through these efforts, Maple Leaf Foods has accelerated its growth trajectory, and the hard work of the past year has set the stage for significant transformation and financial progress in 2025 and beyond. With this context, and on behalf of the HRCC and the Board of Directors, I am pleased to share our approach to executive compensation, including how we believe it aligns with our performance and the interests of our stakeholders.

2024 PERFORMANCE AND COMPENSATION

In 2024, Maple Leaf Foods gained meaningful momentum in its business. Early in the year, it unveiled its refreshed strategic blueprint, bringing further clarity and focus to its business as a purpose-driven CPG protein company. To execute the strategies outlined in the blueprint, Maple Leaf Foods consolidated its meat and plant protein portfolios under a single umbrella, advanced its executive succession plans, and re-organized its commercial and operations teams to align with the five core blueprint strategies, optimize growth potential in key markets, streamline decision-making and provide clear accountabilities.

The Corporation also took the next bold step toward unlocking value with the announcement in July that it would be spinning off its Pork Operations to create two independent public companies. This transformational transaction fully aligns with the strategic blueprint. Once it is completed, Maple Leaf Foods will continue to grow as a purpose-driven, CPG protein company and Canada Packers will go forward as a global leader in sustainably produced, premium quality, value-added pork products.

In addition to these strategic initiatives, the Corporation continued to advance its in-year operating and sustainability plans:

Financial Performance: Within its core operating business, the external environment continued to present challenges, particularly in the first half of the year, with increasing inflation, consumers under pressure, and improving but still not fully normalized pork markets. In spite of these challenges, the Corporation's disciplined execution and resilient growth strategies allowed it to achieve significant financial progress in the year. Sales increased by 1.1% to \$4,895 million compared to 2023, earnings were \$97 million (\$0.79 per basic share) compared to a loss of \$125 million (\$1.03 loss per basic share) last year, Adjusted EBITDA grew by 29.4% to \$553 million, and Free Cash Flow improved by \$296 million to \$385 million. It also made progress toward its Adjusted EBITDA Margin target, with Adjusted EBITDA margin increasing from 8.8% to 11.3%.

Sustainability Performance: As part of its vision to be the most sustainable protein company on earth, Maple Leaf Foods also advanced its broadly defined sustainability agenda. Notable achievements during the year included:

- Year over year improvement in combined energy, water, waste diversion and food waste reductions (Scope 1 and Scope 2) and in GHG emissions intensity reduction for suppliers (Scope 3);
- Top quartile performance in total recordable incident rate compared to all manufacturing in North America;
- Met the 2024 food safety incident rate reduction and quality incident rate reduction targets and the 2024 aggregate animal care incident rate target; and
- Increased employee engagement score from 77% to 83%.

This was the first year that the Corporation applied two performance metrics in its STIP: Adjusted EBT as the financial metric (85% weighting) and a new sustainability scorecard (15% weighting). Based on Maple Leaf Foods' performance, and subject to certain adjustments approved by the HRCC, an STIP bonus at 64.3% of target was paid out. This is compared to no bonuses being paid in the prior two years.

The performance targets for the PSUs granted in 2022 were based on a combination of Return on Net Assets (RONA) and plant protein performance. These performance targets were not met and therefore the PSUs did not pay out. With the consolidation of the meat and plant portfolios, for the 2024 LTIP grants the HRCC approved new performance targets for the PSUs based on total company RONA in each performance year (each year weighted at 20%), plus a cumulative three-year RONA performance target (weighted at 40%).

The HRCC also approved a special equity incentive program in 2024 in recognition of the macro-economic and geopolitical challenges that were unprecedented in their effects on markets and operations over the last several years. The consequence of these challenges was an extended period where the financial targets of the Corporation, including its STIP targets and PSU targets, were substantially not achieved due largely to persistent dislocation in pork markets, periods of hyper-inflation, labour shortages and supply chain disruption. During this time, Maple Leaf Foods continued to execute its major capital projects and advanced the foundational initiatives from which it is now starting to reap the benefits. The special program was an important retention tool, and incentive to reward team members in the future as the benefits of the building work over the last several years are realized.

CEO 2024 PERFORMANCE AND COMPENSATION

2024 was Mr. Frank's first full year as CEO. His total compensation in 2024 was \$7.106 million and included a \$1.150 million special performance based equity award related to the foundational work that has been completed during his tenure including:

- the ramp up of the recently completed major capital projects to full business case,
- the roll-out of the refreshed strategic blueprint,
- advancing the spin-off the Pork Operations,
- the integration of the meat and plant protein portfolio and associated restructuring of the commercial and operations teams,
- the rapid deleveraging of the balance sheet, and
- the launch of the "Fuel for Growth" initiatives designed to optimize efficiencies and reduce costs.

The special performance-based equity award is intended to be forward looking and performance-based, linked to the realization of the long-term value creation stemming from this foundational work as measured by improvement in Maple Leaf Foods' share price.

CEO annualized target direct compensation for 2024, excluding the special award, was \$5.956 million compared to annualized target direct compensation in 2023 of \$5.280 million. In considering CEO compensation outcomes for the year, the HRCC assessed Mr. Frank's performance against financial, strategic and sustainability outcomes relative to the Corporation's operating plans and sustainability goals. The increase reflects the momentum that has been generated in Maple Leaf Foods' performance, including stronger year-over-year financial performance and the significant progress on key strategic initiatives; the increase in the 2024 CEO target compensation previously approved by the Board; and the strength of Mr. Frank's leadership and contribution in creating long-term value for the Corporation's stakeholders. The HRCC also reviewed a look-back analysis over a multi-year period on the realized and realizable value of CEO compensation. Both realized and realizable values are below target. This reflects the challenging operating conditions and is aligned with the shareholder experience over this time.

A LOOK AHEAD

With the anticipated completion of the spin-off of the Pork Operations later this year, the HRCC is focused on ensuring a smooth transition for the Corporation's compensation program. The HRCC has reviewed and proposed

the treatment of outstanding equity awards as part of the Arrangement, and is now focused on planning for the performance metrics, target setting, benchmarking practices and comparator group selection of the future, as Maple Leaf Foods takes the next transformational step in its journey as a focused CPG protein company.

As a committee, we will continue to be diligent in our approach to executive compensation, including ensuring alignment with the interest of our stakeholders. We appreciate your ongoing support, and as always, we welcome your feedback.

A handwritten signature in dark ink, appearing to read "R. Close".

Ron Close, Chair
Human Resources and Compensation Committee

HUMAN RESOURCES AND COMPENSATION COMMITTEE

General

The HRCC of Maple Leaf Foods has authority over Maple Leaf Foods' compensation strategy and individual compensation packages for members of the senior leadership team, excluding the five Named Executive Officers (the "NEOs"). Compensation matters in respect of the NEOs require approval by the full Board. To fulfill its obligations, the HRCC considers recommendations from the CEO, guidance provided by independent advisors and the practices and policies of peer companies. All HRCC and Board discussions related to compensation decisions are held *in camera*.

Human Resources and Compensation Committee

In May 2023, Mr. Close became Committee Chair, and Mr. Aziz and Mr. Macdonald were appointed as members of the HRCC.

Experience of the HRCC Members

The members of the HRCC are appointed based on their independence and experience in compensation matters. Each HRCC member has previous experience either as a director, a CEO or as an advisor in formulating, reviewing and/or approving executive compensation policies, strategies and programs. They bring this breadth of experience to the evaluation and development of Maple Leaf Foods' compensation policies and practices. The relevant experience of each member of the HRCC is summarized below.

William E. Aziz

Mr. Aziz re-joined the HRCC in May 2023. Through BlueTree Advisors, Mr. Aziz is currently providing his services as Chief Restructuring Officer to JTI Macdonald Corp. during its restructuring. Mr. Aziz was a director, Chair of the Compensation Committee and a member of the Related Party Transactions and Audit Committees of Atlantica Sustainable Infrastructure until the company was sold and taken private in December 2024. In 2019 Mr. Aziz retired from Chair of the Investment Committee and a member of the Human Resources Committee of the Ontario Municipal Employees' Retirement System ("OMERS") and the Leadership Council at the Ihnatowycz Institute for Leadership at the Ivey Business School at Western University. He is a graduate in Honors Business Administration from Ivey and is a Fellow Chartered Professional Accountant (FCPA, FCA). He has also completed the Institute of Corporate Directors Governance College at the Rotman School of Business, University of Toronto and is a member of the Insolvency Institute of Canada.

Ron G. Close - Chair

Mr. Close first joined the HRCC in May 2021 and was appointed Committee Chair in May of 2023. Mr. Close has been the President of RGC & Associates Inc., a privately-held consulting company since 2017. He was recently the CEO of Pelmorex Media (The Weather Network) and was Executive Entrepreneur-in-Residence at The Ivey School of Business, and at MaRS Discovery District. He has been a director on several boards including Pelmorex, The Globe and Mail, Canada Media Fund, CTVglobemedia, MaRS Innovation and MaRS Discovery District. Mr. Close has had a distinguished career as a senior executive at several companies, from smaller start-ups (co-founder/CEO of Netcom Canada) to large corporations (at BCE he was President, Bell New Ventures, also overseeing Sympatico-MSN). His background and experience have provided him with a strong foundation in leadership, organizational design, and executive compensation.

Thomas P. Hayes

Mr. Hayes was appointed to the HRCC in May 2022. He is the President and CEO of Ocean Spray and also sits on the Board of Directors of the cooperative. Prior to his current role, he served as President and CEO of Tyson Foods, Chief Supply Chain Officer at Hillshire Brands and Sara Lee, and held significant leadership roles at US Foods, ConAgra and Kraft. Through his extensive experience in senior leadership positions, he has developed a deep understanding of compensation design, decisions and governance, as well as organizational design, succession planning and talent management.

Andrew G. Macdonald

Mr. Macdonald first joined the HRCC in May 2023. Mr. Macdonald is the Senior Vice President of Mobility and Business Operations at Uber, leading the company's mobility business in 70+ countries around the world, including rideshare, taxis, micromobility, rentals, public transit, high-capacity vehicles, and more. He also oversees Uber's sustainability efforts, autonomous mobility and delivery operations, business development, Uber for Business and Uber Health. Before joining Uber, Mr. Macdonald was an entrepreneur and was a management consultant with Bain & Company. Mr. Macdonald sits on the board of Lime, which is delivering affordable and shared micromobility to cities around the world and Careem, building the everything app for the greater Middle East. Mr. Macdonald studied undergraduate business at the Ivey Business School at Western University and graduated with Honors in Business Administration.

HRCC Mandate

With regard to executive compensation, the HRCC's mandate includes:

- Setting the overall compensation strategy and approving compensation for senior executives (other than the NEOs);
- Making recommendations to the Board on the design and application of all elements of compensation;
- Making recommendations to the Board on compensation for the CEO, CFO and other NEOs;
- Ensuring compensation awards are implemented according to the design and intent of the strategy; and
- Reviewing and approving key compensation and human resources policies.

COMPENSATION DISCUSSION AND ANALYSIS

INTRODUCTION

This compensation discussion and analysis (“CD&A”) aims to help readers understand Maple Leaf Foods’ approach to compensating its Named Executive Officers (NEOs). The NEOs, which include the CEO, CFO and the three next most highly paid executive officers, in 2024 were:

Name	Position
C.E. Frank	President and Chief Executive Officer
M.H. McCain	Executive Chair
D. Smales	Chief Financial Officer ⁽¹⁾
G. Verellen	Former Chief Financial Officer ⁽¹⁾
A.J. Grogan	President and Chief Operating Officer
I. Stewart	Chief Supply Chain Officer ⁽²⁾

Notes:

- (1) Mr. Verellen was Chief Financial Officer until January 26, 2024. David Smales was appointed Chief Financial Officer effective January 29, 2024.
- (2) Mr. Stewart was Chief Supply Chain Officer until February 25, 2025 when he was appointed as Special Advisor, Supply Chain and Operations.

Readers are advised that this CD&A contains references to non-IFRS measures that are used in the Corporation’s incentive compensation performance metrics. A description of these non-IFRS measures and a reconciliation to the nearest IFRS measures can be found in the Corporation’s 2024 Annual Audited Financial Statements and accompanying Management Discussion and Analysis (Non-IFRS Financial Measures) available on the Corporation’s website and on SEDAR+.

COMPENSATION PHILOSOPHY

The Corporation’s executive compensation program is designed to achieve four objectives:

- to attract and retain executive talent;
- to align individual performance with corporate goals and objectives;
- to align the motivations of executives with the best interests of the Corporation; and,
- ultimately to reward executives for building sustainable shareholder returns.

The compensation program has four components, each with a different function:

1. Base salary;
2. An annual bonus or short-term incentive plan (“STIP”);
3. A long-term equity-based incentive plan (“LTIP”); and
4. Benefits and retirement programs.

The combination of base salary and variable incentives for each executive position reflects the capacity of the individual to influence business results over the short and long term; the more senior the position, the higher the proportion of compensation based on variable incentives and the more significant the portion of pay at risk. The CEO’s compensation has the highest proportion of variable pay, given his role as strategic leader. The incentive

program for executives is heavily weighted to equity-based LTIP, which rewards long-term performance and alignment with shareholder interests. The Executive Chair's compensation structure excludes the STIP.

The compensation of each executive is established based on a comprehensive evaluation of performance. This includes an assessment of performance against business plan objectives as well as adherence to the Corporation's leadership values. The executive team establishes objectives each year based on key strategic priorities for the business. Objectives apply to operating areas, functions and the Corporation as a whole, and become individual goals for the NEOs and other members of the senior leadership team. Achieving these individual goals is a key factor in assessing individual performance which is then used to determine salary adjustments and LTIP grant levels within the market benchmark ranges. Achievement of these individual goals is not included in the formula for determining executive short-term incentive payout as is done for employees below the senior vice president level. For all members of senior management, including the NEOs, the STIP payout is based on a combination of the Corporation's financial performance and is performance relative to the sustainability scorecard metrics. The intent of this design is to ensure alignment of the entire executive team in achieving the Corporation's financial and sustainability objectives for the year.

PROCESS FOR DETERMINING COMPENSATION

The process for determining NEO compensation begins with a review of market data provided by the HRCC's independent compensation consultant, Hugessen Consulting.

After consultation with the Maple Leaf Foods' Senior Vice President, People and reviewing the individual and team performance, the CEO makes recommendations to the HRCC on compensation for members of senior management, excluding himself and the Executive Chair. Following discussion with the CEO and its compensation consultant, the HRCC then:

- determines the compensation for the members of senior management, excluding the NEOs; and,
- makes recommendations to the Board on compensation for the NEOs.

All HRCC decisions regarding NEO compensation are made in camera. In making its decisions, the HRCC take a holistic approach, looking at both individual elements of the compensation programs, as well as total compensation. It also exercises discretion as appropriate.

As part of the CEO compensation recommendation process, the HRCC evaluates the CEO's performance against the annual plan and strategic objectives and discusses the appropriate compensation in camera. The HRCC then makes a recommendation to the Board regarding the compensation of the CEO. The Executive Chair's compensation applies a principles-based approach reflecting roughly the median relationship of total compensation between the Executive Chair and CEO across a broad cross section of Canadian companies.

The HRCC also reviews all other matters related to employee compensation programs, including pensions, benefits and incentive plans.

Reasonableness Test

The HRCC and the CEO conduct a reasonableness test of total direct compensation, including base salary and incentive pay for each member of senior management, including NEOs. This reasonableness test takes into account external market data, individual performance and internal equity between positions of similar scope.

Compensation Risk Management

The Board and the HRCC assess the compensation programs to ensure that they do not promote decisions or behavior not in the best interests of the Corporation. Among the measures in place to mitigate compensation risk, including avoiding excessive costs to the Corporation and excessive compensation to executives, the following measures are in place:

- all annual bonuses under the STIP and all PSUs granted under the LTIP have maximum payout factors;

- the HRCC received advice from an independent compensation consultant;
- all non-recurring, unusual or other items that impact earnings are considered when assessing performance and determining short-term and long-term incentive payments;
- a significant portion of compensation for the NEOs are at risk;
- incentive programs provide a balance of short and long-term horizons;
- incentive plan metrics are based on financial performance and are market competitive;
- LTIP awards are granted on an annual basis (rather than front-loading grants) and are subject to vesting requirements;
- the HRCC retains discretion to reduce or withhold payment of the STIP and LTIP for results below threshold;
- NEOs and other members of senior management may be required, at the discretion of the HRCC, to return incentive compensation if results are restated. The Corporation's recoupment policy is described in more detail in the Compensation Discussion and Analysis under the subheading "Compensation Discussion and Analysis – Recoupment Policy;"
- executive interests are aligned with Shareholder interests through the requirement to own a significant level of MLF Common Shares. More information about the Corporation's share ownership requirements for officers are set out above under the subheading "Compensation Discussion and Analysis – Share Ownership Requirements;" and
- employees, including the NEOs and other members of senior management, are not permitted to enter into call or put options, including options intended to hedge or offset the effect of a decline in market value of MLF Common Shares they own or LTIP awards they have been granted.

Independent Advisors

The HRCC has engaged Hugessen Consulting since July 1, 2018 to provide independent compensation advice. The compensation consultant reports directly to the HRCC Chair. Its mandate includes the following compensation-related services:

- Review and provide advice to the HRCC on the compensation structure for the CEO and other NEOs;
- Benchmark NEO compensation relative to the Corporation's compensation peer groups;
- Review and offer advice on the design of the STIP and LTIP, including the performance metrics used to determine incentive payments;
- Provide compensation-related advice related to the spin-off of Canada Packers; and
- Provide information and advice on emerging trends and best practices.

The table includes the fees earned by Hugessen Consulting for services provided in 2024 and 2023, in Canadian dollars. No fees were paid in 2024 to any other external independent compensation advisor to the HRCC.

Benchmarking Compensation and Peer Groups

To ensure its compensation programs remain market competitive, the HRCC reviews compensation design and pay levels of other relevant companies. Total direct compensation includes base salary, short-term incentive compensation and long-term incentive compensation. The HRCC reviews benchmark data utilizing two benchmark peer groups in order to establish a market range for total target compensation for the Corporation's executive officers. Individual compensation decisions are then made taking into account the market range, the individual's experience and performance, internal equity and the desired mix of base salary and incentives.

The HRCC utilized the most recently disclosed proxy circulars as well as two comparator groups in 2024 to benchmark compensation for each NEO (other than the Executive Chair): an industry specific group ("Comparator Group 1") and a Canadian reference group ("Comparator Group 2"). This benchmark data is collected from Canadian and American companies, reflecting the marketplace in which the Corporation competes to retain and recruit talented executives. Factors influencing the choice of peer companies include the complexity of the Corporation's operations, the lack of comparable size food companies in Canada and the much larger size of many peers in the United States.

Comparator Group 1: Industry-Specific Group

The first comparator group for 2024 compensation benchmarking was comprised of 10 organizations in the North American food industry with whom the Corporation must directly compete for markets, profits, investment dollars and talent. The companies within this industry-specific peer group vary in size from 0.5 to 3.6 times the Corporation's annual revenue.

Flowers Foods, Inc.	Hormel Foods Corporation	Saputo Inc.
Fresh Del Monte Produce Inc.	McCormick & Company, Incorporated	TreeHouse Foods, Inc.
The Hain Celestial Group, Inc.	Post Holdings, Inc.	
The Hershey Company	Primo Water Corporation ⁽¹⁾	

Comparator Group 2: Canadian Reference Group

Maple Leaf Foods has very few Canadian industry comparators of similar size and business focus. This second comparator group of 11 companies provides a cross-section of Canadian companies to assess domestic competitive compensation movement and practices at Canadian companies. The companies within this industry-specific peer group vary in size from 0.5 to 3.6 times the Corporation's annual revenue.

Canadian Tire Corporation	Metro Inc.	Quebecor Inc.
Cogeco Inc.	Molson Coors Beverage Company	Saputo Inc.
Dollarama Inc.	The North West Company, Inc.	SunOpta Inc.
Leon's Furniture Ltd.	Primo Water Corporation ⁽¹⁾	

Notes:

- (1) Primo Water Corporation was included as part of the benchmarking completed in late 2023 for use in setting 2024 compensation. On November 8, 2024, the merger between Primo Water Corporation and an affiliate of BlueTriton Brands, Inc. was completed. Primo Water Corporation is no longer publicly traded and there is no current executive pay data available, and therefore Primo Water Corporation is no longer part of the peer group.

ELEMENTS OF COMPENSATION

The four main components of the Corporation's executive compensation program are referred to as "Total Direct Compensation."

Base Salary

The median (50th percentile) base salary in each comparator group provides a context for setting the base salaries of the NEOs (other than the Executive Chair). Several other factors are then considered to make adjustments, including:

- (a) An evaluation of the executive's responsibility, experience, contribution and performance during the year;
- (b) The financial performance of the Corporation, including its ability to absorb costs;
- (c) Market trends related to base salaries; and,
- (d) The HRCC's assessment of internal equity between positions of similar scope.

The weight given to each factor is not defined by a fixed formula; the HRCC uses its business judgment. The annual salary adjustment date for all employees of the Corporation, including senior management, is normally the start of the pay period in which July 1st occurs. In 2024, base salaries for all members of senior management, including the NEOs, were reviewed as part of a total compensation analysis. As a result, compensation levels were set to levels appropriate to market for individual experience and performance and with respect to comparable positions within the team. The Executive Chair compensation is assessed in relation to CEO compensation, a review of compensation practices at other Canadian companies with Executive Chairs and recognizing the nature of the respective roles and responsibilities of the Executive Chair and CEO.

Short Term Incentive Plan ("STIP")

Overview

The goal of the Corporation's annual STIP is to link executive's annual pay to the achievement of an annual business financial target. The award is at risk and a STIP payment is paid only if the objectives are met. The amount of STIP payment depends on performance. Performance exceeding the established targets will lead to above-target payments. Performance below the established targets will lead to below-target payments, which can be zero if results do not meet the threshold level of performance. The STIP target performance metrics, including the minimum acceptable performance that must be met in order for STIP payouts to be made, are reviewed annually. The targets are typically based on the operating plan and budget approved in advance by the Board for the year. The performance measures are used to calibrate the STIP payout. The award is paid in cash.

Consistent with prior years, in 2024, the STIP for all NEOs and other members of senior management, excluding Mr. McCain who does not receive STIP, was based on the achievement of corporate performance targets. This design is intended to align STIP compensation with Shareholder interests. While performance against individual goals does not impact STIP payouts for senior executives (including the NEOs), it is considered in decisions regarding salary adjustments and LTIP grants.

In assessing actual corporate performance against the established performance targets, the HRCC may make additional adjustments. Typically, these adjustments are made in order to address developments arising during the year that were not contemplated when the targets (or relevant operating plan and budget on which the targets were based) were approved.

2024 STIP Targets

In 2024, Maple Leaf Foods introduced a sustainability scorecard to its STIP design. The Corporation therefore approved two corporate performance metrics:

1) Adjusted EBT weighted at 85% of the corporate STIP

Adjusted EBT is a before tax measure of earnings used by management to evaluate financial operating results. It is defined as Adjusted EBITDA plus interest income, less depreciation and amortization, and interest expense and other financing costs. The HRCC believes that Adjusted EBT provides a relevant assessment of the operating results of the Corporation against the business plan. Adjusted EBT and a reconciliation to its most comparable IFRS metric are reported in the Management's Discussion and Analysis for the year ended 2024 ("2024 MD&A") which is available on SEDAR+. For STIP purposes, target and actual Adjusted EBT exclude the cost of the STIP plan as illustrated below:

STIP Calculation Example	
Total Company Adjusted EBT	A
Less STIP amount recorded in EBT	B
Total Company Adjusted EBT for STIP	A - B = C
Budget Adjusted EBT	D
Less STIP amount recorded in Budget EBT	E
Budget Adjusted EBT for STIP	D - E = F
STIP Achievement % for EBT	C / F

- The target Adjusted EBT was set at \$285.4 million
- The minimum payout for this metric was set at 50% of target
- The maximum payout for this metric was set at 125% of target

2) Sustainability scorecard consisting of ten elements weighted at 15% of the corporate STIP

The sustainability scorecard metrics were as follows:

Area of Focus	Measure	Target
Environmental Impact: Scope 1 and 2	Combined Energy, Water, Waste Diverse and Food Waste reductions	Year over year improvement
Environmental Impact: Scope 3	GHG Emission Intensity reduction for suppliers	Year over year improvement
People Safety	TRIR (Total Recordable Incident Rate)	Maintain top quartile performance in all manufacturing for North America
Food Safety	Food Safety Incident Rate (FSIR)	Meet annual reduction goal for FSIR
Quality	Quality Incident Rate (QIR)	Meet annual reduction goal for QIR
Employee Engagement	Engagement Index (Survey)	Increase in engagement for salaried employees; establish baseline for front-line employees
Diversity, Equity and Inclusion	Diversity	Progress to 2030 goals to increase the representation of women in management to 50% outside manufacturing and 25% in manufacturing and BIPOC to 25%
Diversity, Equity and Inclusion	Equity	Annually, achieve top quartile scores across all core demographic groups on the People Survey question: "Regardless of background, everyone at Maple Leaf Foods as an equal opportunity to succeed."
Diversity, Equity and Inclusion	Inclusion	Annually, achieve top quartile scores across all core demographic groups on the People Survey question: "I feel comfortable being myself here"
Animal Care	Golden Rules Metric	Meet annual aggregate target animal care incident rate target

- The target (100% payout) was based on achieving 7/10 metrics
- The threshold (50% payout) was based on achieving 5/10 metrics
- The maximum (125% payout) was based on achieving 10/10 metrics

To calculate the overall corporate performance score, each of the two metrics is calculated, the scores are combined to determine an overall score using the weighted average. A combined score below 50% of the target is below the threshold, and results in a zero payout. The maximum payout is capped at a corporate performance level of 125% of target.

2024 Performance

Maple Leaf Foods made significant strides in executing its strategic blueprint in 2024, demonstrating the resilience of its CPG growth strategies, while realizing the benefits from its large-scale capital projects and a return to more normalized pork markets by the end of the year. Total company sales for the year grew to \$4,895 million, Adjusted Operating Earnings increased to \$293.4 million compared to \$193.2 million in 2023, and Adjusted Earnings per Share increased to \$0.78 compared to \$0.09 compared in 2023. These strong results were delivered in the context of a challenging consumer environment, increasing inflationary pressures and ongoing pork market conditions that had not fully normalized.

Adjusted EBT Performance

In 2024, the STIP Adjusted EBT performance target was \$320.9 million. Actual Adjusted EBT for STIP purposes was \$181.5 million, resulting in an achievement score of 56.6%. This includes the following adjustments to the Adjusted EBT for Rewards for Excellence purposes which were approved by the HRCC:

- **Remove the Special LTIP costs:** In 2024, eligible 2023 STIP participants were granted special LTIP awards with an estimated value equal to the target corporate payout amount under the 2023 STIP. See “Long Term Incentive Plan (“LTIP”) – 2024 Special LTIP Program” in this CD&A. This was not a budgeted program at the time the 2024 budget was approved in 2023 and following past practice this unplanned expense was removed from the 2024 Adjusted EBT STIP calculations.
- **2024 incremental STIP plan costs:** As part of the 2024 STIP plan adjustments, incentive targets were increased for non-commercial manager and director level roles to ensure internal equity and improve market competitiveness. This additional cost was not included in the 2024 approved budget and therefore following past practice to not unfairly penalize plan participants for this unplanned expense, it was removed from the 2024 Adjusted EBT STIP calculations.
- **Courtney Park Strike Impact:** Due to a labour dispute from October 25th to November 11, 2024, the facility experienced a work stoppage which resulted in unplanned downtime which impacted sales. As this event was an event beyond the control of plan participants, and in alignment with past practice to not penalize plan participants for work stoppages, the costs of this event were excluded from 2024 Adjusted EBT calculations.
- **Unplanned Closure of Brantford Facility:** Additional costs were incurred due to the need to advance work to manage the closure of the Brantford facility, and divert product to other facilities, as it was identified that the cost to repair the more than 100-year old plant would not be economic.
- **As the closure was not anticipated, and was not within the control of plan participants, the costs associated with this work were excluded from the 2024 Adjusted EBT STIP calculations so as not to penalize participants for this unforeseen event.**

The table below illustrates the 2024 STIP Adjusted EBT calculation:

2024 STIP Results	
<i>In \$000s Cdn</i>	
Total Company Adjusted EBT	\$ 137,558
Add back expenses (deduct income) incurred, excluded for RFE purposes:	
STIP plan change	8,127
STIP variance to budget	(15,632)
2024 Special LTIP Award	8,619
Courtneypark strike impact	2,700
Brantford closure related costs	4,700
Adjusted EBT for STIP prior to eliminating STIP expense	146,072
Add back STIP expense in budget	35,421
(A) Adjusted EBT for STIP	\$ 181,493
Budget total company Adjusted EBT	\$ 285,437
Add back STIP expense in budget	35,421
(B) Adjusted budget EBT for STIP	\$ 320,858
Total STIP percentage earned EBT (A) / (B)	56.6%
Shared value target achievement	108.3%
Total company STIP percentage 85% EBT, 15% shared value	64.3%

Shared Value Scorecard Performance

For 2024, prior to the discretionary adjustments approved by the HRCC, the performance metrics (i.e. targets) were achieved for seven out of the ten elements of the Shared Value scorecard. The three performance metrics that were not achieved were the “Diversity, Equity, and Inclusion” objectives. In reviewing the results, the HRCC approved an adjustment to the “Equity” metric, which was based on achieving top quartile engagement scores across all core demographic groups on the “people engagement survey” question: “Regardless of background, everyone at Maple Leaf Foods has an equal opportunity to succeed.” The scoring was benchmarked to top North American companies across all industries with the target being 85% engagement. The Corporation scored 83%, a 6-point improvement from 77% in its last engagement survey. Recognizing that there had been a methodology change, together with the significant increase in this core, it was determined that a positive discretionary adjustment was reasonable. Therefore, eight out of ten elements of the Shared Value scorecard were achieved, resulting in an overall score of 108.3%.

Overall Performance Score

Taking performance results against the Adjusted EBT and Shared Value scorecard metrics together, the Corporate STIP payout score was 64.3%.

The table below summarizes the target ranges for the NEOs for the STIP and the actual payout for 2024 performance.

Name and Position	Target Payout Ranges				Payout at Target (\$)	Actual Payout As a % of Base Salary ⁽¹⁾	Actual Payout (\$)
	As a % of Base Salary for Various Performance Levels						
	Below Threshold Performance	At Threshold Performance	At Target Performance	At Maximum Performance			
C.E. Frank, President and CEO	0%	48%	120% ⁽²⁾	192%	1,420,171	69%	811,770
D. Smales, CFO ⁽³⁾	0%	32%	80%	128%	580,720	42%	306,380
G. Verellen, Former CFO ⁽⁴⁾	0%	32%	80%	128%	41,615	74%	38,411
A.J. Grogan, President and COO	0%	32%	80%	128%	622,368	43%	336,723
I. Stewart, Chief Supply Chain Officer	0%	32%	80%	128%	515,430	46%	294,620

Notes:

- (1) Rounded to the nearest whole percentage point. Mr. M.H. McCain does not participate in the STIP and therefore is not included in the table.
- (2) In 2024 the target payout range for the President and CEO was increased from 100% to 120%.
- (3) Mr. Smales was appointed CFO effective January 29, 2025 and as part of his employment offer was also entitled to a top-up cash payment equal to the difference between the actual 2024 STIP payment and the guaranteed payment of \$500,000.
- (4) Mr. Verellen ceased to be CFO on January 26, 2024 and received a pro-rated 2024 STIP payment at target based on the number of days worked in 2024. In accordance with his salary continuance arrangements following his departure from the Corporation, he also received an amount equal to STIP at target level paid during the continuance period. All salary continuance amounts are reflected in the Summary Compensation Table as "Other Compensation".

Long Term Incentive Plan ("LTIP")

Overview

The goal of the LTIP is to align executives to Shareholder interests, focus attention on long term performance and encourage retention. Grants under the LTIP include PSUs, RSUs and Options. PSUs are based on financial performance of the Corporation and are therefore at risk. The value of RSUs and Options is dependent upon the Corporation's MLF Common Share price.

For regular grants, the LTIP mix for NEOs is 1/3 RSUs, 1/3 PSUs and 1/3 Options. Options are granted under the Option Plan, while RSUs and PSUs are granted under the LTIP. See the section of this Circular titled "Description of Share Option and Share Incentive Plans and Securities Authorized for Issuance under Equity Compensation Plans" for a description of both plans.

The grant date expected value of LTIPs awarded in the year (RSUs, PSUs, and Options) in respect of each executive is based on a number of factors:

- an assessment of individual performance, potential and impact;
- progression and retention considerations;
- the total target compensation ranges in the relevant industry comparator group;
- the grant date value of similar awards between the 25th and the 75th percentile in the comparator groups; and
- the grant date expected value of prior grants.

For each executive, the grant date expected value is translated into a number of RSUs, PSUs, and Options using the 1/3, 1/3, 1/3 split referred to above, and the individual unit values calculated by formula. The methodology for calculation of the unit values is explained in footnotes (1) and (2) to the Summary Compensation Table.

RSUs are time-vested at the end of three years. For each RSU granted, one MLF Common Share is awarded on maturity. PSUs are performance-vested after three years, subject to achieving certain specified performance criteria.

Vesting of PSUs is based solely on achieving the performance targets set for the three (3) year performance period. For 2024 PSUs the performance period ends December 31, 2026. The number of PSUs will be prorated for performance between levels, with one MLF Common Share awarded for each PSU that vests. The percentages of the PSUs that will vest at various levels of performance are as follows:

- Below threshold: 0%;
- At threshold: 50%;
- At target: 100%; and
- At or above maximum: 200%.

Neither RSUs nor PSUs accrue or are paid dividends. However, the units are valued for compensation purposes using a methodology consistent with that used for valuing the expense for accounting purposes and includes a discount to account for the fact that dividends are not paid or accrued. See footnotes (1) and (2) in the Summary Compensation Table.

The options granted in 2024 vest in three equal annual installments over a three-year period on the anniversary date of the grant. The exercise price is the weighted average trading price of the MLF Common Shares on the TSX for the five trading days prior to the date of grant. The options granted to the NEOs in 2024 have a term of seven years.

Actual compensation received depends on the MLF Common Share price at the time the RSUs and PSUs vest, achievement of the performance criteria for PSUs, as well as the MLF Common Share price at the time vested Options are exercised.

All RSUs and PSUs granted in 2024 that meet the time and/or performance vesting conditions will be distributed as MLF Common Shares in May 2027, unless otherwise determined by the Board and the HRCC. MLF Common Shares required for distributions under the LTIP are purchased on the TSX by a trust established for the purpose. Accordingly, RSU and PSU awards under the LTIP do not result in dilution of Shareholder interests.

2024 PSU Performance Metrics

In 2024, the Corporation refreshed its business strategy and organizational structure, which included bringing the meat and plant portfolios together as an integrated protein company. To align with this new structure, for the 2024 LTIP grants the HRCC approved performance targets based on total company Return on Net Assets (RONA) in each performance year, plus a cumulative three-year RONA performance target as follows:

- For each of year one, year two and year three, the RONA performance targets will be calculated based annual budget for such year, with each year weighted at 20%.
- The three-year cumulative RONA performance will be weighted at 40%.

This balanced approach provides for the establishment of relevant annual targets within the three-year performance period, while the cumulative component aligns with the Corporation's long-term growth objectives to support sustainable growth and long-term value creation for its stakeholders. This structure also ensures outcomes within any one given year do not disproportionately impact overall performance relative to targets and associated payout results (either positively or negatively).

RONA is calculated as adjusted earnings before interest and after taxes divided by average net assets. The three-year cumulative RONA target is determined using the targets for each of the three years of the performance period, with the first year being the annual target for STIP purposes at the projected net asset levels. For the future years,

a level of growth in sales at an inflationary level and consequential growth in earnings is projected, as well as changes to the balance sheet assuming capital investment tracks depreciation.

RONA was determined by the HRCC to be an appropriate measure for long-term performance of the Corporation because it rewards improvements in earnings, provided that assets and capital are deployed judiciously. While still encouraging profitable investment, the measure gives participants the incentive to maximize the value and return of current investments.

Adjustments to Outstanding PSUs

For PSUs that are in-flight, the HRCC monitors business performance in relation to performance targets for outstanding grants and may make adjustments as it deems appropriate. Historically, adjustments have been made for unusual uncontrollable events, as well as for acquisitions or significant capital projects that are undertaken during the performance period, but which were not taken into account at the time the targets or the business plans underlying the targets were approved. The intent of any adjustment is to ensure that management is incented to make the right decisions for the business in context, and that in-place compensation programs do not act as a disincentive. The HRCC believes that these kinds of adjustments ensure that participants in the plan do not suffer a disadvantage or a windfall solely as a result of an acquisition, material shift in business strategy or significant unplanned events.

For the PSUs granted as part of the 2022 LTIP awards to be paid in 2025, the performance targets were as follows:

For 2022 and 2023:

- Meat protein group RONA weighted at 90%
- Plant protein group STIP score for 2022, and Adjusted EBITDA in USD for 2023 weighted at 10%

For 2024:

- Total company RONA weighted at 100%

The change to the 2024 performance metric to total company RONA reflected the change in the Corporation's business strategy to integrate its meat and plant protein segments. While there had been certain previously approved adjustments to actual performance for the 2022 and 2023 performance years to address unplanned events (including unplanned COVID expenses in 2022 and the impact of the cybersecurity event in 2023), no adjustments were made to 2024 performance. The Corporation's performance over the three years measured against the target resulted in no payout for the PSUs, as actual performance fell below the threshold. The table below shows the calculation of the performance multiplier for the PSUs granted in 2022.

Performance Period	Metric	Weighting	Threshold	Target	Maximum	Result	Weighted	Payout
	2022 and 2023 Meat Protein Group RONA (24 months combined)	90%	8.0%	10.0%	11.9%	5.1%	66%	0.0%
2022 - 2023	2022 Greenleaf STIP score	3%	80.0%	100.0%	120.0%	103.0%		
	2023 Plant Protein Group Adjusted EBITDA (USD)	7%	\$(21,544)	\$(17,953)	\$(14,362)	\$(24,413)		
2024	2024 Total Company RONA	100%	6.1%	7.6%	9.2%	5.6%	33%	0.0%
Total								0.0%

2024 Special LTIP Program

The Corporation authorized a special, one-time, broad-based LTIP grant in early 2024 for eligible participants (“Special LTIP”), including Mr. Frank and Mr. Stewart. This special program was approved by the HRCC in recognition of the macro-economic and geopolitical challenges that were unprecedented in their effects on markets and operations. The consequence of this environment was an extended period where the financial targets of the Corporation, including its STIP targets and PSU targets, were substantially not achieved due largely to persistent dislocation in the pork, periods of hyper-inflation, labour challenges and supply chain disruption. Through these challenging conditions, management managed the elements within its control, executed its key strategic projects and made significant strides forward on its strategic blueprint, including:

- Starting up large-scale capital projects (London Poultry facility, Bacon Centre of Excellence, and Walker Drive further processed poultry expansion)
- Delivering on the commitment to deliver Adjusted EBITDA neutral or better in its plant protein business in Q4 2023 amidst a contracting category;
- Launching industry leading innovations (including more than 50 new SKUs in 2024)
- Demonstrating resilience in its Pork Operations in the face of material pork market pressures

In this context, the Corporation’s philosophy was to maintain accountability to align short-term compensation with the performance of the business, and as a result STIP bonuses were not paid to participants in 2022 and 2023, and further the payout for PSUs with performance periods 2021-2023 and 2022 – 2024 was zero.

In the interest of fairness in these exceptional circumstances, and recognizing the platform that the management team built over these years which has positioned the Corporation for future success, the HRCC determined it was appropriate to approve a special one-time equity grant program in 2024. Under this program eligible members of senior management received awards consisting of 50% options and 50% PSUs, all of which vest 1/3, 1/3, 1/3 over the next three years. The PSU performance metric is directly tied to improvement in the Corporation’s MLF Common Share price compared to the grant date MLF Common Share price (based on a 30-day volume weighted average price).

As Mr. Grogan was leading the Greenleaf Foods, SPC in 2022 and 2023, his incentive compensation was aligned with delivering Adjusted EBITDA neutral for the plant protein business and he was not eligible for the program. Mr. Smales, who only joined as CFO in 2024, was not eligible for the program. Mr. M.H. McCain, as Executive Chair, was also not eligible.

SHARE OWNERSHIP REQUIREMENTS

To align executive interests with Shareholder interests, the Corporation has a policy requiring NEOs, as well as all senior employees at the vice-president level and higher, to hold a significant number of MLF Common Shares. Under the policy, the shareholdings required (the “Ownership Requirement”) is the number of MLF Common Shares, the value of which is equal to a specified multiple of the executive’s salary, ranging from one for vice-presidents to six for the CEO.

The policy allows for MLF Common Shares owned by an executive plus outstanding RSUs granted to an executive (but not yet settled) to be included in the calculation of the share ownership requirements. Options and PSUs are excluded from ownership threshold calculations.

Until the executive meets the Ownership Requirement, they are required to retain MLF Common Shares having a value representing 50% of the after-tax gain realized on the distribution or exercise of any LTIP awards in the form of MLF Common Shares. Further, executives who have not met the Ownership Requirement are not permitted to sell any MLF Common Shares other than the MLF Common Shares received under the LTIP that are not required to be retained. Executives who fail to comply with the Ownership Requirement may be disqualified from receiving additional LTIP grants until they are in compliance.

Each year, share ownership is assessed and reported to the HRCC. In 2024, all NEOs met the share ownership threshold on the basis that they remain in compliance even if they have not hit the threshold so long as they retain MLF Common Shares having a value representing 50% of the after-tax distributions under the equity compensation plans in which they participate until the respective ownership threshold is met. The share ownership levels for each NEO are set out in the table below as of April 22, 2025.

Name And Position ⁽¹⁾	Holdings				Annual Base Salary	Holdings as a Multiple of Base Salary		
	Shares #	Value ⁽¹⁾	RSUs #	Value ⁽²⁾		Actual	Policy Requirement	Compliance with Policy
C.E. Frank⁽³⁾ President and Chief Executive Officer	62,877	1,539,858	186,415	4,565,303	1,162,363	5.3X	6X	On track
M.H. McCain⁽⁴⁾ Executive Chair	48,948,794	1,198,755,965	210,735	5,160,900	755,536	1,593.5X	6X	Exceeds
D. Smales⁽⁵⁾ Chief Financial Officer	0	-	190,745	4,671,345	645,642	7.2X	3X	Exceeds
A.J. Grogan⁽⁶⁾ President and Chief Operating Officer	29,785	729,435	61,935	1,516,788	762,999	2.9X	3X	On track
I. Stewart⁽⁷⁾ Chief Supply Chain Officer	14,925	365,513	44,160	1,081,478	633,394	2.3X	3X	On track

Notes:

- (1) Mr. Verellen is not included in the above table as he stepped down as Chief Financial Officer effective January 26, 2024.
- (2) Value of MLF Common Shares and RSUs calculated as of April 22, 2025 at the closing price of \$24.49 per MLF Common Share, and is inclusive of the RSUs that were included in the LTIP grants that were effective March 3, 2025.
- (3) Mr. Frank was President and Chief Operating Officer until May 2023 with an Ownership Requirement of 3x. When he became President and Chief Executive Officer his Ownership Requirement increased to 6x.
- (4) Mr. M.H. McCain was Executive Chair and Chief Executive Officer until May 2023 when he became Executive Chair.
- (5) Mr. Smales joined Maple Leaf Foods as Chief Financial Officer on January 29, 2024.
- (6) The Ownership Requirement for Mr. Grogan was increased from 2x to 3x with his promotion to President and Chief Operating Officer.
- (7) The Ownership Requirement for Mr. Stewart was increased from 2x to 3x with his promotion to Chief Supply Chain Officer.

RECOUPMENT POLICY

The Corporation has a recoupment policy covering performance-based compensation under both STIP and LTIP programs. Under this policy, current and former members of senior management, at the discretion of the HRCC, may be required to repay or return any incentive compensation received with respect to any period where there is a restatement of the Corporation's financial results attributable to non-compliance with financial reporting requirements and the HRCC determines that the amount of any such performance-based compensation actually paid or awarded to a member of senior management would have been a lower amount had it been calculated based on the restated financial statements. The HRCC will consider all relevant factors and exercise business judgment in determining any appropriate amounts to recoup and has the discretion to determine the timing and form of recoupment.

POLICY ON HEDGING

The Corporation's insider trading policy prohibits NEOs and all employees from entering into call and put options, including options intended to hedge or offset the effect of a decline in market value of any MLF Common Shares held or LTIP awards.

COMPENSATION MIX

2024 Total Direct Compensation Mix

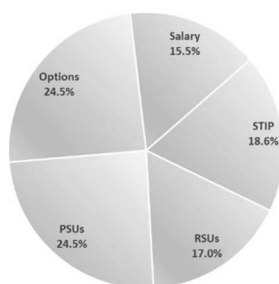
Total target annualized compensation for each NEO as of December 31, 2024 is outlined below:

Name ¹	Position	Annualized Total Direct Compensation Mix at Target					
		Salary	Target STIP (% of Salary)	Target STIP (\$)	Target LTIP (% of Salary)	Target LTIP (\$)	Total at Target
C.E. Frank	President & Chief Executive Officer	1,183,476	120%	1,420,171	330%	3,902,000	6,505,647
M.H. McCain	Executive Chair	769,260	n/a	n/a	346%	2,665,000	3,434,260
D. Smales	Chief Financial Officer	725,900	80%	580,720	193%	1,400,000	2,706,620
A.J. Grogan	President and Chief Operating Officer	777,960	80%	622,368	129%	1,000,000	2,400,328
I. Stewart	Chief Supply Chain Officer	644,288	80%	515,430	78%	500,000	1,659,718

Notes:

- (1) Mr. Verellen has been excluded as he stepped down as Chief Financial Officer effective January 26, 2024.

As CEO, the majority of Mr. Frank's total direct compensation at target is at risk and aligned with the Corporation's business objectives.



Indirect Compensation

Benefits and Perquisites

Benefits and perquisites are not intended to form a significant part of overall compensation. Executives are provided the same group insurance benefits as other salaried employees. Benefits and perquisites are provided based on market competitiveness and selected on the basis of cost effectiveness. Perquisites include a car benefit, annual medical examination and a lump sum allowance toward reimbursement of a club membership and financial counseling. The total value of benefits and perquisites for each NEO is below the lesser of \$50,000 and 10% of their base salary.

Retirement Income/Savings Arrangements

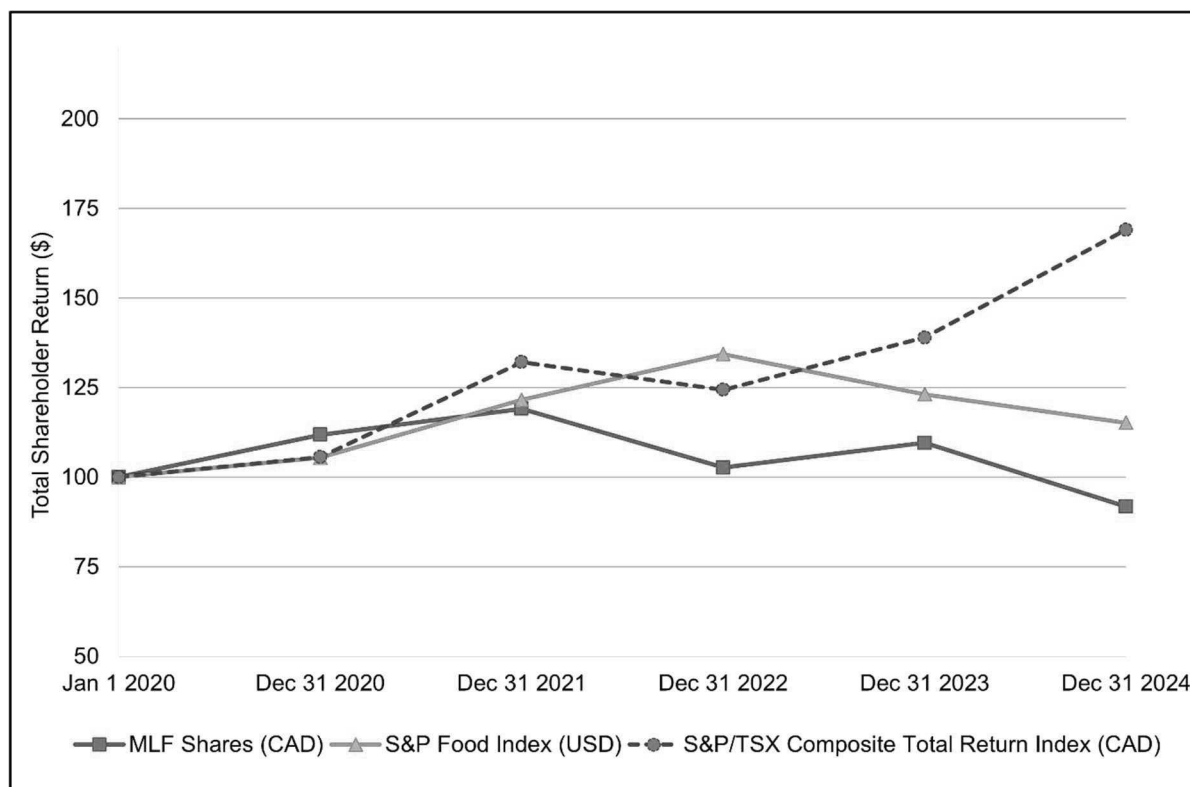
Pension benefits provided to executives are non-discriminatory, meaning that NEOs participate in the pension arrangements available to substantially all of the Corporation's salaried employees.

Under the defined benefit pension plans, the Corporation makes 100% of the required contributions to the plan. Under the defined contribution plans, participants are required to make contributions. To the extent NEO annual salaries exceed the maximum amount against which can be contributed to registered plans under the Income Tax Act (Canada), NEOs also participate in supplemental retirement arrangements. The cost of the supplemental retirement program is borne by the Corporation. Annual cash STIP payments are excluded from retirement programs.

The Corporation has long recognized the funding and cost risk to the Corporation associated with defined benefit pension plans. As a result, these plans have been closed to new salaried employees since December 2002. Employees who belonged to those plans prior to December 2002 and who remain in the plans continue to accrue benefits under those plans for their continuing service with the Corporation.

SHARE PERFORMANCE CHART

The following chart compares the cumulative total Shareholder return from CAD \$100 invested on January 1, 2020 in MLF Common Shares, the S&P 1500 Composite Food Products Index ("S&P Food Index") and the S&P/TSX Composite Total Return Index. The U.S. dollar denominated S&P Food Index is not converted to Canadian dollars. It is assumed that all dividends are reinvested. On December 31, 2024, the Corporation's MLF Common Shares closed on the TSX at \$20.34.



	Jan. 01, 2020	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2024
S&P/TSX Composite Total Return Index (CAD)	100	106	132	124	139	169
S&P Food Index (USD) ⁽¹⁾	100	105	122	134	123	115
MLF Common Shares (CAD)	100	112	119	103	110	92

Note:

(1) The U.S. dollar denominated S&P Food Index is not converted to Canadian dollars.

Additional Information on the S&P Food Index

The S&P Food Index is not a published index. It is created by Standard & Poor's ("S&P"), which also calculates the returns. The index consists of each food products company included in S&P's three major U.S. market indices: the S&P 500 Index, the S&P Midcap 400 Index and the S&P 600 Smallcap Index. The composition of these indices is determined by S&P according to a methodology that considers market capitalization, liquidity and public float. As at December 31, 2024, the following companies made up the S&P Food Index:

Company Name	Company Name	Company Name
Archer-Daniels-Midland Company	Ingredion Incorporated	The Campbell's Company

Company Name	Company Name	Company Name
B&G Foods, Inc.	J&J Snack Foods Corp.	The Hain Celestial Group, Inc.
Bunge Global SA	John B. Sanfilippo & Son, Inc.	The Hershey Company
Cal-Maine Foods, Inc.	Kellanova	The J. M. Smucker Company
Conagra Brands, Inc.	Lamb Weston Holdings, Inc.	The Kraft Heinz Company
Darling Ingredients Inc.	Lancaster Colony Corporation	Simply Good Foods Company
Flowers Foods, Inc.	McCormick & Company, Incorporated	Tootsie Roll Industries, Inc.
Fresh Del Monte Produce Inc.	Mondelez International, Inc.	TreeHouse Foods, Inc.
General Mills, Inc.	Pilgrim's Pride Corporation	Tyson Foods, Inc.
Hormel Foods Corporation	Post Holdings, Inc.	WK Kellogg Co

Comparison of Executive Compensation and Shareholder Returns

The table below shows the Total Shareholder Return ("TSR") for the Corporation's MLF Common Shares, the TSR for the S&P Food Index and the S&P/TSX Composite Total Return Index for the five years ended December 31, 2024. It also shows the total change in market capitalization of the Corporation and the total compensation for the NEOs for each of the years included. The information is presented to allow a comparison of executive compensation over the past five years to changes in market capitalization and Shareholder returns.

	Total 2020-24	2024	2023	2022	2021	2020
Total compensation for all NEOs ⁽¹⁾ (\$ millions)	81.0	21.6	15.6	13.9	13.5	16.4
Aggregate shareholder value created (\$ millions) ⁽²⁾	-715	-494	192	(512)	210	369
TSR ⁽³⁾ :						
Maple Leaf Foods (% change – CAD per share)	-8%	-16%	7%	-14%	6%	12%
S&P Food Index (% change – USD)	15%	-6%	-8%	11%	15%	5%
S&P/TSX Composite Total Return Index (% change – CAD)	69%	22%	12%	-6%	25%	6%

Notes:

- (1) For purposes of the chart, Total Compensation is the total NEO compensation reported in the Summary Compensation Tables in the Management Information Circulars in the respective reporting year and are therefore based on the grant value for all long-term incentive compensation, not realized or realizable pay. In 2023 and 2024 the reported compensation covers six named executive officers versus five in other years reported.
- (2) Aggregate shareholder value created is defined as the total return to all shareholders in terms of both dividends and share price growth. It is calculated as the increase or decrease in market capitalization based on year-end shares outstanding and closing share prices reduced by the proceeds for shares issued and increased by dividends paid and the cost of shares repurchased under normal course issuer bids.
- (3) TSR is the gain or loss in share price plus reinvestment of all dividends paid during the specified period. The amount in the "Total 2020–24" column is the aggregate compound return over the five-year period. The return for the S&P Food Index covers the same period except that the return is calculated in U.S. dollars and is not translated to Canadian dollars. Further details of the S&P Food Index are found under the heading "Share Performance Chart".

Executive compensation as reported in the Summary Compensation Table may not be directly correlated to Shareholder returns for a number of reasons:

- the Corporation's salary and compensatory pension costs are relatively fixed and generally unaffected by the day-to-day changes in Shareholder returns;
- short-term incentive compensation is tied to current year earnings and current-year earnings do not necessarily translate into Shareholder returns in the short term;
- the amount of equity compensation awards for individual executives is generally a function of individual performance and not a function of corporate performance in the year of grant; and,
- in aggregate, equity awards represent over half of total NEO compensation and are valued in the Summary Compensation Table at the time of grant based on the grant date MLF Common Share price and expected vesting. However, by design, the amounts received by NEOs on maturity (in the case of RSUs and PSUs) and on exercise (in the case of options) are directly tied to the then prevailing MLF Common Share price (and also, in the case of PSUs, to the applicable performance metrics). Accordingly, the ultimate compensation received by NEOs pursuant to equity awards is in part correlated to Shareholder returns.

In making decisions with respect to CEO compensation, the HRCC also considers realized and realizable pay, looking at the values actually paid based on performance, over time, taking into account salary, actual STIP, and the value paid (or accruing) on LTIP grants. The HRCC is satisfied with the alignment of pay-for-performance over the mid- to long-term when considering realized/realizable pay relative to TSR over the same periods.

In 2024, the Corporation's total sales were \$4,895 million and total NEO compensation costs for all six NEOs was \$21.6 million, meaning that NEO compensation amounted to approximately 0.44% of total sales.

SUMMARY COMPENSATION TABLE

The following table provides a summary of compensation earned during each of the last three fiscal years by the NEOs: the CEO, the CFO and the next three most highly compensated employees who were executive officers at the end of the year. This information is given as of December 31, 2024, the end of the Corporation's most recently completed financial year.

Name and Principal Position	Year	Salary	Equity Incentive Plan Compensation		Non-Equity Incentive Plan Compensation				Total Compensation
			Share-Based Awards ⁽¹⁾	Option-Based Awards ⁽²⁾	Annual Incentive Plans ⁽³⁾	Long Term Incentive Plans	Pension Value ⁽⁴⁾	All Other Compensation ⁽⁵⁾	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
C.E. Frank President and Chief Executive Officer ⁽⁹⁾	2024	1,172,279	3,176,406	1,875,570	811,770	-	69,547	-	7,105,572
	2023	986,094	1,844,961	921,669	0	-	56,768	-	3,809,492
	2022	715,556	1,847,464	433,350	0	-	42,812	-	3,039,182
D. Smales Chief Financial Officer ⁽⁷⁾	2024	665,186	2,533,458	466,620	306,380	-	35,388	958,620	4,965,651
	2023	-	-	-	-	-	-	-	-
	2022	-	-	-	-	-	-	-	-
G. Verellen Chief Financial Officer ⁽⁸⁾	2024	52,019	-	-	38,411	-	40,575	1,115,997	1,247,001
	2023	664,492	500,292	249,804	0	-	39,728	-	1,454,316
	2022	642,665	501,919	250,380	0	-	38,450	-	1,433,414
M.H. McCain Executive Chair ⁽⁶⁾⁽¹²⁾	2024	761,982	1,776,377	888,548	0	-	-	-	3,426,906
	2023	920,935	2,237,845	1,118,721	0	-	24,282	-	4,301,783
	2022	1,228,651	3,174,174	1,580,123	0	-	386,598	-	6,369,546
A.J. Grogan President and Chief Operating Officer ⁽¹⁰⁾	2024	769,559	900,015	449,955	336,723	-	45,642	374,019	2,875,912
	2023	735,039	500,292	249,804	412,169	-	43,946	-	1,941,250
	2022	710,842	501,919	250,380	386,802	-	42,518	-	1,892,461
I. Stewart Chief Supply Chain Officer ⁽¹¹⁾	2024	638,769	583,431	416,625	294,620	-	37,903	-	1,971,348
	2023	611,683	833,606	166,536	0	-	36,524	-	1,648,349
	2022	554,779	234,571	116,363	0	-	33,006	-	938,719

Notes:

- (1) The share-based awards represent RSUs and PSUs granted under the LTIP. Details of this plan are found under the heading "Description of Share Option and Share Incentive Plans – LTIP Plan". Details of the 2024 LTIP grants are found in the CD&A under the heading "Long Term Incentive Plan ("LTIP")". Values in the table are based on the actual grant values for the awards to each individual.

Other than for two specific exceptions, RSUs have been valued using assumptions and methodologies consistent with those for valuing the expense for accounting purposes, including the discount to account for the fact that dividends are not paid on RSUs. The first exception is that for accounting purposes value is calculated using the closing MLF Common Share price on the date of grant, while for compensation purposes the closing MLF Common Share price on the date before the date of grant or the weighted average MLF Common Share price on the date of grant is used. Secondly, for compensation purposes no discount for potential forfeiture of RSUs due to termination of employment was factored into the valuation. Awards are made on the assumption that the executive will remain employed during the vesting period. For accounting purposes, an estimate is made of forfeitures due to termination of employment based on past experience. The assumptions used for accounting purposes are found in the notes to the audited consolidated financial statements of the Corporation for the years ended December 31, 2024 and 2023. The audited consolidated financial statements may be found on the Corporation's website at www.mapleleaffoods.com and on SEDAR+ at www.sedarplus.ca.

The table below compares the weighted average fair value, for compensation purposes and for accounting purposes, of the RSUs and PSUs reported in the Summary Compensation Table. The unit values are the weighted average for the units granted to the NEOs. The financial statement fair unit values quoted below do not reflect the discount of forfeiture and termination.

	2024		2023		2022	
	Compensation Fair Value	Fair Value for Financial Statements	Compensation Fair Value	Fair Value for Financial Statements	Compensation Fair Value	Fair Value for Financial Statements
RSU/PSU unit values	\$20.46	\$19.41	\$21.52	\$21.60	\$24.46	\$26.74

The valuation of the PSU awards is based on the Corporation's estimate at the date of grant of the number of units that are expected to vest and result in the distribution of MLF Common Shares at maturity. The value of share-based awards for each NEO is made up of RSU and PSU grants in equal proportions, with the exception of the following: (i) a supplemental LTIP grant awarded to Mr. Frank in 2022 in the amount of \$1 million which was all PSUs; (ii) a supplemental LTIP grant awarded to Mr. Smales in the amount of \$1.6 million which was all RSUs granted as part of his employment offer when he joined the Corporation to compensate him for foregone incentive compensation from his former employer; and (iii) the LTIP grants awarded to Mr. Frank and Mr. Stewart under the Special LTIP program in 2024 in the amounts of \$1,150,000 and \$500,000 respectively, which were 50% PSUs and 50% Options. Messrs. M.H. McCain, Smales and Grogan were not eligible to participate in the Special LTIP program. Mr. Grogan's LTIP awards include a supplemental grant of \$350,000 granted in connection with the incentive compensation for delivering Adjusted EBITDA neutral in the plant protein business in the fourth quarter of 2023 in his role as President of Greenleaf Foods, SPC and his promotion to President and Chief Operating Officer. A portion of the awards made in each year are PSUs and subject to performance vesting based on the achievement of earnings margins and returns on net assets generally for a three-year period starting with the year of grant.

- (2) The option-based awards were granted under the Option Plan, details of which are found under the heading "Description of Share Option and Share Incentive Plans". The options granted have been valued using the Black-Scholes model, using methodology consistent with those for valuing the expense for accounting purposes but subject to different assumptions. Valuation is based on the maximum term of seven (7) years versus the average expected holding period of 4.5 years used for accounting purposes. Furthermore, for accounting purposes MLF Common Shares are valued at the closing MLF Common Share price on the date of grant while the award value for grant purposes is based on the market value specified in the Option Plan, which is the five-day volume weighted average price. For compensation fair value purposes, no discount for potential forfeiture of options due to termination of employment was factored into the valuation. Awards are made with the assumption that the executive will remain employed during the vesting period. For accounting purposes, an estimate is made of forfeitures due to termination of employment based on past experience. The assumptions used for accounting purposes are found in the notes to the audited consolidated financial statements of the Corporation for the years ended December 31, 2024 and 2023. The audited consolidated financial statements may be found on the Corporation's website at www.mapleleaffoods.com and on SEDAR+ at www.sedarplus.ca.

The table below sets out the weighted average valuation per MLF Common Share option for each used for compensation purposes and accounting purposes for the NEOs. The difference in values for each year are for the reasons above except that the discount for forfeiture and early termination reflected in the accounting expense on the annual consolidated financial statements is not reflected in the per option values in the table below.

	2024		2023		2022	
	Compensation Fair Value	Fair Value for Financial Statements	Compensation Fair Value	Fair Value for Financial Statements	Compensation Fair Value	Fair Value for Financial Statements
Exercise Price	\$22.95	\$22.95	\$24.25	\$24.25	\$28.20	\$28.20
Grant Date Share Fair Value	\$22.95	\$22.99	\$24.25	24.42	\$28.20	\$29.91
Expected Volatility	28.91%	32.13%	27.75%	31.59%	25.57%	28.40%
Risk Free Rate	3.42%	3.56%	2.88%	3.02%	1.51%	2.00%
Dividend Yield	3.83%	4.56%	3.47%	4.18%	2.84%	3.30%
Expected Life – years	7.0	4.5	7.0	4.5	7.0	4.5
Vesting Period – years	3.0	3.0	3.0	3.0	3.0	3.0
Option Value	\$5.05	\$4.69	\$5.17	\$4.95	\$5.35	\$5.81

- (3) The STIP award is paid in cash early in the second quarter after the year in which it was earned based on performance measured in relation to the performance targets set for the applicable year. For NEOs, the HRCC assesses performance and makes STIP recommendations to the Board and the Board approves the STIP awards.
- (4) As, Mr. M.H. McCain has reached the age of 65 he no longer accrues benefits under the Corporation's defined benefit pension. Mr. Frank, Mr. Grogan and Mr. Stewart have years of service under each of the defined benefit and the defined contribution pension arrangements. Mr. Smales and Mr. Verellen, participated in defined contribution pension arrangements. In respect of the defined benefit pension arrangements, the amount in the table above represents the compensatory pension expense related to the service for each of the NEOs, excluding the impact of differences between actual compensation paid in 2024 and the actuarial assumptions used for the year. In respect of the defined contribution pension arrangements, the amounts shown are amounts allocated to the accounts maintained for the NEOs' respective benefit.
- (5) Except as indicated, the value of perquisites for each executive is less than both \$50,000 and 10% of salary. The amounts shown in "All Other Compensation" for Mr. Smales reflects a special cash payment that was agreed to as part of the offer of employment when he joined the Corporation to partially compensate for the loss of incentive earnings from his previous employer plus a supplemental cash payment of \$193,620 being the difference between the actual 2024 STIP payment and a guaranteed payment of \$500,000 in accordance with the terms of his employment offer. The amounts shown in "All Other Compensation" for Mr. Grogan reflects a special cash payment that was agreed to as part of the incentive compensation when he was President of Greenleaf Foods, SPC in meeting the performance objective of delivering Adjusted EBITDA neutral in the plant protein business in the fourth quarter of 2023. The amounts shown in "All Other Compensation" for Mr. Verellen reflects payment for salary continuance as part of his agreement with the Corporation upon his departure.
- (6) As full-time employees, Mr. M.H. McCain and Mr. Frank do not receive any separate or additional compensation for service on the Board as a director. Several of the NEOs are directors of one or more of the Corporation's subsidiaries. They do not receive any compensation for those positions in addition to the compensation disclosed in the table above.
- (7) Mr. Smales joined Maple Leaf Foods as Chief Financial Officer in January 2024. As part of the terms of his employment offer, he was entitled to a regular LTIP grant in the amount of \$1.4 million (allocated 1/3, 1/3, 1/3 between RSUs, PSUs and Options), and a supplemental LTIP grant in the amount of \$1.6 million comprised of all RSUs to compensate him for foregone incentive compensation from his former employer. He also received a one-time \$765,000 cash payment upon joining the Corporation to compensate him for foregone bonus payment from his former employer and a supplemental cash payment of \$193,620 being the difference between the actual 2024 STIP payment and the guaranteed payment of \$500,000 in accordance with the terms of his employment offer.

- (8) Mr. Verellen joined Maple Leaf Foods as Chief Financial Officer on January 6, 2020 and stepped down from this role effective January 26, 2024. Per Mr. Verellen's agreement with the Corporation upon his departure, he was entitled to 18 months' salary and benefits continuance, 2023 STIP based on actual performance and 2024 STIP at target pro-rated to the number of days worked for the Corporation in 2024.
- (9) Mr. Frank was President and Chief Operating Officer of the Corporation until May 2023. On May 11, 2023 he was promoted to President and Chief Executive Officer of the Corporation. The share-based awards granted to Mr. Frank in 2022 include a one-time \$1 million grant of PSUs that was made as part of the succession plan for Mr. Frank to transition into the role of CEO. In May of 2023, Mr. Frank received a supplemental LTIP grant of \$466,700 when he assumed the role of CEO. In March of 2024, Mr. Frank received a special LTIP grant of \$1,150,000, consisting of 50% PSUs and 50% options under the Special LTIP program.
- (10) Mr. Grogan was Chief Operating Officer of the Corporation's plant protein subsidiary, Greenleaf Foods, SPC, in 2020. He was promoted to President of Greenleaf Foods, SPC in January 2022, and in December 2022 added the additional role as the Corporation's President, Alternative Proteins. His 2022 LTIP grant included a one-time \$250,000 grant (allocated 1/3, 1/3, 1/3 between RSUs, PSUs and Options) in connection with his promotion. In addition, because the Plant Protein Group met its Adjusted EBITDA neutral target in the last quarter of 2023 he was awarded a special 2024 LTIP grant of \$350,000 (allocated 1/3, 1/3, 1/3 between RSUs, PSUs and Options).
- (11) Mr. Stewart was promoted to the role of Chief Supply Chain Officer in December 2022. His 2023 LTIP grant included a one-time \$500,000 grant (allocated ½ RSUs and ½ PSUs) in connection with his promotion. In March of 2024, Mr. Stewart received a Special LTIP grant of PSUs and Options totaling \$500,00.
- (12) Mr. M.H. McCain was Chief Executive Officer and Executive Chair of the Corporation until May 2023. On May 11, 2023 Mr. M.H. McCain ceased being Chief Executive Officer and remained Executive Chair of the Corporation. As Executive Chair, Mr. M.H. McCain's compensation is comprised of base salary and LTIP. He does not participate in the STIP, nor was he granted LTIP awards under the Special LTIP program.

Share-Based Incentive Plans

The Corporation has two equity incentive plans under which there are outstanding awards:

- the Option Plan, which provides for the grant of options satisfied by the issuance of MLF Common Shares by the Corporation from treasury; and
- the LTIP, which provides for the grant of time-vested RSUs and performance-vested PSUs that are satisfied through the acquisition of MLF Common Shares in the market by a trust established for that purpose.

See "Description of Share Option and Share Incentive Plans" for more detailed descriptions of these plans. The options and the RSUs outstanding are subject to time vesting only. The PSUs granted in 2023 have a performance-vesting feature based on the achievement of three-year (2023 through 2025) targets for the Corporation.

Outstanding RSUs/PSUs and Options at December 31, 2024

Name	Option Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options #	Option Exercise Price \$	Option Expiration Date ⁽¹⁾	Value of Unexercised in-the-Money Options ⁽²⁾ \$	Number of Shares or Units of Shares That Have Not Vested ⁽³⁾⁽⁵⁾ #	Market or Payout Value of Share-Based Awards That Have Not Vested ⁽⁴⁾ \$	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed ⁽⁴⁾ \$
C.E. Frank	27,900	\$32.50	March 1, 2025	0			
	27,975	\$31.57	August 1, 2025	0			
	80,100	\$28.38	March 1, 2026	0			
	126,600	\$23.08	March 2, 2027	0			
	123,450	\$25.10	March 1, 2028	0			
	81,000	\$28.20	March 1, 2029	0			
	26,100	\$26.46	March 17, 2030	0			
	149,100	\$24.15	March 17, 2030	0			
	371,400	\$22.95	March 3, 2031	0			
Totals	1,013,625			0	314,405	2,515,448	-
D. Smales	92,400	\$22.95	March 3, 2031	0			

Name	Option Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options #	Option Exercise Price \$	Option Expiration Date ⁽¹⁾	Value of Unexercised in-the-Money Options ⁽²⁾ \$	Number of Shares or Units of Shares That Have Not Vested ⁽³⁾⁽⁵⁾ #	Market or Payout Value of Share-Based Awards That Have Not Vested ⁽⁴⁾ \$	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed ⁽⁴⁾ \$
Totals	92,400				124,250	2,061,662	-
G. Verellen	0	n/a	n/a				
Totals	0	n/a	n/a		18,796	446,666	-
M.H. McCain	330,600	\$32.50	March 1, 2025	0			
	421,500	\$28.38	March 1, 2026	0			
	600,450	\$23.08	March 2, 2027	0			
	531,900	\$25.10	March 1, 2028	0			
	295,350	\$28.20	March 1, 2029	0			
	217,650	\$24.15	March 17, 2030	0			
	175,950	\$22.95	March 3, 2031	0			
Totals	2,573,400			0	321,560	3,270,265	-
A.J. Grogan	21,000	\$32.50	March 1, 2025	0			
	26,700	\$28.38	March 1, 2026	0			
	49,800	\$25.10	March 1, 2028	0			
	46,800	\$28.20	March 1, 2029	0			
	48,600	\$24.15	March 17, 2030	0			
	89,100	\$22.95	March 3, 2031	0			
Totals	282,000			0	88,060	895,570	-
I. Stewart	21,000	\$32.50	March 1, 2025	0			
	31,200	\$28.38	March 1, 2026	0			
	21,150	\$30.22	October 1, 2026	0			
	44,400	\$23.08	March 2, 2027	0			
	39,300	\$25.10	March 1, 2028	0			
	21,750	\$28.20	March 1, 2029	0			
	32,400	\$24.15	March 17, 2030	0			
	82,500	\$22.95	March 3, 2031	0			
Totals	293,700			0	76,725	660,338	-

Notes:

- (1) All options were granted with a term of seven years but may expire earlier if the executive ceases to be an employee of the Corporation. The options vest in three equal annual installments. At December 31, 2024, all options expiring before 2029 were fully vested. The options expiring in 2029 were two-thirds vested, options expiring in 2030 were one-third vested and none of options expiring in 2031 were vested.
- (2) The in-the-money value in the column is for all options, both vested and unvested. The value was calculated using a value of \$20.34 per MLF Common Share, the closing price of the Corporation's MLF Common Shares on the TSX on December 31, 2024.
- (3) Share-based awards consist of both RSUs and PSUs granted under the LTIP. The RSUs time-vest after approximately three years from the date of grant. The PSUs vest based on the achievement of cumulative performance targets over the performance period (typically three years starting with the year of grant). The performance criteria are more fully described under the heading "Long Term Incentive Plan" in this Circular. Depending on the performance, between zero and two MLF Common Shares will vest for each PSU.
- (4) In respect of the RSUs and PSUs granted, the "market or payout value" is based on the MLF Common Share price of \$20.34 at December 31, 2024. The number of MLF Common Shares valued is as follows:
 - (i) in respect of RSUs where the payout is not determined by a performance condition, the number of units granted are valued;
 - (ii) in respect of PSUs where the performance period is the 2024 financial year or any earlier year, the number of units valued is the number expected to be distributed given actual performance; and

- (iii) in respect of PSUs where the vesting depends wholly or in part on a performance period after 2024, no units are valued. (Under the performance vesting formula, the minimum number of MLF Common Shares that may be distributed on the maturity of the PSUs is zero.)
- (5) The LTIP calls for RSUs and PSUs to be distributed immediately on vesting. There are no undistributed vested awards as units are distributed immediately after vesting.

Incentive Plan Awards – Value Vested or Earned in the Year

Name	Option-Based Award – Value Vested During the Year ⁽¹⁾ \$	Share- Based Award – Value Vested During the Year ⁽²⁾ \$	Non-Equity Incentive Plan Compensation – Value Earned During the Year ⁽³⁾ \$
C.E. Frank	0	276,471	811,770
D. Smales	0	0	306,380
G. Verellen	0	172,882	38,411
M.H. McCain	0	1,191,503	N/A
A.J. Grogan	0	111,170	336,723
I. Stewart	0	87,919	294,620

Notes:

- (1) Four series of option-based awards vested in 2024. One-third of the options that were granted on March 1, 2021 (\$25.10 per MLF Common Share exercise price) vested on March 1, 2024 when the closing MLF Common Share price was \$22.99. One-third of the options that were granted on March 1, 2022 (\$28.20 per MLF Common Share exercise price) vested on March 1, 2024 when the closing MLF Common Share price was \$22.99. One-third of the options that were granted on March 16, 2023 (\$24.15 per MLF Common Share exercise price) vested on March 16, 2024 when the closing MLF Common Share price was \$23.44. One-third of the options that were granted on May 12, 2023 (\$26.46 per MLF Common Share exercise price) vested on May 12, 2024 when the last closing MLF Common Share price was \$23.63.
- (2) On May 1, 2024, the RSUs and PSUs granted in 2021 vested and were distributed to the NEOs. Minimum vesting was 0.0 MLF Common Shares and a maximum vesting was 2.0 MLF Common Shares per PSU. Based on the performance approved by the HRCC, there were no payment MLF Common Shares delivered in settlement of vested PSUs as the performance threshold was not met.
- (3) A description of the STIP can be found under the subheading “Short-Term Incentive Plan (STIP)” of this Circular. The short-term incentive is paid in cash following approval of the payouts by the HRCC and approval by the Board of the annual consolidated financial statements on which the performance measures are based. For Mr. Smales, the amount reflects the actual STIP paid and excludes supplemental cash payment of \$193,620 being the difference between the actual 2024 STIP payment and the guaranteed payment of \$500,000 in accordance with the terms of his employment offer. For Mr. Verellen the STIP amount reflects the pro-rata STIP for the period in January 2024 that he worked for the Corporation. Separately, his salary continuance arrangements following his departure from the Corporation included an amount equal to STIP at target level which was payable during the continuance period. All salary continuance amounts are included under “Other Compensation” in the Summary Compensation Table.

Summary of Gains Realized on Exercise of Options

Participants may exercise options at any time provided they comply with the insider trading guidelines and the share ownership policy requirements for executives. The share ownership guidelines are detailed under the heading “Share Ownership Requirements” in the “Compensation Discussion and Analysis” section of this Circular. During 2024, Mr. Verellen was the only NEO who exercised options.

Name	Number of Options Exercised or Surrendered	Cost of Options (Based on Exercise Price)	Value of Options (based on Fair Market Value)	Option Benefit
G. Verellen	108,200	\$2,497,256	\$2,537,510	\$40,254

Pension/Retirement Plans

The Corporation has registered defined benefit and non-registered supplemental defined benefit retirement plans, as well as registered and non-registered supplemental defined contribution pension plans. The defined benefit plans have been closed to new employees since December 2003. Mr. M.H. McCain participates in the defined benefit plan. Mr. Frank, Mr. Grogan Mr. Stewart and Mr. Smales participate in registered and non-registered supplemental defined contribution pension arrangements for Canadian salaried employees. In addition, Mr. Frank, Mr. Grogan

and Mr. Stewart have years of credited service under these defined benefit plans (0.17, 2.58 and 6.17 years of credited service respectively).

Pension Table – Defined Benefit Plans

The table below contains the following information about each NEO participating in the Corporation's defined benefit pension plans:

- Years of credited service as at December 31, 2024 and at age 65;
- Estimated annual benefit accrued, or earned, for service to December 31, 2024 and to the normal retirement age of 65; and,
- A reconciliation of the accrued obligation from December 31, 2023 to December 31, 2024.

Name	Number of years of Credited Service ⁽¹⁾		Annual Benefits Payable ⁽²⁾		Opening present value of defined benefit obligation at December 31, 2023 ⁽³⁾⁽⁴⁾⁽⁸⁾	2024 Compensatory Change ⁽³⁾⁽⁵⁾⁽⁸⁾	2024 Non-Compensatory Change ⁽⁶⁾⁽⁸⁾	Closing present value of defined benefit obligation at December 31, 2024 ⁽⁷⁾⁽⁸⁾
	At December 31, 2024	At Age 65 ⁽¹⁾	At December 31, 2024	At Age 65 ⁽¹⁾				
			\$	\$	\$	\$	\$	\$
C.E. Frank	0.17	0.17	2,753	2,753	40,014	508	1,838	42,360
M.H. McCain ⁽⁹⁾	28.59	28.59	717,085	n/a	9,474,969	0	435,289	9,910,258
A.J. Grogan	2.58	2.58	35,747	35,747	377,881	17,121	17,337	412,339
I. Stewart	6.17	6.17	67,793	67,793	920,082	19,401	28,707	968,190

Notes:

- (1) The Number of Years of Credited Service as at December 31, 2024 corresponds to the actual years of service with the Corporation and its subsidiaries. The Number of Years of Credited Service at age 65 is the sum of the number of years of credited service as at December 31, 2024 and the projected years of credited service from December 31, 2024 to the date the executive turns 65. Although the Corporation's pension plans do not prohibit granting years of service in addition to years of membership, this option has been used infrequently in the last 10 years.
- (2) The Annual Benefits Payable is the amount of lifetime pension payable in the normal form. Mr. M.H. McCain and Mr. Stewart were the only NEOs eligible to retire at December 31, 2024 with an unreduced pension. For each NEO, the amount of Annual Benefits Payable at December 31, 2024 is the pension the NEO would be entitled to starting at age 65 based on termination of employment at December 31, 2024. The amount is based on the years of credited service earned to December 31, 2024 and on average pensionable earnings at December 31, 2024. For each NEO, the Annual Benefits Payable at age 65 is the Annual Benefits Payable at December 31, 2024 increased to reflect credited service at age 65.
- (3) Pensionable earnings are composed of salary only; it excludes annual cash incentive payments and other compensation. Each of the NEOs are fully vested in their pension entitlements earned to December 31, 2024.
- (4) The opening present value of the defined benefit obligation is the value of the projected pension earned for service to December 31, 2023. The values have been determined as at December 31, 2023 based on actual pensionable earnings adjusted to reflect expected increases to retirement.
- (5) The 2024 Compensatory Change is the value of the projected pension earned for service during 2024 as well as experience gains and losses arising from the NEO's salary increase for the year being greater or lesser than the assumption used. The values have been determined as at December 31, 2024 based on actual pensionable earnings adjusted to reflect expected increases to retirement. The valuation method and assumptions are those used for purposes of the Corporation's audited consolidated financial statements. Information regarding the method and assumptions can be found in the audited consolidated financial statements for December 31, 2024.
- (6) The 2024 Non-Compensatory Change includes interest accruing on the beginning-of-year obligation, other experience gains and losses, and changes in interest rate assumptions resulting from changes in long-term bond yields.
- (7) The closing present value of the defined benefit obligation is the value of the projected pension earned for service to December 31, 2024. The values have been determined as at December 31, 2024 based on actual pensionable earnings adjusted to reflect expected increases in pensionable earnings.
- (8) The calculations of reported amounts use the same actuarial assumptions and methods that are used for calculating accrued benefit obligations and annual expenses, as disclosed in the Corporation's 2024 and 2023 audited consolidated financial statements, and as prescribed by International Financial Reporting Standards. The methods and assumptions used to determine estimated amounts will not be identical to the methods and assumptions used by other issuers so, as a result, the figures may not be directly comparable across issuers. In accordance with Canadian generally accepted accounting principles, the amounts above make no allowance for the different tax treatment of the portion of pension not paid from the registered pension plans. All amounts shown above are based on assumptions and represent contractual entitlements that may change over time.
- (9) As Mr. M.H. McCain has reached the age of 65, there is no service cost of the pension he will receive at retirement.

Pension Table – Defined Contribution Plans

The table below shows pension details for the NEOs participating in the Corporation's Canadian defined contribution pension plan. It also shows the account balances for December 31, 2023 and December 31, 2024 and the Corporation's contribution to the plans on each NEO's behalf (reflected as 2024 Compensatory Change).

Name	Accumulated Value at December 31, 2023 \$	2024 Compensatory Change ⁽¹⁾ \$	Accumulated Value at December 31, 2024 \$
C.E. Frank	903,535	69,547	1,167,786
D. Smales	-	35,388	49,427
G. Verellen ⁽²⁾	204,697	40,575	291,290
A.J. Grogan	1,010,623	45,642	1,269,011
I. Stewart	955,736	37,903	1,101,896

Notes:

- (1) The 2024 Compensatory Change amount is the contribution made by the Corporation to the plan in 2024 in respect of the NEO, and is based on eligible earnings in 2024.
- (2) Mr. Verellen stepped down from this role as Chief Financial Officer effective January 26, 2024 and continued to receive pension contributions throughout the period of salary continuance which is reflected in the 2024 Compensatory Change amount.

Summary of Defined Benefit Plan Provisions (Canada)

Messrs. McCain, Frank, Grogan and Stewart participate in defined benefit arrangements, as summarized below.

Pension benefits are based on the member's credited service in the plan and average pensionable earnings at retirement calculated as the highest average of the member's pensionable earnings. Pensionable earnings include salary earned over 60 months in the last 120 months of earnings preceding retirement. This excludes annual cash STIP payments and other compensation.

Retirement income is payable for the lifetime of the member with a minimum of 60 monthly payments. Payment options of actuarially equivalent value are also available.

The annual pension benefit is determined by multiplying the years of credited service (up to 35 years) by the sum of:

- 1.3% of average pensionable earnings up to the average of the last five years' maximum pensionable earnings under the Canada/Quebec Pension Plans ("final average YMPE"); and
- 2.0% of the excess of average pensionable earnings above the final average YMPE.

The pension benefit is determined without regard to the maximum pension limit for registered pension plans under the *Income Tax Act* (Canada). Any amount in excess of this limit is paid under the supplemental non-registered plan.

The normal retirement age is 65, but members may elect to start their pension any time between the ages of 55 and 71. There is no reduction to a member's pension if retirement occurs on or after 60 years of age. If a member retires between age 55 and 60 and their age plus years of continuous service total at least 85 points, their pension will be reduced by 0.5% for each month that retirement is before age 60. Otherwise, pensions are reduced on an actuarially equivalent basis.

Participants in the plan who had the "designated executive" status prior to January 1, 2015 are not required to contribute to the plan. Mr. M.H. McCain is a designated executive.

Summary of Defined Contribution Plan Provisions (Canada)

Messrs. Frank, Grogan, Stewart and Smales participate in defined contribution arrangements for Canadian salaried employees. Employees (including the NEOs) are required to contribute 1.5% of eligible earnings and may contribute

an additional 1.5% of eligible earnings to the plan. The Corporation contributes 4.5% of eligible earnings plus 100% of the additional contributions made by the employee. Eligible earnings include base salary excluding annual cash STIP payments and other compensation.

Contributions up to the maximum dollar limit allowed under the Income Tax Act (Canada) are deposited into the participant's account and invested according to the investment instructions made by the participant. The contributions in excess of these allowed limits are credited to an unfunded supplemental non-registered plan. Investment income is credited to the participant's account in the unregistered plan at a rate equal to the rate of return earned in the participant's registered pension plan account.

The Corporation's portion of the participant's account vests immediately on enrollment. The participant's account is distributed when the participant leaves the Corporation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS TO THE CORPORATION

None of the directors or executive officers are indebted to the Corporation.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Incentive Plans

The Corporation has adopted rules governing the expiry of units held by employees under the LTIP and for options held under the MLF Stock Option Plan on termination of employment to supplement the terms of the plan documents.

In the case of a change of control, the benefits under the LTIP and the MLF Stock Option Plan are not triggered unless there is also a loss of employment. This requirement that both conditions be present is sometimes referred to as a "double trigger."

The following table sets out the other termination rules that apply to all participants in the plans, including NEOs.

Reason for Termination of Employment	Early Expiry of RSUs and PSUs ⁽¹⁾	Early Expiry of Options ⁽¹⁾
Termination by the Corporation for Cause	RSUs and PSUs expire on the date of termination.	All vested and unvested options held expire on the date of termination.
Termination by Voluntary Resignation	RSUs and PSUs expire on the date of termination.	Unvested options held expire on the date of termination. Vested options expire 90 days from the date of termination.
Termination Due to Death of the Employee	RSUs and PSUs granted less than six months before the date of death expire on death. RSUs and PSUs granted at least six months before the date of death continue to be held by the employee's estate to the maturity/distribution date.	Unvested options granted less than six months before the date of termination and unvested options that do not, in accordance with terms of the award, vest within 12 months of the date of death expire on the date of death. Unvested options granted at least six months before the date of death that, in accordance with the terms of the award, vest within 12 months of the date of death expire 15 months following the date of death. Vested options expire 15 months following the date of death.
Termination by the Corporation Without Cause	RSUs and PSUs granted less than six months before the date of termination expire on termination. RSUs and PSUs granted at least six months before the date of termination – a proportionate ⁽²⁾ number of units continue to be held to the maturity/distribution date.	Unvested options held expire on the date of termination. Vested options held expire 90 days following the date of termination.
Retirement from the Industry ⁽³⁾	RSUs and PSUs granted less than six months before the date of termination expire on termination. RSUs and PSUs granted at least six months before the date of retirement continue to be held to the maturity/distribution date.	Unvested options granted less than six months before the date of retirement expire on the date of retirement. Unvested options granted at least six months before the date of retirement and vested options continue to be held until exercised or the normal expiry date.

Reason for Termination of Employment	Early Expiry of RSUs and PSUs ⁽¹⁾	Early Expiry of Options ⁽¹⁾
Normal Retirement ⁽⁴⁾	RSUs and PSUs granted less than six months before the date of retirement expire on retirement. RSUs and PSUs granted at least six months before the date of retirement continue to be held to the maturity/distribution date.	Unvested options granted less than six months before the date of retirement expire on the date of retirement. Unvested options granted at least six months before the date of retirement and vested options continue to be held until exercised or the normal expiry date.
Early Retirement ⁽⁵⁾	RSUs and PSUs granted less than six months before the date of termination expire on retirement. RSUs and PSUs granted at least six months before the date of retirement – a proportionate ⁽²⁾ number of units continue to be held to the maturity/distribution date.	Unvested options granted less than six months before the date of retirement expire on the date of retirement. Unvested options granted at least six months before the date of retirement that do not, in accordance with terms of the award, vest within 12 months of the date of retirement expire on the date of retirement. Vested options and unvested options that vest within 12 months of the date of retirement expire 15 months following the date of retirement.

Notes:

- (1) All RSUs, PSUs and options expire on the date or dates determined by the Board of Directors at the time of grant in accordance with the terms of the respective plan. The comments in the table refer to the early termination in the event of a termination of employment before the exercise or distribution date.
- (2) On maturity, the employee will receive a proportion of the distribution she/he would have been entitled to, had the employee remained employed with the Corporation. The proportion is the number of days from the date of grant to the date of termination/retirement, to the number of days from the date of grant to the distribution date.
- (3) Retirement from the Industry may be offered to an employee, at the discretion of the Corporation, at the termination of employment at a time when the employee is 55 or older with a minimum of five (5) years of service and the employee agrees not to provide any services directly or indirectly to any company or other organization that competes with the Corporation in the industry in which the executive was engaged by the Corporation. If the employee does not comply with the non-competition conditions, options that have not already vested at the time of non-compliance expire at the time of the event of non-compliance and vested options expire five business days after the event of non-compliance.
- (4) Normal Retirement is defined as retirement from active employment at the time when the employee is 60 years or older and has at least 10 years of service.
- (5) Early Retirement is defined as retirement from active employment at the time when the employee is 55 years or older and has at least 10 years of service.

Employment Agreements

Historically, the Corporation has not had executive employment agreements with any NEO that specifies the benefits that are payable on termination of employment or change of control. However, in 2024, the following arrangements were in place:

- In connection with the executive and Board succession planning process, the Corporation and Mr. M.H. McCain entered into an agreement outlining the key terms for the transition of Mr. M.H. McCain from the role of CEO and Executive Chair and into the role of Executive Chair which contains certain provisions related to termination. Under this agreement, should a termination event occur while in his capacity as Executive Chair, severance, including treatment of outstanding LTIP awards, is to be calculated in accordance with the Corporation's customary practices based on his total compensation package in 2022, being the last full year of his tenure as CEO.
- In connection with CFO succession planning, the Corporation agreed to an 18-month salary continuance arrangement with Mr. Verellen, inclusive of a STIP component based on 2024 target level of achievement for the continuance period. All outstanding LTIP awards previously granted to Mr. Verellen are subject to the termination rules in the applicable plans as summarized above.
- In connection with his offer of employment, in an event of termination without cause, Mr. Smales would be entitled to a maximum of 18 months base salary plus STIP. All outstanding LTIP awards previously granted to Mr. Smales would be subject to the termination rules in the applicable plans as summarized above.

No other NEOs had executive employment agreements containing termination or change of control terms as of December 31, 2024.

DESCRIPTION OF SHARE OPTION AND SHARE INCENTIVE PLANS AND SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

MAPLE LEAF FOODS INC. AMENDED AND RESTATED MLF STOCK OPTION PLAN

The MLF Stock Option Plan was originally adopted and approved by Shareholders in 2016, and was amended, with Shareholder approval, in 2019, 2021 and 2024 to increase the number of MLF Common Shares authorized for issuance. Details of the MLF Stock Option Plan are provided below.

Eligibility

The Board is authorized to grant share options under the MLF Stock Option Plan to full-time and part time employees of the Corporation, its Affiliates and any partnership of which the Corporation is a partner, as well as to consultants. Non-employee directors are specifically excluded from participating in the MLF Stock Option Plan.

Exercise Price of Options

Options to be granted under the MLF Stock Option Plan are exercisable at a price not below market value at the time of grant. For purposes of the MLF Stock Option Plan, market value is the volume weighted average trading price on the TSX for the five days prior to the date of grant.

Number of MLF Common Shares

As of December 31, 2024, the maximum number of MLF Common Shares that could be issued upon the exercise of options under the MLF Stock Option Plan was 11,750,000.

	Options	
	Number of Shares or Options ⁽¹⁾	Percentage of Shares Outstanding ⁽¹⁾
MLF Common Shares issued pursuant to the exercise of options under the MLF Stock Option Plan	397,210	
Options granted and outstanding under the MLF Stock Option Plan	7,299,200	5.9%
Options available for future grants	4,053,590	3.3%
Total number of MLF Common Shares reserved for issue	11,750,000	9.2%

Note:

- (1) The number of options and MLF Common Shares and percentage of the number of MLF Common Shares outstanding are given as of December 31, 2024 and based on 123,835,056 MLF Common Shares outstanding as of that date.

Exercise Periods/Term of Options /Blackout Periods/Assignability

The options granted have a term of up to ten years. Notwithstanding the ten-year limit, the Corporation's practice is to grant options with a seven-year term.

Details with respect to the exercise periods and expiration of options granted under the MLF Stock Option Plan and the associated termination rules approved by the HRCC in connection therewith are summarized in the table in this Circular located under the heading "Summary Compensation Table – Termination and Change of Control Benefits".

If an option expires during or within five business days after a routine or special trading blackout period imposed by the Corporation to restrict trades in the Corporation's securities, then, notwithstanding any other provision of the MLF Stock Option Plan, unless the delayed expiration would result in tax penalties, the option shall expire ten business days after the trading blackout period is lifted by the Corporation.

Generally, options are not assignable except to a permitted assign as defined in National Instrument 45-106, Prospectus and Registration Exemptions, as amended from time to time.

Recoupment

The MLF Stock Option Plan provides for cancellation, recoupment, rescission or payback in accordance with the Corporation's recoupment policy, which requires distributions under incentive programs in which vesting is at least in part determined by the financial statements or other performance measures that are later found to be incorrect or are restated; however, to date all options granted under the MLF Stock Option Plan have not been made subject to performance criteria.

Surrender of Options

The MLF Stock Option Plan allows an option holder, in lieu of exercising vested options, to surrender them for cancellation and receive MLF Common Shares equal to the In The Money Amount of the surrendered options. For example, an employee wishes to exercise 1,000 options with an exercise price of \$15 per MLF Common Share at a time when the MLF Common Shares have a market value of \$20. Normally, the employee would pay the total of \$15,000 for the exercise price and proceed to sell 750 shares in the market in order to fund the \$15,000. By electing to surrender the options under the MLF Stock Option Plan, the employee will receive only 250 MLF Common Shares and will surrender the options for the 750 MLF Common Shares instead of paying the exercise price. This is an alternative to broker-based cashless exercise programs that will reduce dilution and permit an employee to avoid a sale in the market that he or she may be required to undertake in order to fund the exercise price for the options. Other than foregoing proceeds for the exercise price, the alternative does not have any negative tax or other consequences to the Corporation. However, the surrendered options will be deemed to have been exercised for purposes of the MLF Common Shares reserved under the MLF Stock Option Plan.

The In The Money Amount of a vested option is the amount, if any, by which the closing trading price of a MLF Common Share on the last trading day immediately preceding the date of exercise exceeds the exercise price of the option. Following the surrender of options, the Corporation shall issue to the employee the number of MLF Common Shares (rounded down to the nearest whole number) which, valued at the closing trading price on the last trading day immediately preceding the date of exercise, have an aggregate value equivalent to the In The Money Amount.

Limits on Individual and Insider Participation

The aggregate number of MLF Common Shares issuable to insiders under the MLF Stock Option Plan together with MLF Common Shares issuable to insiders at any time under the Corporation's other security-based compensation arrangements, may not exceed 10% of all issued and outstanding MLF Common Shares of the Corporation. In addition, the number of MLF Common Shares that may be issued to insiders in any one-year period under the MLF Stock Option Plan and any other security-based compensation arrangement of the Corporation may not exceed 10% of the issued and outstanding MLF Common Shares of the Corporation. The MLF Stock Option Plan does not provide for a maximum number of MLF Common Shares which may be issued to an individual pursuant to the MLF Stock Option Plan and any other share compensation arrangement (expressed as a percentage or otherwise).

Share Capital Adjustments

Adjustments to the terms of outstanding options by the Board, without Shareholder approval, are permitted under the MLF Stock Option Plan in the event of a capital reorganization of the Corporation including any amalgamation, combination, arrangement or merger, a subdivision or consolidation of shares or any similar capital reorganization or payment of a stock dividend, that does not constitute a Change in Control (as defined in the MLF Stock Option Plan). In the event the Corporation's capital structure is otherwise amended, the Board shall, and without any requirement for Shareholder approval, make any amendments to the terms of any outstanding option awards as it considers equitable in order to preserve the proportionate rights and obligations of the participants.

Vesting

Under the MLF Stock Option Plan, the Board is authorized to determine the time vesting and performance vesting restrictions for grants of options. Upon a Change in Control of the Corporation, the Board may accelerate the vesting of any outstanding options, in which case any unexercised options will be terminated following the Change in Control. Similarly, the Board may at any time accelerate the vesting of any options in circumstances involving the retirement or other termination of employment of a participant.

Amendment

The Board may from time to time, without notice and without approval of the Shareholders, amend, modify, change, suspend or terminate the MLF Stock Option Plan or any options granted pursuant to the MLF Stock Option Plan as it in its discretion determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the MLF Stock Option Plan or any options granted thereunder may materially impair any rights of an optionee or materially increase any obligations of an optionee under the MLF Stock Option Plan without the consent of the optionee, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or TSX requirements. However, Shareholder approval is required for any amendment, modification or change that:

- (a) increases the number of MLF Common Shares reserved for issuance under the MLF Stock Option Plan, except pursuant to the provisions in the MLF Stock Option Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the 10% limit on MLF Common Shares issuable or issued to insiders;
- (c) reduces the exercise price of an option (for this purpose, a cancellation or termination of an option of an optionee prior to its expiry date for the purpose of reissuing an option to the same optionee with a lower exercise price shall be treated as an amendment to reduce the exercise price of an option) except pursuant to the provisions in the MLF Stock Option Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (d) extends the term of an option beyond the original expiry date (except where an expiry date would have fallen within a blackout period applicable to the optionee or within five business days following the expiry of such a blackout period);
- (e) permits an option to be exercisable beyond 10 years from its date of grant (except where an expiry date would have fallen within a blackout period of the Corporation);
- (f) permits members of the Board who are not employees to receive options under the MLF Stock Option Plan;
- (g) permits options to be transferred to a person other than a permitted assign or for normal estate settlement purposes; or
- (h) deletes or reduces the range of amendments which require approval of Shareholders.

Examples of amendments that may be made by the Board without Shareholder approval include amendments to the forfeiture and expiry in the event of a termination of employment and changes to the vesting provisions of options.

SHARE PURCHASE AND DEFERRED SHARE UNIT PLAN

The MLF DSU Plan was adopted on March 21, 2013 and was approved by Shareholders on May 2, 2013 and approved by the TSX. It allows awards of DSUs to eligible directors.

Eligibility

Only non-employee directors of the Corporation are eligible to participate in the MLF DSU Plan.

Election to Participate

Participation in the MLF DSU Plan is voluntary. Under the MLF DSU Plan, eligible directors may elect annually to receive their retainer and fees in the form of DSUs or MLF Common Shares (or any combination thereof).

If an eligible director elects to receive all or a portion of his or her retainer and fees as MLF Common Shares, quarterly, on predetermined dates, the Corporation or its designee may issue MLF Common Shares from treasury or may also purchase MLF Common Shares on the TSX at market rates on behalf of the participating directors

equal in value to the retainer and fees elected by the director to be satisfied in MLF Common Shares. The Corporation arranges the purchase of the MLF Common Shares and is responsible for commissions and any administration fees. MLF Common Shares acquired for an eligible director shall be registered in such name as the director may direct.

If an eligible director elects to receive all or a portion of his or her fees and retainer in the form of DSUs, the Corporation credits to an account established for that purpose by the Corporation on the books of the Corporation the number of DSUs received. The number of DSUs an eligible director receives is equal to (i) the amount of his or her fees and retainer elected to be received in the form of DSUs, divided by (ii) the weighted average trading price of the common shares on the TSX for the five (5) trading days immediately preceding the date DSUs are to be awarded. The award date, unless otherwise determined by the CGC, is the first business day following the 14th day of the month following the end of each calendar quarter. DSUs attract dividends in the form of additional DSUs at the same rate as dividends on MLF Common Shares. The number of additional DSUs received as a result of the payment of a dividend on the MLF Common Shares is equal to (i) (a) the amount of the dividend per MLF Common Share multiplied by (b) the number of DSUs in the participant's account on the payment date of the dividend, divided by (ii) the weighted average trading price of the MLF Common Shares on the TSX for the five trading days immediately preceding the dividend record date.

Distribution on the DSUs

Participants are not eligible to receive a distribution on the DSUs until, among other things, the participant ceases to be a director of the Corporation. The value of a DSU on distribution is calculated on a predetermined date in the future (which may be more than a year after the participant ceases to be a director), or an earlier date if elected by the participant or his or her estate. Generally, the value of a DSU (or number of MLF Common Shares to be distributed) cannot be determined during or within two business days following a corporate blackout period applicable to then current directors of the Corporation but must be made as of the tenth business day following the end of such blackout period.

Under the MLF DSU Plan, the Corporation is provided with the ability to elect, in its sole discretion, the method in which the Corporation will make a distribution on the DSUs. Distributions may be in the form of (i) MLF Common Shares issued by the Corporation from treasury equal in number to the whole number of DSUs (rounded down) recorded in the participant's account on the distribution date; (ii) MLF Common Shares purchased by the Corporation or its designee on the TSX equal in number to the whole number of DSUs (rounded down) recorded in the participant's account on the distribution date; or (iii) a lump sum payment in cash equal to the number of DSUs (rounded down) recorded in the participant's account on the distribution date multiplied by the weighted average trading price of the common shares on the TSX for the five trading days immediately preceding the distribution date (or any combination of options (i), (ii) and/or (iii)). Fractional DSUs will be satisfied in cash calculated as in (iii) above. Any distribution on account of DSUs shall be made net of applicable withholding taxes.

Any purchases made by the Corporation or its designee on the TSX are to be made in accordance with the policies and procedures of the TSX.

The Corporation shall bear the cost of commissions and all other expenses incurred in respect of the issuance of MLF Common Shares from treasury or the purchase of MLF Common Shares on the TSX and all MLF Common Shares issued to or acquired for a participant shall be registered in such name as the participant may direct and shall be delivered in accordance with his or her instructions.

Number of Shares

The maximum number of MLF Common Shares that may be issued by the Corporation from treasury pursuant to the MLF DSU Plan is 700,000. There is no limit, however, on the number of MLF Common Shares that may be purchased by the Corporation or its designee on the TSX to satisfy DSUs outstanding under or governed by the MLF DSU Plan subject to any requirements of the TSX. The table below indicates the status of the shares reserved for DSU grants under the MLF DSU Plan as of December 31, 2024.

	Number of Shares or DSUs ⁽¹⁾	Percentage of Shares Outstanding ⁽¹⁾
MLF Common Shares issued from treasury pursuant to the distribution of DSUs ⁽³⁾	44,894	0.04%
DSUs granted and outstanding	237,754	0.19%
DSUs available for future grants ⁽²⁾	417,361	0.34%
Total number of MLF Common Shares reserved for issue	700,000	0.57%
Remaining MLF Common Shares available for issue	655,106	0.53%

Notes:

- (1) The number of DSUs and MLF Common Shares and percentage of the number of MLF Common Shares outstanding are given as of December 31, 2024.
- (2) Number of DSUs available for future grants to be satisfied by MLF Common Shares issued from treasury assuming that all granted and currently outstanding DSUs are satisfied by the MLF Common Shares issued from treasury. DSUs can be satisfied in cash or by MLF Common shares purchased on the TSX.
- (3) The Corporation settled DSUs with MLF Common Shares issued from treasury for two of the Directors who retired from the Board.

Burn Rate Applicable to Directors Under the MLF DSU Plan

The following table shows the number of DSUs issued for director's fees and dividend reinvestment, reduced by reductions in the number of DSUs for distributions not made with treasury MLF Common Shares with the corresponding grant rate and burn rates as a percentage of average MLF Common Shares outstanding (the "burn rate") for the past three years.

	2022	2023	2024
DSUs issued for director's fees	53,513	46,658	52,500
DSUs issued for dividend reinvestment	10,745	11,268	11,411
Total DSUs granted	64,258	57,926	63,912
Burn rate ⁽¹⁾	0.05%	0.05%	0.05%
Burn rate, net of non-treasury share distributions ⁽¹⁾	0.05%	0.05%	-0.08%

Note:

- (1) The burn rate for the year is calculated as the number of DSUs issued in respect of directors' fees and dividend reinvestments, divided by the average number of MLF Common Shares outstanding. The burn rate is also calculated with the number of DSUs distributed without the issue of treasury MLF Common Shares netted against the number of DSUs issued.

Limits on Individual and Insider Participation

No more than 10% of the Corporation's total issued and outstanding MLF Common Shares shall be issued to insiders of the Corporation within any one-year period under the MLF DSU Plan when combined with MLF Common Shares issued to insiders of the Corporation under all of the Corporation's other security-based compensation arrangements.

In addition, no more than 10% of the Corporation's total issued and outstanding MLF Common Shares shall be issuable to insiders of the Corporation at any time under the MLF DSU Plan, when combined with all of the Corporation's other security-based compensation arrangements.

The MLF DSU Plan does not provide for a maximum number of MLF Common Shares which may be issued to an individual pursuant to the MLF DSU Plan and any other share compensation arrangement (expressed as a percentage or otherwise).

Share Capital Adjustments

The number of DSUs (and related number of MLF Common Shares available for distribution in respect thereof) outstanding under the MLF DSU Plan shall be adjusted in such manner, if any, as the Board may in its discretion deem appropriate to preserve proportionally the interests of participants under the MLF DSU Plan in the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the common shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution (other than normal cash dividends) of the Corporation's assets to Shareholders.

Transfers of DSUs

Except as required by law, the rights of a participant under the MLF DSU Plan and any DSUs held by such participant are not capable of being assigned or transferred except by testate or intestate succession. The Corporation may assign its rights under the MLF DSU Plan to any company resulting from an amalgamation, reorganization, combination, merger or arrangement of the Corporation or any company acquiring all or substantially all of the assets or business of the Corporation.

Effect of Death of a Participant

Upon the death of a participant, a payment on the participant's outstanding DSUs shall be made to the estate of such participant on the last business day of the month which is at least 180 days after the Corporation is notified of the death of the participant unless prior to such date the participant's estate chooses a later date for such payment, provided that such date is no later than the earlier of (i) the last business day of the calendar year following the calendar year in which the participant died and (ii) 15 business days following the distribution date of the participant otherwise determined under the MLF DSU Plan. Similar but different rules apply to participants that are U.S. taxpayers. Payment on such outstanding DSUs shall be made in cash and/or MLF Common Shares at the election of the Corporation and such payment shall be equivalent to the amount which would have otherwise been paid to the participant under the MLF DSU Plan, calculated on the basis that the date on which the participant dies or the date elected by the estate, as applicable, is the distribution date.

If a participant dies while still a director, the last quarterly installment of the director's fees and retainer, as applicable, shall be paid in cash notwithstanding any election previously provided by such participant.

Amendments

The DSU Plan may be amended, suspended or terminated by the Board, subject to provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX, if any, that require the approval of Shareholders or any governmental or regulatory body).

The Board may make any types of amendments to the MLF DSU Plan without seeking Shareholder approval except the following types of amendments which will require Shareholder approval:

- (a) amendments to the fixed maximum number of MLF Common Shares issuable from treasury under the MLF DSU Plan, including an increase to the fixed maximum number of MLF Common Shares issuable from treasury under the MLF DSU Plan (other than as a result of customary share capital adjustments as contemplated in the MLF DSU Plan) or a change from a fixed maximum number of MLF Common Shares issuable from treasury under the MLF DSU Plan to a fixed maximum percentage;
- (b) any amendment expanding the categories of eligible directors entitled to participate in the MLF DSU Plan which would have the potential of broadening or increasing insider participation;
- (c) any amendment permitting the transfer or assignment of a DSU, except by testate or intestate succession; and
- (d) amendments required to be approved by Shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

Examples of amendments that can be made to the MLF DSU Plan without Shareholder approval include:

- (a) those of a technical or “housekeeping” nature or
- (b) those that are necessary to conform the MLF DSU Plan to the requirements of applicable law or applicable regulatory requirements (including, without limitation, the rules, regulations and policies of the TSX) unless those amendments are required to be approved by Shareholders under applicable law or such regulatory requirements.

No amendment, suspension or termination of the MLF DSU Plan, however, may adversely affect any previously granted DSUs without the consent of the affected director. If the Board chooses to terminate or suspend the MLF DSU Plan, no new DSUs will be issued, but previously credited DSUs will remain outstanding (but are not entitled to dividends except at the discretion of the Board) and shall be paid out in accordance with the terms of the MLF DSU Plan.

EQUITY COMPENSATION PLAN INFORMATION AS AT DECEMBER 31, 2024

The following table provides information as at December 31, 2024, with respect to the equity compensation plans of the Corporation.

The options and RSUs that have been issued to employees are described the Corporation’s 2024 audited consolidated financial statements. The audited consolidated financial statements are available from the Corporation’s website at www.mapleleaffoods.com and on SEDAR+ at www.sedarplus.ca.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
MLF DSU Plan	237,745	\$22.83	655,106
MLF Stock Option Plan	7,299,200	\$25.62	4,053,590
Total ⁽¹⁾⁽²⁾	7,536,945	\$25.53	4,708,696

Notes:

- (1) Options granted under the MLF DSU Plan and MLF Stock Option Plan.
- (2) The LTIP is a market-based plan pursuant to which RSUs and PSUs are satisfied with MLF Common Shares purchased on the TSX. Therefore awards of RSUs and PSUs under the LTIP are not included in the above figures as no MLF Common Shares will be issued from treasury to satisfy those awards.

Total Dilution under All Equity Compensation Plans

The tables below shows the total potential dilution from the Corporation’s two treasury-based equity compensation plans, the MLF DSU Plan and the MLF Stock Option Plan as of December 31, 2024.

	Number of Options	Percentage of Shares Outstanding ⁽¹⁾
Options granted and outstanding	7,299,200	5.89%
Options available for future grants	4,053,590	3.27%
Total	11,352,790	9.17%

	Number of DSUs ⁽²⁾	Percentage of Shares Outstanding ⁽¹⁾
Shares issued from treasury pursuant to the distribution of DSUs	44,894	0.04%
DSUs granted and outstanding	237,745	0.19%
DSUs available for future grants ⁽¹⁾	417,361	0.34%
Total shares reserved for issue	700,000	0.57%
Remaining shares available for issue	655,106	0.53%
	Number of Shares Reserved for Options/DSUs	Percentage of Shares Outstanding ⁽¹⁾
Total available option pool ⁽²⁾	7,299,200	5.89%
Total available DSU pool ⁽³⁾	655,106	0.53%
Total Dilution	7,536,945	6.08%

Notes:

- (1) The number of options, DSUs and MLF Common Shares and percentage of the number of MLF Common Shares outstanding are given as of December 31, 2024 and based on 123,835,056 MLF Common Shares outstanding as of that date.
- (2) The number of MLF Common Shares reserved for options does not include 289,010 options that have been exercised.
- (3) The number of DSUs available for future grants is calculated here based on an assumption that the DSUs are satisfied by MLF Common Shares issued from treasury. DSUs can be satisfied in cash or by MLF Common Shares purchased on the TSX. Until 2024, all DSUs have been settled with market MLF Common Shares or in cash.

Burn Rate under All Equity Compensation Plans

The following table shows the number of option grants (net of forfeitures on termination of employment) and DSUs as a percentage of average shares outstanding (the “burn rate”) for the past three years.

MLF Stock Option Plan	2022	2023	2024
Net Grants under MLF Stock Option Plan	730,500	1,057,700	1,793,850
Burn rate ⁽¹⁾	0.59%	0.86%	1.47%
Burn rate, net of forfeitures ⁽¹⁾	0.49%	0.86%	0.86%
MLF DSU Plan	2022	2023	2024
DSUs issued for director's fees	53,513	46,658	52,500
DSUs issued for dividend reinvestment	10,745	11,268	11,411
Total DSUs granted	64,258	57,926	63,912
Burn rate ⁽¹⁾	0.05%	0.05%	0.05%
Burn rate, net of non-treasury share distributions ⁽¹⁾	0.05%	0.05%	-0.08%
Combined Plans	2022	2023	2024
Combined Burn rate	0.64%	0.91%	1.52%

Note:

- (1) The burn rate for a fiscal year is calculated as the number of options or DSUs granted, divided by the weighted average number of shares outstanding in that fiscal year.

LONG TERM INCENTIVE PLAN

In 2006, the Board adopted a share-based incentive compensation plan (the “LTIP”) for employees, including executive officers. The LTIP provides for the grant of both time vested awards (“RSUs”) and performance-based awards (“PSUs”). On maturity, participants receive one fully paid MLF Common Share for each vested RSU held. For PSUs, the number of MLF Common Shares to be distributed upon maturity is subject to adjustment up or down to reflect the level of achievement of the performance vesting criteria. The LTIP is not a treasury-based equity

compensation plan. The Corporation settles vested awards with MLF Common Shares acquired on the open market or may, in its sole discretion, settle vested awards in cash. Distributions are typically made on a net of tax basis to satisfy the tax withholding requirements.

Eligibility

Under the LTIP, the Board is authorized to make RSU and PSU grants to employees (full and part-time) and consultants of the Corporation, its Affiliates and partners.

Vesting Under the LTIP

Upon the completion of the time-vesting service requirements each RSU entitles the employee to receive one fully paid share of the Corporation. With respect to PSUs, the number of MLF Common Shares to be delivered upon completion of the performance period is adjusted to reflect the level of achievement measured against the applicable performance vesting criteria.

Number of Shares

The LTIP is funded with MLF Common Shares purchased on the open market, not treasury MLF Common Shares. There is no specified or authorized limit to the number of RSUs or PSUs that may be issued.

Term of RSUs/Forfeiture/Assignability

The RSUs and PSUs have a maximum term of approximately three years. Unless otherwise determined by the HRCC, the LTIP requires participants to be employed on the date that the awards are settled (the “distribution date”). Participants whose employment with the Corporation ceases prior to the distribution date for any reason forfeit the right to receive any RSUs or PSUs. However, the HRCC has discretion to accelerate the vesting of any RSUs or PSUs held by a participant and to permit the distribution of MLF Common Shares in respect of the maturing vested RSUs or PSUs to a participant whose employment has ended prior to the distribution date. RSUs and PSUs are not assignable. The Board and the HRCC have extended the eligible vesting periods for holders of RSUs and PSUs in the event of termination of employment under certain conditions. See the descriptions under “Termination and Change of Control Benefits” for further details.

Limits on Individual and Insider Participation

The awards are not settled with treasury MLF Common Shares. There is no limit to individual participation.

Share Capital Adjustments

The Board shall amend the terms of any outstanding awards granted under the LTIP as it considers equitable in order to preserve the proportionate rights and obligations of the participants in the event of a capital reorganization of the Corporation, including amalgamation, combination, arrangement or merger, a subdivision or consolidation of MLF Common Shares or any similar capital reorganization or payment of a stock dividend that does not constitute a Change in Control (as defined in the LTIP).

Vesting

Under the LTIP, the Board is authorized to determine the time-vesting and performance-vesting criteria for awards. Upon a change in control of the Corporation, the Board may accelerate the vesting of any outstanding RSUs and PSUs, in which case any unvested awards following the Change in Control will be terminated. Similarly, the Board may at any time accelerate the vesting of any RSUs and PSUs in circumstances involving retirement, death or other termination of employment of a participant and to permit the distribution of MLF Common Shares in respect of the RSUs to a participant whose employment has ended prior to the distribution date.

Amendment

The LTIP currently provides that the Board may amend, suspend or terminate the plan provided that such action does not impair the rights or obligations arising from an award previously granted to an employee without the employee's consent.

OTHER MATTERS

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation provides directors' and officers' liability insurance with a policy limit of \$60,000,000. Under this insurance coverage, Maple Leaf Foods is reimbursed for payments made under corporate indemnity provisions on behalf of its directors and officers subject to a maximum deductible of \$300,000 per occurrence. Individual directors and officers are also reimbursed for losses arising during the performance of their duties for which they are not indemnified by Maple Leaf Foods. Excluded from coverage are deliberately dishonest, fraudulent, or criminal acts or omissions which result in personal profit.

The total premium paid by the Corporation for directors' and officers' liability insurance coverage for the last completed financial year was \$416,962 including taxes. No part of the premium is paid by any officer or director.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, none of the informed persons of the Corporation, as that term is defined in National Instrument 51-102, nor any proposed director of the Corporation, nor any associate or affiliate of any such person had any direct or indirect material interest, since January 1, 2024, in respect of any transaction or proposed transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

DEADLINE TO SUBMIT SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING

Any shareholder who intends to present a proposal at the 2026 annual meeting of Shareholders must send the proposal to the Corporation's Corporate Secretary at 6897 Financial Dr. Mississauga, Ontario, Canada L5N 0A8. In order for the proposal to be included in the proxy materials sent to shareholders for that meeting, the proposal must be received by the Corporation no later than March 13, 2026 and must comply with the requirements of Section 137 of the CBCA.

OTHER BUSINESS

Management of the Corporation is not aware of any matters to come before the Meeting other than those referred to in the Notice.

ADDITIONAL INFORMATION

Additional documents of the Corporation, including the most recent Annual Information Form; the Annual Report, including the audited consolidated financial statements of the Corporation and management's discussion and analysis for its most recently completed financial year; interim financial statements; and the Management Information Circular in respect of its most recent annual meeting of Shareholders, are available by email at Corporate.Secretary@mapleleaf.com or upon written request from the Corporate Secretary, Maple Leaf Foods Inc., 6897 Financial Dr. Mississauga, Ontario, Canada L5N 0A8. The above information and additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year.

DIRECTORS' APPROVAL

The directors of the Corporation have approved the contents of this Circular and its circulation.

S. Hathaway
Senior Vice-President, General Counsel, Communications and Corporate Secretary
Mississauga, Ontario, Canada
May 1, 2025

CONSENT OF RBC

May 1, 2025
The Special Committee of the Board of Directors and the Board of Directors
Maple Leaf Foods Inc.
6897 Financial Drive
Mississauga, Ontario
Canada
L5N 0A8

To the Special Committee of the Board of Directors and the Board of Directors of Maple Leaf Foods Inc. (the “**Company**”)

We refer to the management information circular (the “**Circular**”) of the Company dated May 1, 2025 relating to the annual and special meeting of holders of common shares of the Company to approve, among other things, an arrangement under section 192 of the *Canada Business Corporations Act* involving the Company. We consent to the inclusion in the Circular of our fairness opinion to the board of directors of the Company (the “**Board**”) dated April 22, 2025 as Schedule “D” and references to our firm name and our fairness opinion, including the summary thereof, in the letter to shareholders and in the Circular under the headings “*Summary*”, “*The Arrangement – Background to the Arrangement*”, “*The Arrangement – Reasons for the Arrangement*”, “*The Arrangement – Fairness Opinion*”, “*The Arrangement – Recommendation of the Special Committee*”, “*The Arrangement – Recommendation of the Board*”, “*Risk Factors*” and Schedule “D”. Our fairness opinion was given as of April 22, 2025 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Board and the Special Committee of the Board shall be entitled to rely upon our opinion.

Sincerely,

(signed) “*RBC Dominion Securities Inc.*”

RBC Dominion Securities Inc.

SCHEDULE A: ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the “Arrangement”) under Section 192 of the *Canada Business Corporations Act* (the “CBCA”) involving Maple Leaf Foods Inc. (“Maple Leaf Foods”), Canada Packers Inc. (“Subco”), 16923534 Canada Inc. (“Newco”) and the holders of Maple Leaf Foods common shares, pursuant to the arrangement agreement among Maple Leaf Foods, Subco and Newco dated April 29, 2025, as it may be modified, supplemented or amended from time to time in accordance with its terms (the “Arrangement Agreement”) as more particularly described and set forth in the management information circular of Maple Leaf Foods dated May 1, 2025 (the “Circular”) accompanying the notice of this annual and special meeting, as the same may be modified, amended, or supplemented, is hereby authorized, approved and adopted.
2. The plan of arrangement (the “Plan of Arrangement”) of Maple Leaf Foods, the full text of which is set out in Appendix “A” to *Schedule “C”* to the Circular, as the Plan of Arrangement may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted.
3. The (i) Arrangement Agreement and all the related actions contemplated therein; (ii) actions of the directors of Maple Leaf Foods in approving the Arrangement and the Arrangement Agreement; and (iii) actions of the directors and officers of Maple Leaf Foods in executing and delivering the Arrangement Agreement, and any modifications, supplements or amendments thereto in accordance with its terms, and causing the performance by Maple Leaf Foods of its obligations thereunder, are hereby ratified and approved.
4. The entry into of the governance agreement among Subco, Michael H. McCain, McCain Capital Inc. and Maple Leaf Foods is hereby authorized and approved.
5. Maple Leaf Foods is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the “Court”) to approve the Arrangement on the terms set forth in the Plan of Arrangement.
6. Notwithstanding that this resolution has been duly passed by the shareholders of Maple Leaf Foods or that the Arrangement has been approved by the Court, the Board of Directors of Maple Leaf Foods is hereby authorized and empowered in its sole and absolute discretion without further notice to or approval of the shareholders of Maple Leaf Foods to (i) determine when to file the articles of arrangement in respect of the Arrangement; (ii) amend, modify or supplement the Plan of Arrangement or the Arrangement Agreement, to the extent permitted by their terms; and (iii) decide not to proceed with the Arrangement or revoke this resolution at any time prior to the issuance of a certificate giving effect to the Arrangement.
7. Any one director or officer of Maple Leaf Foods is hereby authorized and directed for and on behalf of Maple Leaf Foods to execute, under the seal of Maple Leaf Foods or otherwise, and to deliver articles of arrangement to the Director under the CBCA for filing and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and such other documents.
8. Any one director or officer of Maple Leaf Foods is hereby authorized and directed, for and on behalf of Maple Leaf Foods, to execute or cause to be executed, under the corporate seal of Maple Leaf Foods or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in the opinion of such director or officer may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE B: CANADA PACKERS OPTION PLAN RESOLUTION

BE IT RESOLVED THAT:

1. The share option plan of Canada Packers Inc. (“Canada Packers”), the principal terms of which are described in the management information circular of Maple Leaf Foods dated May 1, 2025 (the “Circular”) accompanying the notice of this annual and special meeting, is hereby authorized, approved and ratified, as the stock option plan of Canada Packers.
2. Any one director or officer of Maple Leaf Foods is hereby authorized and directed, for and on behalf of Maple Leaf Foods, to execute or cause to be executed, under the corporate seal of Maple Leaf Foods or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in the opinion of such director or officer may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE C: ARRANGEMENT AGREEMENT AND PLAN OF ARRANGEMENT

THIS AGREEMENT is made as of the 29th day of April, 2025

AMONG:

MAPLE LEAF FOODS INC., a corporation existing under the *Canada Business Corporations Act* ("**MLF**")

- and -

16923534 CANADA INC., a corporation existing under the *Canada Business Corporations Act* ("**Newco**")

- and -

CANADA PACKERS INC., a corporation existing under the *Canada Business Corporations Act* ("**Subco**")

WHEREAS the Parties propose to carry out an arrangement under Section 192 of the *Canada Business Corporations Act* substantially on the terms and subject to the conditions set forth in the Plan of Arrangement annexed hereto as Appendix A;

AND WHEREAS Newco and Subco have been incorporated to facilitate and participate in the Arrangement;

AND WHEREAS the Parties will participate in a series of transactions for the separation and reorganization of the assets and liabilities of MLF such that Amalco (as defined below) will, directly or indirectly, hold the Pork Operations (as defined below).

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE 1 – INTERPRETATION

1.01 Definitions

In this Agreement, except as otherwise expressly provided in Appendix A, or unless there is something in the subject matter or context inconsistent therewith, the following terms will have the respective meanings set out below and grammatical variations of such terms will have the corresponding meanings:

"Affiliate" means, when describing a relationship between two Persons, that either: (a) one of them is under the direct or indirect control of the other; or (b) each of them is directly or indirectly controlled by the same Person;

"Agreement" means this arrangement agreement, including the appendix attached hereto, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof;

"Amalco" means the corporation to be formed on the amalgamation of Newco and Subco in accordance with the Plan of Arrangement, which will be named Canada Packers Inc.;

"Amalco Common Shares" means the common shares in the capital of Amalco;

"Amalco Option Plan" means the Share Option Plan of Amalco, to be adopted as of the Effective Time;

"Amalco Option Plan Resolution" means the ordinary resolution of MLF Shareholders approving the Amalco Option Plan, as it may be amended or varied at or at any time prior to the Meeting, to be considered at the Meeting;

"Amalco Stock Options" has the meaning given to it in the Plan of Arrangement;

"Applicable Law" means, with respect to any Person, any domestic or foreign federal, national, state, provincial, territorial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person, as amended unless expressly specified otherwise;

"Arrangement" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set forth in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with this Agreement, the Plan of Arrangement, and the Interim Order (once issued), or made at the direction of the Court in the Final Order, provided that such amendments or variations are acceptable to MLF;

"Arrangement Resolution" means the special resolution of MLF Shareholders approving the Arrangement, as it may be amended or varied at or at any time prior to the Meeting, to be considered at the Meeting;

"Articles of Arrangement" means the articles of arrangement of MLF in respect of the Arrangement, required by Section 192(6) of the CBCA to be sent to the Director after the Final Order is made;

"Business Day" means any day other than a Saturday, Sunday or statutory or civic holiday in Ontario, when banks are generally open for the transaction of business in Toronto, Ontario;

"CBCA" means the *Canada Business Corporations Act*, as amended;

"Certificate of Arrangement" means the certificate of arrangement to be issued by the Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement;

"Circular" means the management information circular of MLF, including all schedules thereto and information incorporated by reference therein, to be sent to MLF Shareholders in connection with the Meeting;

"control" means, when applied to a relationship between two Persons, that a Person (the **"first Person"**) is considered to control another Person (the **"second Person"**) if: (a) the first Person, directly or indirectly, beneficially owns or exercises control or direction over securities, interests or contractual rights of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person, or a majority of any other Persons who have the right to manage or supervise the management of the business and affairs of the second Person, unless that first Person holds the voting securities only to secure a debt or similar obligation; (b) the second Person is a partnership, other than a limited partnership, and the first Person, together with any Person controlled by the first Person, holds more than 50 per cent of the interests (measured by votes or by value) of the partnership; or (c) the second Person is a limited partnership and the general partner of the limited partnership is the first Person or any Person controlled by the first Person, and the term **"controlled"** has a corresponding meaning;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"CRA" means the Canada Revenue Agency, and any successor Governmental Authority thereto;

"Director" means the Director appointed pursuant to Section 260 of the CBCA;

"Effective Date" means the effective date of the Arrangement, being the date shown on the Certificate of Arrangement;

"Effective Time" means 12:01 a.m. (EST) on the Effective Date, or such other time as MLF, Subco and Newco agree to in writing before the Effective Date;

“Encumbrance” means any mortgage, charge, pledge, lien, hypothec, security interest, encumbrance, adverse claim or right of any third party which affects, by way of a conflicting ownership interest or otherwise, the right, title or interest in or to any particular property;

“Final Order” means the final order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to MLF, approving the Arrangement, as such order may be amended or varied by the Court, provided that any such amendment or variation is acceptable to MLF, at any time prior to the Effective Date;

“Governance Agreement” means the governance agreement to be entered into among MLF, Michael H. McCain, MCI and Subco;

“Governmental Authority” means (a) any multinational, federal, national, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, domestic or foreign; (b) any subdivision, agent, commission, board, or authority of any of the foregoing; (c) any quasi-governmental or private body exercising any regulatory, self-regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange;

“Indemnified Person” means each Person, actually or potentially, entitled to indemnification pursuant to Article 6;

“Indemnifying Party” means a Party that is, actually or potentially, required to indemnify an Indemnified Person pursuant to Article 6;

“Interim Order” means the interim order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to MLF, providing for, among other things, the calling and holding of the Meeting, as such order may be amended or varied by the Court, provided that any such amendment or variation is acceptable to MLF;

“Long-Term Services Agreement” means the long-term services agreement to be entered into between MLF and Subco, in the form and content and on terms and conditions to be agreed upon by MLF and Subco;

“Loss” means any loss, liability, damage, cost, expense, charge, fine, penalty or assessment of whatever nature or kind, including Taxes, the reasonable out-of-pocket costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise relating thereto, fines and penalties and reasonable legal fees (on a solicitor and its own client basis) and disbursements, excluding loss of profits and consequential damages;

“Material Adverse Effect” means, in respect of any corporation, any change, event, development or occurrence that is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, liabilities (including contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), capital, properties, assets or financial condition of that corporation (including its Affiliates) considered as a whole after giving effect to the Arrangement or that would materially impair that corporation’s ability to perform its obligations under this Agreement or the Plan of Arrangement in any material respect;

“MCI” means McCain Capital Inc., a corporation existing under the *Business Corporations Act* (Ontario);

“Meeting” means the annual and special meeting of MLF Shareholders (including any adjournment or postponement thereof) to be called and held in accordance with the Interim Order to, among other things, consider and, if deemed advisable, approve the Arrangement Resolution, and the Amalco Option Plan Resolution;

“Meeting Materials” means the notice of the Meeting, the Circular and the form of proxy in respect of the Meeting which accompanies the Circular;

“MI 61-101” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

“MLF Arrangement Common Shares” means the new class of common shares in the capital of MLF to be created pursuant to the Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit I to the Plan of Arrangement;

“MLF Business” means the business carried on, directly or indirectly, by MLF and its Affiliates immediately prior to the Effective Time, including all the assets and liabilities pertaining thereto that are held, directly or indirectly, by MLF and its Affiliates immediately prior to the Effective Time and for greater certainty including the Pork Operations;

“MLF Common Shares” means the common shares in the capital of MLF (being, for greater certainty, the class of shares designated as “Common Shares” in the articles of MLF on the Effective Date);

“MLF Shareholder” means a holder of MLF Common Shares at the applicable time;

“MLF Special Shares” means the non-voting, redeemable, retractable preferred shares in the capital of MLF created pursuant to the Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit I to the Plan of Arrangement;

“New MLF Stock Options” has the meaning given to it in the Plan of Arrangement;

“Newco Common Shares” means the common shares in the capital of Newco;

“Party” means a party to this Agreement;

“Pension and Benefits Agreement” means the pension and benefits agreement to be entered into between MLF and Subco, in the form and content and on terms and conditions to be agreed upon by MLF and Subco;

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity;

“Plan of Arrangement” means the plan of arrangement, including the exhibits thereto, substantially in the form set out as Appendix A to this Agreement, as amended or varied from time to time in accordance with this Agreement, the Plan of Arrangement, and the Interim Order (once issued), or at the direction of the Court in the Final Order, provided that such amendments or variations are acceptable to MLF;

“Pork Operations” means the operations referred to as the “Pork Complex” currently operated by MLF and its Affiliates consisting of, among other things, agricultural and hog production operations, primary pork processing, and a national and global sales and distribution network for fresh and frozen pork products, and includes all the assets and liabilities pertaining thereto that are held, directly or indirectly, by Maple Leaf Foods and its Affiliates immediately prior to the Effective Time (but excluding the ham boning operations at the Lagimodiere prepared meats facility);

“Pre-Arrangement Transactions” means the transactions undertaken prior to the Effective Time to reorganize the Pork Operations under the ownership of Subco in accordance with the terms of the Separation Agreement;

“Representatives” means, collectively, the directors, officers, employees and agents of a Party and its Affiliates at any time and their respective heirs, executors, administrators and other legal representatives;

“Ruling Application” means the letter submissions made by or on behalf of MLF to the CRA concerning the Arrangement and certain related transactions prior to the date hereof, together with all such letter submissions made in connection therewith on or after the date hereof;

“Section 3(a)(10) Exemption” has the meaning given to it in Section 2.05(a) of this Agreement;

“Separation Agreement” means the separation agreement to be entered into between MLF and Subco regarding the separation of the Pork Operations in connection with the Arrangement, including the transfer of certain assets related to the Pork Operations from MLF to Subco and the allocation of certain liabilities and obligations related to the Pork Operations between MLF and Subco;

“Specified Corporation” has the meaning attributed to such term in Subsection 55(1) of the Tax Act in relation to a “distribution” as defined in Subsection 55(1) of the Tax Act;

“Subco Stock Options” has the meaning given to it in the Plan of Arrangement;

“Subsidiary” means, in respect of a specified Person, a second Person that is controlled, directly or indirectly, by the specified Person, and includes a Subsidiary of the second Person;

“Supply Agreement” means the supply agreement to be entered into between MLF and Subco, in the form and content and on terms and conditions to be agreed upon by MLF and Subco;

“Tax Act” means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supplement), as amended;

“Tax Ruling” means the advance income tax ruling received from the CRA, in the form requested in the Ruling Application or otherwise acceptable to MLF and Newco, each acting reasonably, as the same may be amended, modified and/or supplemented from time to time, regarding certain applicable Canadian federal income tax consequences of the transfer by MLF of the Transferred Property under the Arrangement and certain other transactions;

“Taxes” means taxes, surtaxes, duties, tariffs, levies, imposts, rates, fees, assessments, dues and other charges of any nature, including all income, capital, franchise, payroll and employment, withholding, goods and services, harmonized sales, or other similar value-added taxes, surtaxes, assessments and charges, together with all fines, interest, penalties on or in respect of, or in lieu of or for non-collection or non-remittance of, those taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges;

“Third Party Claim” has the meaning given to it in Section 6.02(a) of this Agreement;

“Transferred Property” means 84% of the issued and outstanding common shares in the capital of Subco held by MLF immediately prior to the Effective Time;

“Transition Services Agreement” means the transition services agreement to be entered into between MLF and Subco, in the form and content and on terms and conditions to be agreed upon by MLF and Subco;

“TSX” means the Toronto Stock Exchange; and

“U.S. Securities Act” means the United States Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder.

1.02 Appendix

The following appendix is attached to this Agreement and forms part hereof:

Appendix A – Plan of Arrangement

1.03 Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

- (a) the division of this Agreement into Articles, Sections and Subsections and the use of headings are for convenience of reference only and do not affect the construction or interpretation hereof;
- (b) the words “hereunder”, “hereof” and similar expressions refer to this Agreement and not to any particular Article, Section or Subsection and references to “Articles”, “Sections” and “Subsections” are to Articles, Sections and Subsections of this Agreement;
- (c) words importing the singular include the plural and vice versa, and words importing any gender include all genders;
- (d) the word “including” means “including without limiting the generality of the foregoing”;
- (e) a reference to a statute or code includes every regulation made pursuant thereto, all amendments to the statute or code or to any such regulation in force from time to time, and any statute, code or regulation which supplements or supersedes such statute, code or regulation;
- (f) a reference to any agreement or contract is to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms thereof;
- (g) if any date on which any action is required to be taken under this Agreement is not a Business Day, such action will be required to be taken on the next succeeding Business Day; and
- (h) a reference to the knowledge of a Party means to the best of the knowledge of any of the officers of such Party after due inquiry.

ARTICLE 2 – THE ARRANGEMENT

2.01 Arrangement

- (a) The Parties hereby agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.
- (b) MLF will, at a time to be determined exclusively by MLF, file, proceed with and diligently prosecute a motion pursuant to Section 192 of the CBCA for the Interim Order as contemplated by Section 2.02.
- (c) After obtaining the Interim Order, MLF will, at a time to be determined exclusively by MLF, convene and hold the Meeting, in accordance with the Interim Order, the by-laws of MLF and as otherwise required by Applicable Laws, for the purpose of, among other things, considering the Arrangement Resolution, the Amalco Option Plan Resolution, and such other matters as may properly come before the Meeting. MLF will solicit proxies of MLF Shareholders in favour of the Arrangement Resolution and the Amalco Option Plan Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement Resolution, the Amalco Option Plan Resolution, or the completion of any of the transactions contemplated by this Agreement.
- (d) If the Interim Order and the requisite approval of MLF Shareholders in respect of the Arrangement Resolution as set out in the Interim Order are obtained, MLF will, at a time to be determined exclusively by MLF, thereafter take all commercially reasonable steps necessary or desirable to prosecute an application to the Court for a Final Order approving the Arrangement.
- (e) Subject to (i) obtaining the Final Order; and (ii) the satisfaction (or waiver, if applicable) of all of the other conditions set forth in Article 5, MLF will, at a time to be determined exclusively by MLF, file the Articles of Arrangement to give effect to the Arrangement.

2.02 Interim Order

The application referred to in Section 2.01(b) shall request that the Interim Order provide, among other things:

- (a) for the calling and holding of the Meeting;
- (b) for the class of Persons to whom notice is to be provided in respect of the Meeting and for the manner in which such notice is to be provided;
- (c) that the requisite approval for the Arrangement Resolution shall be (i) 66 2/3 percent of the votes cast on the Arrangement Resolution by MLF Shareholders present or represented by proxy at the Meeting and (ii) a simple majority of the votes cast on the Arrangement Resolution by MLF Shareholders present or represented by proxy at the Meeting, excluding the votes attached to MLF Common Shares held by Persons described in items (a) through (d) of Section 8.1(2) of MI 61-101;
- (d) that, in all other respects, the terms, restrictions and conditions of the constating documents of MLF, including quorum requirements and all other matters, shall apply in respect of the Meeting;
- (e) that the Meeting may be adjourned or postponed from time to time by MLF in accordance with the terms of this Agreement without the need for additional approval of the Court;
- (f) for the notice requirements with respect to the presentation of the application to the Court for the Final Order; and
- (g) for the confirmation of the record date for the Meeting.

2.03 Meeting Materials

MLF will: (a) prepare the Meeting Materials (and any necessary amendments or supplements to the Circular), together with any other documents required by Applicable Law in connection with the Meeting; and (b) cause the Meeting Materials and other documentation required under Applicable Law in connection with the Meeting to be delivered or otherwise made available and filed as required by the Interim Order and in accordance with Applicable Law. The Parties will cooperate in the preparation of any amendment or supplement to the Meeting Materials as required or appropriate, and MLF will promptly mail or otherwise publicly disseminate any amendment or supplement to the Meeting Materials to MLF Shareholders in accordance with the Interim Order and, if and to the extent required by the Court or Applicable Law, file the same with any Governmental Authority.

2.04 Effective Date and Effective Time

The Arrangement will become effective on the Effective Date, and commencing at the Effective Time, the events, matters and transactions set forth in the Plan of Arrangement will occur and will be deemed to occur in the sequence set forth therein, without any further act, authorization or formality, and with each such event, matter or transaction occurring and being deemed to occur immediately after the occurrence of the immediately preceding event, matter or transaction.

2.05 U.S. Securities Laws

- (a) Each Party intends that the issuance of the MLF Arrangement Common Shares, MLF Special Shares, MLF Common Shares, Newco Common Shares, Amalco Common Shares, New MLF Stock Options, Subco Stock Options and Amalco Stock Options under the Arrangement will be exempt from the registration requirement of the U.S. Securities Act pursuant to the exemption provided by Section 3(a)(10) thereof (the “**Section 3(a)(10) Exemption**”). Each Party agrees to act in good faith, consistent with the intent of such Parties and the intended treatment of the Arrangement set forth in this Section 2.05.

- (b) In order to ensure the availability of the Section 3(a)(10) Exemption, each of the Parties agrees that the Arrangement will be carried out on the following basis:
- (i) the Arrangement will be subject to the approval of the Court;
 - (ii) the Court will be advised as to the intention of the Parties to rely on the Section 3(a)(10) Exemption prior to the hearing required to approve the Arrangement;
 - (iii) the Court will hold a hearing to satisfy itself as to the substantive and procedural fairness of the Arrangement;
 - (iv) MLF will ensure that each MLF Shareholder and any other Person entitled to receive MLF Arrangement Common Shares, MLF Special Shares, MLF Common Shares, Newco Common Shares, Amalco Common Shares, New MLF Stock Options, Subco Stock Options and Amalco Stock Options pursuant to the Arrangement will be given adequate and timely notice advising them of their right to attend the hearing of the Court to give approval of the terms and conditions of the Arrangement and providing them with sufficient information necessary for them to exercise that right;
 - (v) each Person entitled to receive MLF Arrangement Common Shares, MLF Special Shares, MLF Common Shares, Newco Common Shares, Amalco Common Shares, New MLF Stock Options, Subco Stock Options and Amalco Stock Options pursuant to the Arrangement will be advised that such securities have not been registered under the U.S. Securities Act and will be issued by MLF, Newco or Amalco, as applicable, in reliance upon the exemption from the registration requirement of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act;
 - (vi) each Person entitled to receive MLF Arrangement Common Shares, MLF Special Shares, MLF Common Shares, Newco Common Shares, Amalco Common Shares, New MLF Stock Options, Subco Stock Options and Amalco Stock Options pursuant to the Arrangement will be advised that with respect to securities issued to Persons who are “affiliates” (as such term is defined under Rule 144 under the U.S. Securities Act) of MLF or Amalco or Persons who have been “affiliates” of MLF or Amalco within 90 days prior to the Effective Date, such securities will be subject to restrictions on resale under U.S. Securities laws, including Rule 144 under the U.S. Securities Act;
 - (vii) the Final Order approving the Arrangement that is obtained from the Court will provide that the Arrangement has been determined by the Court to be fair and reasonable;
 - (viii) the Interim Order approving the Meeting will specify that any person will have the right to appear before the Court at the hearing of the Court to approve the Arrangement so long as they file a Notice of Appearance in accordance with the terms of the Interim Order; and
 - (ix) MLF shall request that the Final Order include a recital to substantially the following effect:

“This Court has been advised that MLF intends to rely upon the final order approving the Arrangement as a basis of a claim to an exemption from the registration requirement of the United States Securities Act of 1933, as amended, pursuant to Section 3(a)(10) thereof, with respect to the securities to be issued pursuant to the terms of the Plan of Arrangement.”

ARTICLE 3 – REPRESENTATIONS AND WARRANTIES

3.01 Mutual Representations and Warranties

Each Party represents and warrants to and in favour of each of the other Parties as follows and acknowledges that the other Parties are relying on such representations and warranties in connection with entering into this Agreement and consummating the Arrangement:

- (a) it is duly incorporated, amalgamated or continued and is validly existing under the laws of its governing jurisdiction and has the corporate power and authority to enter into this Agreement and to perform its obligations hereunder;
- (b) except as disclosed in the Circular or in writing to the other Parties, the execution and delivery of this Agreement by it and the completion by it of the transactions contemplated herein and in the Tax Ruling and Ruling Application do not and will not:
 - (i) result in the breach of, or violate any term or provision of, its articles or by-laws;
 - (ii) conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which it is a party or by which it is bound, or to which any assets of such Party are subject, or result in the creation of any Encumbrance upon any of its assets under any such agreement or instrument, or give to others any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority, which in any case would have a Material Adverse Effect on it; or
 - (iii) violate any provisions of any Applicable Law or any judicial or administrative award, judgment, order or decree applicable and known to it, the violation of which would have a Material Adverse Effect on it;
- (c) no dissolution, winding-up, bankruptcy, liquidation or similar proceeding has been commenced or is pending or, to such Party's knowledge, is proposed in respect of it; and
- (d) the execution and delivery of this Agreement and the completion of the transactions contemplated herein and in the Tax Ruling and Ruling Application have been duly approved by its board of directors, and this Agreement constitutes a valid and binding obligation of such Party enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and to general principles of equity and limitations upon the enforcement of indemnification for fines or penalties imposed by law.

3.02 Representations and Warranties of MLF

MLF represents and warrants to and in favour of each of the other Parties that it is authorized to issue: (a) an unlimited number of MLF Common Shares, of which 123,956,991 are issued and outstanding as of the date hereof; (b) an unlimited number of non-voting shares, of which none are issued and outstanding as of the date hereof; and (c) an unlimited number of preferred shares, issuable in series, of which none are issued and outstanding as of the date hereof, and acknowledges that the other Parties are relying on such representations and warranties in connection with entering into this Agreement and consummating the Arrangement.

3.03 Representations and Warranties of Newco

Newco represents and warrants to and in favour of each of the other Parties as follows and acknowledges that the other Parties are relying on such representations and warranties in connection with entering into this Agreement and consummating the Arrangement:

- (a) it is authorized to issue an unlimited number of Newco Common Shares, of which none are issued and outstanding as of the date hereof; and

- (b) it has no assets, no liabilities and it has carried on no business other than relating to, and as contemplated by, this Agreement, the Plan of Arrangement, the Tax Ruling and the Ruling Application.

3.04 Representations and Warranties of Subco

Subco represents and warrants to and in favour of each of the other Parties as follows and acknowledges that the other Parties are relying on such representations and warranties in connection with entering into this Agreement and consummating the Arrangement:

- (a) it is authorized to issue an unlimited number of common shares, of which 100 are issued and outstanding as of the date hereof; and
- (b) it has no assets, no liabilities and it has carried on no business other than relating to, and contemplated by, this Agreement, the Plan of Arrangement, the Tax Ruling and the Ruling Application.

3.05 Survival of Representations and Warranties

The representations and warranties of each Party contained in this Agreement will not survive the completion of the Arrangement and will expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4 – COVENANTS

4.01 General Covenants

- (a) Subject to the terms of this Agreement, each Party will:
 - (i) use its commercially reasonable efforts and do all things reasonably required of it to cause the Pre-Arrangement Transactions and the Arrangement to become effective on such dates as MLF may determine;
 - (ii) prior to and following the Effective Date, do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may be reasonably required to facilitate the carrying out of the intent and purpose of this Agreement;
 - (iii) prior to the Effective Date, cooperate with and assist each other Party in dealing with transitional and other matters relating to or arising from the Pre-Arrangement Transactions and the Arrangement or this Agreement;
 - (iv) not perform any act or enter into any transaction that could interfere or be inconsistent with the completion of any Pre-Arrangement Transaction or the Arrangement or the effective application of the Tax Ruling to the Arrangement;
 - (v) cooperate in obtaining the Tax Ruling and making such amendments to this Agreement and the Plan of Arrangement as may be necessary to obtain the Tax Ruling (provided any such amendments do not adversely affect MLF or the MLF Shareholders) and implement the Pre-Arrangement Transactions and the Arrangement; and
 - (vi) on or before the Effective Date, assist and cooperate in the preparation and filing with all applicable securities commissions or similar securities regulatory authorities in Canada and the United States of all necessary applications to seek exemptions, if required, from the prospectus, registration and other requirements of the applicable securities laws of jurisdictions in Canada and the United States for the issue by MLF, Newco and Amalco of the securities to be issued in the Pre-Arrangement Transactions and the Arrangement, and

other exemptions that are necessary or desirable in connection with the Pre-Arrangement Transactions and the Arrangement.

- (b) The Parties agree that the conduct of the Parties vis-à-vis each other following the Effective Time, shall be governed by the Separation Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Pension and Benefits Agreement, and the Supply Agreement, to the extent specifically addressed in the Separation Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Pension and Benefits Agreement, and the Supply Agreement, respectively, subject to the terms thereof. In the case of any conflict or inconsistency between this Agreement, on the one hand, and the Separation Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Pension and Benefits Agreement, or the Supply Agreement, on the other hand, the Separation Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Pension and Benefits Agreement, or the Supply Agreement, as applicable, shall prevail.

4.02 Covenants of MLF

Subject to the rights of MLF provided elsewhere in this Agreement, MLF covenants and agrees that it will (and will cause each of its Subsidiaries to):

- (a) prior to the Effective Date, apply to list on the TSX the MLF Common Shares issuable on the conversion of the MLF Arrangement Common Shares and the MLF Common Shares issuable on the exercise of the New MLF Stock Options;
- (b) prior to the Effective Date, make a joint application with Subco and Newco to list on the TSX the Newco Common Shares issuable pursuant to the Arrangement and the Amalco Common Shares issuable pursuant to the Arrangement and issuable under the Amalco Option Plan;
- (c) on or before the Effective Date, do all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may be necessary or desirable and are within its power and control in order to carry out and give effect to the Pre-Arrangement Transactions and the Arrangement and any transactions necessary or desirable for the effectiveness of the Tax Ruling, including using all commercially reasonable efforts to obtain:
 - (i) the approval of MLF Shareholders required for the implementation of the Arrangement pursuant to the Interim Order;
 - (ii) the Interim Order and the Final Order;
 - (iii) the approval of MLF Shareholders required for the adoption of the Amalco Option Plan Resolution;
 - (iv) such other consents, orders, rulings or approvals and assurances as are necessary or desirable for the implementation of the Pre-Arrangement Transactions and the Arrangement, including those referred to in Section 5.01; and
 - (v) satisfaction of the other conditions precedent referred to in Sections 5.01 and 5.02.

4.03 Covenants of Newco and Subco

Each of Newco and Subco covenants and agrees that it will:

- (a) not, on or before the Effective Date, except as specifically provided for hereunder or in connection with the Pre-Arrangement Transactions or the Arrangement, alter or amend its constating documents, as the same exist as at the date of this Agreement;
- (b) on or before the Effective Date, cooperate in amending the Ruling Application, applying for such amendments or supplements to, or replacements of, the Tax Ruling, and agreeing to make such

amendments to this Agreement and the Plan of Arrangement, as may be reasonably necessary to give effect to the Tax Ruling or to undertake any transaction contemplated therein or to implement the Plan of Arrangement, or as may be determined by MLF, in its sole discretion, to be reasonably necessary to enable MLF (or any Affiliate) to carry out any transactions deemed advantageous by MLF for the separation from the MLF Business of the Pork Operations; and

- (c) on or before the Effective Date, do all such other acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may be necessary or desirable and are within its power and control in order to carry out and give effect to the Pre-Arrangement Transactions and the Arrangement and any transactions necessary or desirable for the effectiveness of the Tax Ruling, including co-operating with MLF to obtain:
 - (i) the Interim Order and the Final Order;
 - (ii) the approval of the listing on the TSX of the Newco Common Shares issuable pursuant to the Arrangement and the Amalco Common Shares issuable pursuant to the Arrangement and issuable under the Amalco Option Plan;
 - (iii) such other consents, orders, rulings or approvals and assurances as are necessary or desirable for the implementation of the Pre-Arrangement Transactions and the Arrangement, including those referred to in Section 5.01; and
 - (iv) satisfaction of the other conditions precedent referred to in Sections 5.01 and 5.02.

4.04 Tax-Related Covenants

- (a) Each Party covenants and agrees with and in favour of each other Party that: (i) neither it nor any successor thereto will, on or before the Effective Date, perform any act or enter into any transaction or permit any transaction within its control to occur that could reasonably be considered to interfere or be inconsistent with the Tax Ruling (or, prior to the issuance of the Tax Ruling, the Ruling Application); (ii) neither it nor any successor thereto will perform any act or enter into any transaction or permit any transaction, in each such case, within its control to occur, that would cause MLF not to be a Specified Corporation in relation to the transfer by MLF of the Transferred Property under the Arrangement; and (iii) it and any successor thereto will fulfill all representations or undertakings provided by it, or on its behalf, in the Tax Ruling (or, prior to the issuance of the Tax Ruling, the Ruling Application).
- (b) Each Party covenants and agrees with and in favour of each other Party that, for a period of two years after the Effective Date, it will not (and that it will cause its Subsidiaries to not) take any action, omit to take any action, or enter into any transaction that could cause the Pre-Arrangement Transactions and the Arrangement or any related transaction to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling without obtaining a tax ruling or an opinion of a nationally recognized law firm that such action, omission or transaction will not have such effect, and each Party represents in favour of each other Party that it has no present intention to take any action, omit to take any action, or enter into any transaction that could cause the Pre-Arrangement Transactions and the Arrangement or any related transaction to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling.
- (c) Each Party covenants and agrees with and in favour of each other Parties to file its Tax returns and make all other filings, notifications, designations and elections (including elections under section 85 of the Tax Act, and the corresponding provisions of any applicable provincial or territorial Tax legislation), pursuant to the Tax Act and/or applicable provincial or territorial Tax legislation, that are contemplated in the Tax Ruling, the Plan of Arrangement and this Agreement. Where an agreed amount is to be included in any election referred to in this Section 4.04(c), such amount will be within the range contemplated by the Tax Act and/or applicable provincial or territorial Tax legislation, as the case may be, and will be the amount, if any, contemplated by the Tax Ruling, the Plan of Arrangement and this Agreement.

- (d) Each Party covenants and agrees with and in favour of each other Party to cooperate in the preparation, execution and filing, in the form and within the time limits prescribed or otherwise contemplated in the Tax Act, of all Tax returns, filings, notifications, designations and elections under the Tax Act as contemplated in the Tax Ruling, the Plan of Arrangement and this Agreement (and any similar Tax returns, elections, notifications or designations that may be required under applicable provincial or territorial Tax legislation).
- (e) Each Party covenants and agrees with and in favour of each other Party to cause each of its respective Subsidiaries, as applicable, to comply with the foregoing Sections 4.04(a) to 4.04(d).

ARTICLE 5 – CONDITIONS

5.01 MLF Conditions Precedent

The obligation of MLF to complete the transactions contemplated by this Agreement, and in particular to consummate the Arrangement, is subject to the satisfaction, of the following conditions, which, except for the conditions listed in Section 5.04(b), may be waived by MLF without prejudice to its right to rely on any other condition in its favour:

- (a) the Interim Order shall have been obtained and shall not have been set aside;
- (b) the Pre-Arrangement Transactions shall have been completed;
- (c) the Arrangement Resolution shall have been approved by the requisite number of votes cast by MLF Shareholders at the Meeting in accordance with the provisions of the Interim Order and Applicable Laws;
- (d) the Amalco Option Plan Resolution shall have been approved by the requisite number of votes cast by MLF Shareholders at the Meeting in accordance with the provisions of the Interim Order and Applicable Laws;
- (e) the Final Order shall have been obtained and shall not have been set aside;
- (f) all material consents, orders, rulings, approvals, opinions and assurances, including regulatory, judicial, third party and advisor opinions, approvals and orders, required or necessary, in the sole discretion of MLF, for the completion of the Pre-Arrangement Transactions, the Arrangement, the transactions contemplated by this Agreement and the Tax Ruling shall have been obtained or received from the Persons having jurisdiction in the circumstances and all will be in full force and effect, and none of the consents, orders, rulings, approvals, opinions or assurances contemplated herein shall contain terms or conditions or require undertakings or security that are considered unsatisfactory or unacceptable by MLF, in its sole discretion;
- (g) no action shall have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of or relating to, the Arrangement and there shall not be in force any order or decree, in each case, restraining or enjoining the consummation of the transactions contemplated by this Agreement, the Tax Ruling or the Ruling Application and no cease trading or similar order with respect to any securities of any of the Parties shall have been issued and remain outstanding;
- (h) no law, regulation or policy shall have been proposed, enacted, promulgated or applied that interferes or is inconsistent with the completion of the Pre-Arrangement Transactions, the Arrangement or any of the other transactions contemplated by this Agreement or the Tax Ruling or the effective application of the Tax Ruling to the Arrangement, including any material change to the income Tax Laws of Canada, or any province or territory thereof;
- (i) the TSX will have conditionally approved the listing thereon of (A) the MLF Common Shares issuable on the conversion of the MLF Arrangement Common Shares; and (B) the MLF Common Shares issuable on the exercise of the New MLF Stock Options to be issued pursuant to the

Arrangement, in each case, prior to the Effective Time and subject only to compliance with the usual requirements of the TSX imposed in similar circumstances;

- (j) the TSX will have conditionally approved the listing thereon of (A) the Newco Common Shares issuable pursuant to the Arrangement and (B) the Amalco Common Shares (including the Amalco Common Shares issuable under the Amalco Option Plan), in each case, prior to the Effective Time and subject only to compliance with the usual requirements of the TSX imposed in similar circumstances;
- (k) MLF and Subco shall have entered into the Separation Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Pension and Benefits Agreement, and the Supply Agreement;
- (l) MLF, Michael H. McCain, MCI and Subco shall have entered into the Governance Agreement;
- (m) there shall not have occurred a Material Adverse Effect of MLF, Newco or Subco; and
- (n) this Agreement shall not have been terminated pursuant to the provisions of Section 7.02.

5.02 Mutual Conditions Precedent

The respective obligations of the Parties to complete the transactions contemplated by this Agreement, and in particular to consummate the Arrangement, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, each of which may only be waived, in whole or in part, with the mutual written consent of the Parties:

- (a) the Tax Ruling, having been issued by the CRA and received by the Parties, in form and substance satisfactory to the Parties, shall remain in full force and effect; and
- (b) all of the transactions referred to in the Tax Ruling as occurring on or prior to the Effective Time will have occurred and all conditions or terms of such Tax Ruling shall have been satisfied.

5.03 Conditions to Obligation of Each Party

The obligation of each Party to complete the transactions contemplated by this Agreement is further subject to the conditions (which may be waived by such Party without prejudice to its right to rely on any other condition in its favour) that: (a) the covenants of each other Party to be performed on or before the Effective Date pursuant to the terms of this Agreement will have been duly performed in all material respects; and (b) except as set forth in this Agreement, the Plan of Arrangement, the Tax Ruling or the Ruling Application, the representations and warranties of each other Party will be true and correct in all material respects as at the Effective Date, with the same effect as if such representations and warranties had been made at, and as of, such date.

5.04 Merger/Waiver of Conditions

- (a) Subject to Section 5.04(b), the conditions set out in Sections 5.01, 5.02 and 5.03 will be conclusively deemed to have been satisfied, waived or released on the filing by MLF of Articles of Arrangement under the CBCA to give effect to the Plan of Arrangement.
- (b) Notwithstanding anything to the contrary contained herein, the conditions set out in Sections 5.01(a), (c), (e), (h) as it relates to the Tax Ruling, (i) and (j) may not be waived by MLF.

ARTICLE 6 – INDEMNITIES

6.01 Indemnity by the Parties

Each Party will indemnify and hold harmless the other Parties and their respective Representatives against any Loss suffered or incurred, directly or indirectly, by such Indemnified Person as a result of or in connection with a breach by the Indemnifying Party of a covenant contained in Section 4.04.

6.02 Third Party Claims

- (a) If any claim, assertion or proceeding by or in respect of a third party (including the CRA or another applicable Governmental Authority) (a “**Third Party Claim**”) is made or commenced against an Indemnified Person in respect of which the Indemnified Person proposes to demand indemnification from an Indemnifying Party, the Indemnified Person shall give notice to that effect together with particulars of the Third Party Claim to the Indemnifying Party with reasonable promptness. The failure to give, or delay in giving, such notice will not relieve the Indemnifying Party of its obligations except and only to the extent of any prejudice caused to the Indemnifying Party by such failure or delay. The Indemnifying Party may, by notice to the Indemnified Person given not later than 30 days after receipt of the notice described in this Section 6.02(a), assume control of the defence, compromise or settlement of the Third Party Claim provided that: (i) the Third Party Claim involves only money damages and does not seek any injunctive or other equitable relief; (ii) if the named parties in any Third Party Claim include both the Indemnifying Party and the Indemnified Person, representation by the same counsel would, in the judgment of the Indemnified Person, still be appropriate notwithstanding any actual or potential differing interests between them (including the availability of different defences); and (iii) settlement of, or an adverse judgment with respect to, the Third Party Claim is not, in the judgment of the Indemnified Person, likely to establish a precedent, custom or practice adverse to the continuing business interests of the Indemnified Person. Upon assumption of control by the Indemnifying Party: (i) the Indemnifying Party shall actively and diligently proceed with the defence, compromise or settlement of the Third Party Claim at its sole cost and expense, retaining counsel reasonably satisfactory to the Indemnified Person; (ii) the Indemnifying Party shall keep the Indemnified Person fully advised with respect to the status of the Third Party Claim (including supplying copies of all relevant documents promptly as they become available) and shall arrange for its counsel to inform the Indemnified Person on a regular basis of the status of the Third Party Claim; and (iii) the Indemnifying Party shall not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim unless consented to by the Indemnified Person (which consent may not be unreasonably or arbitrarily withheld or delayed).
- (b) The Indemnified Person may retain separate co-counsel at its sole cost and expense, and may participate in the defence of the Third Party Claim.
- (c) Provided all the conditions set forth in Section 6.02(a) are satisfied and the Indemnifying Party is not in breach of any of its other obligations under this Section 6.02, the Indemnified Person will, at the expense of the Indemnifying Party, cooperate with the Indemnifying Party and use its commercially reasonable efforts to make available to the Indemnifying Party all relevant information in its possession or under its control (provided that it does not cause it to breach any confidentiality obligations) and shall take such other steps as are, in the reasonable opinion of counsel for the Indemnifying Party, necessary to enable the Indemnifying Party to conduct such defence; provided always that: (i) no admission of fault may be made by or on behalf of the Indemnified Person without his, her or its prior written consent; and (ii) the Indemnified Person is not obligated to take any measures which, in the reasonable opinion of the Indemnified Person’s legal counsel, could be prejudicial or unfavourable to the Indemnified Person.
- (d) If (i) the Indemnifying Party fails to give the Indemnified Person the notice required in Section 6.02(a) or otherwise fails to comply with any of the conditions in Section 6.02(a), or (ii) the Indemnifying Party breaches any of its other obligations under this Section 6.02, the Indemnified Person may assume control of the defence, compromise or settlement of the Third Party Claim and retain counsel as in its sole discretion may appear advisable, the whole at the Indemnifying Party’s sole cost and expense. Any settlement or other final determination of the Third Party Claim will be binding upon the Indemnifying Party. The Indemnifying Party shall, at its sole cost and expense, cooperate fully with the Indemnified Person and use its reasonable commercial efforts to make available to the Indemnified Person all relevant information in its possession or under its control and take such other steps as are, in the reasonable opinion of counsel for the Indemnified Person, necessary to enable the Indemnified Person to conduct the defence. The Indemnifying Party shall reimburse the Indemnified Person promptly and periodically for the costs of defending against the Third Party Claim (including legal fees and expenses), and shall remain responsible for any Losses

the Indemnified Person may suffer resulting from, arising out of, or relating to, the Third Party Claim to the fullest extent provided in this Article 6.

6.03 Direct Claims

Any direct claim for indemnification pursuant to this Agreement must be asserted by providing notice to the Indemnifying Party within a reasonable time after the Indemnified Person becomes aware of such direct claim. The failure to give, or delay in giving, such notice will not relieve the Indemnifying Party of its obligations except and only to the extent of any prejudice caused to the Indemnifying Party by such failure or delay. The Indemnifying Party will then have a period of 30 days within which to satisfy such direct claim or, failing that, to give notice to the Indemnifying Party that it intends to dispute such direct claim, which notice must be accompanied by reasonable particulars in writing of the basis of such dispute.

ARTICLE 7 – AMENDMENT AND TERMINATION

7.01 Amendment

This Agreement may, at any time and from time to time before and after the holding of the Meeting, but not later than the Effective Date, be amended by written agreement of the Parties without, subject to Applicable Law, further notice to or authorization on the part of their respective shareholders. Without limiting the generality of the foregoing, any such amendment may:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation contained herein or in any document to be delivered pursuant hereto;
- (c) except as otherwise provided herein, waive compliance with or modify any of the covenants contained herein or waive or modify performance of any of the obligations of the Parties; or
- (d) make such alterations, modifications or amendments to this Agreement as the Parties may consider necessary or desirable in connection with the Tax Ruling, the Interim Order or the Final Order.

7.02 Termination

This Agreement may, at any time before or after the holding of the Meeting but prior to the issue of the Certificate of Arrangement, be terminated by MLF in its sole discretion without the approval of MLF Shareholders, Newco or Subco, and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion of MLF to elect to terminate this Agreement and discontinue efforts to effect the Plan of Arrangement for whatever reason it may consider appropriate. Upon the termination of this Agreement pursuant to this Section 7.02, no Party will have any liability or further obligation to the other Parties or any other Person pursuant to this Agreement.

ARTICLE 8 – GENERAL

8.01 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and delivered personally or by courier or e-mail addressed to the recipient as follows:

To MLF:

6897 Financial Drive
Mississauga, Ontario, L5N 0A8

Attention: Suzanne Hathaway, SVP, General Counsel, Communications and Corporate Secretary
E-mail: legal@mapleleaf.com

With a copy to:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, Ontario, M5L 1A9

Attention: Tim Andison
E-mail: tim.andison@blakes.com

To Newco:

6985 Financial Drive, Suite 201
Mississauga, Ontario, L5N 0A1

Attention: Suzanne Hathaway, Director
E-mail: legal@mapleleaf.com

With a copy to:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, Ontario, M5L 1A9

Attention: Tim Andison
E-mail: tim.andison@blakes.com

To Subco:

6985 Financial Drive, Suite 201
Mississauga, Ontario, L5N 0A1

Attention: Suzanne Hathaway, Secretary
E-mail: legal@mapleleaf.com

With a copy to:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, Ontario, M5L 1A9

Attention: Tim Andison
E-mail: tim.andison@blakes.com

or such other address that a Party may, from time to time, advise the other Parties by notice in writing given in accordance with the foregoing. The date of receipt of any such notice will be deemed to be the date of actual delivery thereof or, if given by e-mail, on the date of transmittal if given (with confirmation of delivery) prior to 5:00 p.m. (recipient's local time) and on the next Business Day if so given after such time.

8.02 Time of Essence

Time is of the essence of this Agreement.

8.03 Further Assurances

Each Party shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that any other Party may require as being necessary or desirable in order to

effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

8.04 Assignment

No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Parties (which consent will not be unreasonably withheld, delayed or conditioned).

8.05 Binding Effect

This Agreement will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns and specific references to “successors” elsewhere in this Agreement will not be construed to be in derogation of the foregoing.

8.06 Waiver

Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing executed by the Party granting the same.

8.07 Invalidity of Provisions

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under Applicable Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner with the objective that the transactions contemplated hereby are fulfilled to the fullest extent possible.

8.08 Entire Agreement

Except as provided herein, this Agreement, together with the agreements and other documents herein or therein referred to, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect thereto.

8.09 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflicts of law principles. Each of the Parties agrees that any action or proceeding arising out of or relating to this Agreement may be instituted in the courts of Ontario, waives any objection which it may have now or later to the venue of that action or proceeding, irrevocably submits to the non-exclusive jurisdiction of those courts in that action or proceeding and agrees to be bound by any judgment of those courts.

8.10 Third Party Beneficiaries

Except as otherwise provided in Sections 8.04 and 8.05, this Agreement is not intended to confer on any Person other than the Parties any rights or remedies.

8.11 Counterparts; Electronic Execution

This Agreement may be executed in any number of original, facsimile or “pdf” counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any Party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by such Party.

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement as of the date first written above.

MAPLE LEAF FOODS INC.

Per: (signed) "David Smales"
Name: David Smales
Title: Chief Financial Officer

Per: (signed) "Suzanne Hathaway"
Name: Suzanne Hathaway
Title: SVP, General Counsel, Communications and
Corporate Secretary

16923534 CANADA INC.

Per: (signed) "Dennis Organ"
Name: Dennis Organ
Title: Director

Per: (signed) "Deepak Bhandari"
Name: Deepak Bhandari
Title: Director

CANADA PACKERS INC.

Per: (signed) "Dennis Organ"
Name: Dennis Organ
Title: President

Per: (signed) "Deepak Bhandari"
Name: Deepak Bhandari
Title: Treasurer

APPENDIX A

PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT

ARTICLE 1 INTERPRETATION

1.01 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the respective meanings set out below and grammatical variations of such terms will have the corresponding meanings:

"Affiliate" means, when describing a relationship between two Persons, that either: (a) one of them is under the direct or indirect control of the other; or (b) each of them is directly or indirectly controlled by the same Person;

"Amalco" means the corporation to be formed on the amalgamation of Newco and Subco in accordance with this Plan of Arrangement, which will be named Canada Packers Inc.;

"Amalco Common Shares" has the meaning ascribed thereto in Section 2.03(k)(iv) hereof;

"Amalco Equity Security Exchange Ratio" means the quotient of (a) the volume weighted average trading price of the MLF Common Shares on the TSX for the ten trading days preceding (but, for greater certainty, not including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX), divided by (b) the volume weighted average trading price of the Amalco Common Shares on the TSX for the first ten trading days commencing on (and, for greater certainty, including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX);

"Amalco Share Conversion Ratio" means 0.2, provided that if the Board has determined that that the Amalco Share Conversion Ratio shall mean a different number, and MLF has publicly issued a press release not less than three Business Days prior to the Effective Date disclosing that the Amalco Share Conversion Ratio shall mean such different number, then the Amalco Share Conversion Ratio shall mean such different number;

"Amalco Option Plan" means the Share Option Plan of Amalco, to be adopted as of the Effective Time;

"Amalco Option Plan Resolution" means the ordinary resolution of MLF Shareholders approving the Amalco Option Plan, as it may be amended or varied at or at any time prior to the Meeting, to be considered at the Meeting;

"Amalco Stock Options" means a right granted by Amalco to Transferred Employees to acquire Amalco Common Shares issued pursuant to Section 2.03(m) hereof, with the exercise price of each such Amalco Stock Option determined in accordance with this Plan of Arrangement and the other terms and conditions thereof determined in accordance with the Amalco Option Plan and any agreements thereunder, and including any adjustments to such Amalco Stock Option necessary to give effect to the intent of this Plan of Arrangement, as such plan or agreements may be amended by the board of directors of Amalco or a committee thereof;

"arm's length" has the meaning assigned by Section 251(1) of the Tax Act;

"Arrangement" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set forth in this Plan of Arrangement, subject to any amendments or variations hereto made in accordance with the Arrangement Agreement, this Plan of Arrangement, and the Interim Order (once issued), or made at the direction of the Court in the Final Order, provided that such amendments or variations are acceptable to MLF;

“Arrangement Agreement” means the arrangement agreement dated April 29th, 2025 among MLF, Newco and Subco;

“Arrangement Resolution” means the special resolution of MLF Shareholders approving the Arrangement to be considered at the Meeting;

“Articles of Arrangement” means the articles of arrangement of MLF in respect of the Arrangement, required by Section 192(6) of the CBCA to be sent to the Director after the Final Order is made;

“Board” or **“Board of Directors”** means the board of directors of MLF;

“Business Day” means any day, other than a Saturday, Sunday or statutory or civic holiday in Ontario, when banks are generally open for the transaction of business in Toronto, Ontario;

“CBCA” means the *Canada Business Corporations Act*, as amended;

“Certificate of Arrangement” means the certificate of arrangement to be issued by the Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement;

“control” means, when applied to a relationship between two Persons, that a Person (the **“first Person”**) is considered to control another Person (the **“second Person”**) if: (a) the first Person, directly or indirectly, beneficially owns or exercises control or direction over securities, interests or contractual rights of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person, or a majority of any other Persons who have the right to manage or supervise the management of the business and affairs of the second Person, unless that first Person holds the voting securities only to secure a debt or similar obligation; (b) the second Person is a partnership, other than a limited partnership, and the first Person, together with any Person controlled by the first Person, holds more than 50 per cent of the interests (measured by votes or by value) of the partnership; or (c) the second Person is a limited partnership and the general partner of the limited partnership is the first Person or any Person controlled by the first Person, and the term **“controlled”** has a corresponding meaning;

“Court” means the Ontario Superior Court of Justice (Commercial List);

“Director” means the Director appointed pursuant to Section 260 of the CBCA;

“Distribution Record Date” means the record date established by MLF for the Arrangement;

“DSU” means a deferred share unit granted by MLF to a non-employee director under the MLF DSU Plan, that is outstanding immediately prior to the Effective Time;

“Effective Date” means the effective date of the Arrangement, being the date shown on the Certificate of Arrangement;

“Effective Time” means 12:01 a.m. (EST) on the Effective Date, or such other time as MLF, Subco and Newco agree to in writing before the Effective Date;

“Electing Shareholder” means any MLF Shareholder that is Michael H. McCain, Jonathan W. F. McCain, or any Person controlled by them, which requests that Newco executes a joint election under subsection 85(1) of the Tax Act with such MLF Shareholder in respect of the transfer in Section 2.03(f);

“Encumbrance” means any mortgage, charge, pledge, lien, hypothec, security interest, encumbrance, adverse claim or right of any third party which affects, by way of a conflicting ownership interest or otherwise, the right, title or interest in or to any particular property;

“fair market value” means the highest price available in an open and unrestricted market between informed and prudent parties acting at arm’s length and under no compulsion to act, expressed in terms of money;

“Final Order” means the final order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to MLF, approving the Arrangement, as such order may be amended or varied by the Court, provided that any such amendment or variation is acceptable to MLF, at any time prior to the Effective Date;

“Former MLF Employee” means a Person who was previously a director, officer, manager or employee of MLF or an Affiliate thereof but is not, as of the Effective Time, a director, officer, manager or employee of MLF or an Affiliate thereof (other than a Transferred Employee);

“Governmental Authority” means (a) any multinational, federal, national, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, domestic or foreign; (b) any subdivision, agent, commission, board, or authority of any of the foregoing; (c) any quasi-governmental or private body exercising any regulatory, self-regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange;

“Interim Order” means the interim order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to MLF, providing for, among other things, the calling and holding of the Meeting, as such order may be amended or varied by the Court, provided that any such amendment or variation is acceptable to MLF;

“In the Money Amount” means, in relation to a particular stock option, the amount by which the fair market value of the shares issuable under the particular option exceeds the aggregate exercise price payable by the holder of the option to acquire such shares;

“Meeting” means the annual and special meeting of MLF Shareholders (including any adjournment or postponement thereof) to be called and held in accordance with the Interim Order to, among other things, consider and, if deemed advisable, approve the Arrangement Resolution and the Amalco Option Plan Resolution;

“MLF” means Maple Leaf Foods Inc., a corporation existing under the CBCA;

“MLF Arrangement Common Shares” means the new class of common shares in the capital of MLF created pursuant to this Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit I to this Plan of Arrangement;

“MLF Common Shares” means the common shares in the capital of MLF (being, for greater certainty, the class of shares designated as “Common Shares” in the articles of MLF on the Effective Date);

“MLF DSU Plan” means the Share Purchase and Deferred Share Unit Plan of MLF;

“MLF Employees” means all directors, officers, managers and employees of MLF and its Affiliates, including directors, officers, managers and employees on disability leave, parental leave or other leave of absence, immediately prior to the Effective Time;

“MLF Equity Security Exchange Ratio” means the quotient of (a) the volume weighted average trading price of the MLF Common Shares on the TSX for the ten trading days preceding (but, for greater certainty, not including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX), divided by (b) the volume weighted average trading price of the MLF Common Shares on the TSX for the first ten trading days commencing on (and, for greater certainty, including) the Effective Date (or such other trading period as determined by MLF and that is acceptable to the TSX);

“MLF LTIP” means the Long Term Incentive Plan of MLF;

“MLF Option Plan” means the Amended and Restated Option Plan of MLF;

“MLF Redemption Amount” has the meaning ascribed thereto in Section 2.03(h) hereof;

“MLF Redemption Note” has the meaning ascribed thereto in Section 2.03(h) hereof;

“MLF Shareholder” as of any time means a holder of MLF Common Shares at such time;

“MLF Special Shares” means the non-voting, redeemable, retractable preferred shares in the capital of MLF created pursuant to this Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit I to this Plan of Arrangement;

“MLF Stock Option” means a right granted by MLF to eligible employees to acquire MLF Common Shares on terms and conditions set out in the MLF Option Plan, that is outstanding immediately prior to the Effective Time;

“New MLF Stock Options” means a right granted by MLF to eligible employees to acquire MLF Common Shares issued pursuant to Section 2.03(d) hereof, with the exercise price of each such New MLF Stock Option determined in accordance with this Plan of Arrangement and the other terms and conditions thereof determined in accordance with the MLF Option Plan and any agreements thereunder, and including any adjustments to such New MLF Stock Option necessary to give effect to the intent of this Plan of Arrangement, as such plan or agreements may be amended by the Board or a committee thereof;

“Newco” means 16923534 Canada Inc., a corporation existing under the CBCA;

“Newco Common Shares” means the common shares in the capital of Newco having the rights, privileges, restrictions and conditions set out in Exhibit II to this Plan of Arrangement;

“Newco Preferred Shares” means the non-voting, redeemable, retractable preferred shares in the capital of Newco created pursuant to this Plan of Arrangement and having the rights, privileges, restrictions and conditions set out in Exhibit II to this Plan of Arrangement;

“Newco Redemption Amount” has the meaning ascribed thereto in Section 2.03(i) hereof;

“Newco Redemption Note” has the meaning ascribed thereto in Section 2.03(i) hereof;

“Non-Transferred Employees” means MLF Employees who are not Transferred Employees;

“Non-Union Employee” means an employee of MLF who is not a member of the Union;

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity;

“Plan of Arrangement” means this plan of arrangement, including the exhibits hereto, as amended or varied from time to time in accordance with the Arrangement Agreement, the terms hereof, and the Interim Order (once issued), or at the direction of the Court in the Final Order, provided that such amendments or variations are acceptable to MLF;

“predecessor corporations” has the meaning ascribed thereto in Section 2.03(k);

“PSU” means a performance share unit granted by MLF to a participant, which represents a right to receive MLF Common Shares or cash on the terms and conditions set out in the MLF LTIP, which vests over time and upon achievement of performance goals, and that is outstanding immediately prior to the Effective Time;

“RSU” means a restricted share unit granted by MLF to a participant, which represents a right to receive MLF Common Shares or cash on the terms and conditions set out in the MLF LTIP, that is outstanding immediately prior to the Effective Time;

“Subco” means Canada Packers Inc., a corporation existing under the CBCA;

“Subco Common Shares” means the common shares in the capital of Subco;

“Subco Stock Options” means a right granted by Subco to Transferred Employees to acquire Subco Common Shares issued pursuant to Section 2.03(e) hereof;

“Tax Act” means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supplement);

“trading day” means a day, other than a Saturday or a Sunday, when the TSX is open for trading;

“trading price” means, in relation to the MLF Common Shares or the Amalco Common Shares, the trading price per share of the MLF Common Shares or the Amalco Common Shares, as the case may be, on the TSX for the applicable period. For greater certainty: (a) in the case of the Amalco Common Shares, such trading price may be determined by reference to trading on an “if, as and when issued” basis; and (b) in the case of the MLF Common Shares, such trading price may be determined by reference to trading on a “due bill” basis;

“Transfer Agent” means the transfer agent for the MLF Common Shares or the Amalco Common Shares, as applicable;

“Transferred Employee” means each Union Employee who continues employment with Amalco (or a predecessor thereto) as of the Effective Time, and each Non-Union Employee who accepts an offer of employment from Newco or Subco (or any successor thereto) and who commences employment with Amalco (or a predecessor thereto) on or after the Effective Time;

“Transferred Percentage” means 84%;

“Transferred Property” means the Transferred Percentage of the issued and outstanding Subco Common Shares held by MLF immediately prior to the Effective Time;

“TSX” means the Toronto Stock Exchange;

“Union” means United Food & Commercial Workers Union, Local No. 832 and Local No. 401; and

“Union Employee” means an employee of MLF who is a member of the Union.

1.02 Construction

In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires:

- (a) the division of this Plan of Arrangement into Articles, Sections and Subsections and the use of headings are for convenience of reference only and do not affect the construction or interpretation hereof;
- (b) the words “hereunder”, “hereof” and similar expressions refer to this Plan of Arrangement and not to any particular Article, Section or Subsection and references to “Articles”, “Sections” and “Subsections” are to Articles, Sections and Subsections of this Plan of Arrangement;
- (c) words importing the singular include the plural and vice versa, and words importing any gender include all genders;
- (d) the word “including” means “including without limiting the generality of the foregoing”;
- (e) a reference to a statute or code includes every regulation made pursuant thereto, all amendments to the statute or code or to any such regulation in force from time to time, and any statute, code or regulation which supplements or supersedes such statute, code or regulation;
- (f) a reference to any agreement or contract is to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms thereof;

- (g) if any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action will be required to be taken on the next succeeding Business Day; and
- (h) a reference to a Person includes such Person's heirs, administrators, executors, legal personal representatives, predecessors, successors and permitted assigns.

1.03 Time

Time will be of the essence in every matter or action contemplated hereunder.

1.04 Exhibits

The following Exhibits are attached to this Plan of Arrangement and form part hereof:

- Exhibit I – Initial Amendment to the Articles of Maple Leaf Foods Inc.
- Exhibit II – Initial Amendment to the Articles of 16923534 Canada Inc.
- Exhibit III – Articles of Canada Packers Inc.
- Exhibit IV – By-Law Number 1 of Canada Packers Inc.
- Exhibit V – Subsequent Amendment to the Articles of Maple Leaf Foods Inc.

ARTICLE 2 THE ARRANGEMENT

2.01 Arrangement Agreement

This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms part of, the Arrangement Agreement.

2.02 Binding Effect

Upon the issuance of the Certificate of Arrangement, this Plan of Arrangement will become effective at, and be binding at and after, the Effective Time on: (a) MLF; (b) Newco; (c) Subco; (d) MLF Shareholders; (e) holders of MLF Stock Options; (f) holders of DSUs; (g) holders of PSUs; and (h) holders of RSUs.

2.03 Effective Time

Commencing at the Effective Time, the following events, matters and transactions will occur and will be deemed to occur in the following sequence, without any further act, authorization or formality, and with each event, matter or transaction occurring and being deemed to occur immediately after the occurrence of the immediately preceding event, matter or transaction:

- (a) the articles of MLF will be amended to create and authorize the issuance of (in addition to the shares it is authorized to issue immediately before such amendment):
 - (i) an unlimited number of MLF Arrangement Common Shares; and
 - (ii) an unlimited number of MLF Special Shares,
each new class having the rights, privileges, restrictions and conditions set out in Exhibit I to this Plan of Arrangement;
- (b) the articles of Newco will be amended to create and authorize the issuance of (in addition to the shares it is authorized to issue immediately before such amendment) an unlimited number of Newco Preferred Shares, having the rights, privileges, restrictions and conditions set out in Exhibit II to this Plan of Arrangement;

- (c) pursuant to a reorganization of the capital of MLF, each MLF Common Share outstanding immediately prior to the Effective Time will be exchanged into one MLF Arrangement Common Share and one MLF Special Share and in respect of such transactions:
 - (i) the aggregate addition to the stated capital accounts of the MLF Arrangement Common Shares and the MLF Special Shares issued by MLF pursuant to this Section 2.03(c) will equal the “paid-up capital” (for purposes of the Tax Act) of the MLF Common Shares immediately before the event described in this Section 2.03(c). Such addition to the stated capital accounts will be allocated between the MLF Arrangement Common Shares and MLF Special Shares based on the proportion that the fair market value of the MLF Arrangement Common Shares and the MLF Special Shares, as the case may be, is of the aggregate fair market value of all of the MLF Arrangement Common Shares and MLF Special Shares issued pursuant to this Section 2.03(c);
 - (ii) the only consideration such MLF Shareholders will receive for the disposition of their MLF Common Shares will be the applicable MLF Arrangement Common Shares and MLF Special Shares;
 - (iii) the MLF Common Shares so exchanged will be cancelled;
- (d) concurrently with the exchange of the MLF Common Shares described in Section 2.03(c), each Non-Transferred Employee and Former MLF Employee who holds MLF Stock Options shall exchange each such MLF Stock Option for a New MLF Stock Option granting such employee the right to acquire a number of MLF Common Shares equal to the MLF Equity Security Exchange Ratio multiplied by the number of MLF Common Shares issuable under the exchanged MLF Stock Option (rounded down to the nearest whole number), and in respect of such transactions:
 - (i) the only consideration such Non-Transferred Employee or Former MLF Employee, as the case may be, will receive for the exchange of their MLF Stock Options will be the applicable New MLF Stock Options, with such exchange being subject to Section 2.04;
 - (ii) the MLF Stock Options so exchanged will be cancelled; and
 - (iii) the New MLF Stock Options will not be exercisable until after the completion of this Plan of Arrangement;
- (e) concurrently with the exchange of the MLF Common Shares described in Section 2.03(c), each Transferred Employee who holds MLF Stock Options shall exchange each such MLF Stock Option for a Subco Stock Option granting such employee the right to acquire a number of Subco Common Shares with a fair market-value, immediately after such exchange, that is equal to the total fair market value, immediately before such exchange, of the MLF Common Shares issuable under the exchanged MLF Stock Option, and in respect of such transactions:
 - (i) the only consideration such Transferred Employee will receive for the exchange of their MLF Stock Options will be the applicable Subco Stock Options, with such exchange being subject to Section 2.04;
 - (ii) the MLF Stock Options so exchanged will be cancelled; and
 - (iii) the Subco Stock Options will not be exercisable until after the completion of this Plan of Arrangement;
- (f) each holder of MLF Special Shares will transfer to Newco, with good and marketable title thereto and free and clear of all Encumbrances, all of the MLF Special Shares held thereby in consideration for the issuance by Newco to such Person of one Newco Common Share for every MLF Special Share transferred by such holder, and in respect of such transactions:

- (i) the only consideration such Person will receive for the disposition of their MLF Special Shares will be the applicable Newco Common Shares;
 - (ii) there shall be added to the stated capital account maintained by Newco for the Newco Common Shares an amount equal to the sum of (i) the amounts agreed to by an Electing Shareholder and Newco in the elections described in Paragraph 2.03(f)(iv), and (ii) the aggregate "paid-up capital" (for purposes of the Tax Act) of the MLF Special Shares so transferred to Newco by any MLF Shareholder that is not an Electing Shareholder, as of immediately before the event described in this Section 2.03(f);
 - (iii) the Newco Common Shares will, outside of and not as part of this Plan of Arrangement, be listed for trading on the TSX and, for greater certainty, such listing on the TSX will occur before the issuance of Newco Common Shares pursuant to this Section 2.03(f);
 - (iv) Newco will jointly elect with each MLF Shareholder that is an Electing Shareholder, in prescribed form and within the time allowed by subsection 85(6) of the Tax Act, to have the provisions of subsection 85(1) of the Tax Act apply to the transfer of MLF Special Shares by such Electing Shareholder, and if applicable, Newco and each Electing Shareholder will jointly elect under the provisions of any corresponding provincial tax legislation. The agreed amount in each election under subsection 85(1) of the Tax Act will be an amount equal to the lesser of the fair market value of the MLF Special Shares transferred by an Electing Shareholder and the adjusted cost base of the MLF Special Shares to such Electing Shareholder at the time of the transfer pursuant to this Section 2.03(f); and
 - (v) no election(s) under section 85 of the Tax Act will be filed in respect of the transfer described in this Section 2.03(f) by any MLF Shareholder that is not an Electing Shareholder;
- (g) MLF will transfer the Transferred Property, with good and marketable title thereto and free and clear of all Encumbrances, to Newco in consideration for the issuance by Newco to MLF of 1,000 Newco Preferred Shares and the assumption by Newco of liabilities related to the Transferred Property, if any, and in respect of such transactions:
- (i) MLF will jointly elect with Newco, in the prescribed form and within the time allowed by Section 85(6) of the Tax Act, to have the provisions of Section 85(1) of the Tax Act apply to the transfer of the Transferred Property, and if applicable, MLF and Newco will jointly elect under the provisions of any corresponding provincial tax legislation. The agreed amount in each election under subsection 85(1) of the Tax Act will be an amount equal to the lesser of the fair market value of the Transferred Property and the aggregate adjusted cost base of the Transferred Property to MLF at the time of the transfer thereof pursuant to this Section 2.03(g);
 - (ii) the amount added to the stated capital in respect of the Newco Preferred Shares issued as consideration for the transfer of the Transferred Property will equal the maximum amount permitted to be added to the "paid-up capital" (for purposes of the Tax Act) of the Newco Preferred Shares having regard to Subsection 85(2.1) of the Tax Act; and
 - (iii) the net fair market value of the Transferred Property received by Newco will be equal to or approximate that proportion of the net fair market value of all property owned by MLF immediately before the transfer of the Transferred Property pursuant to this Section 2.03(g) that:
 - (A) the aggregate fair market value of the MLF Special Shares owned by Newco immediately before such transfer, is of
 - (B) the aggregate fair market value of all the issued and outstanding shares of MLF immediately before such transfer;

- (h) MLF (i) will redeem for cancellation all of the MLF Special Shares held by Newco for an amount equal to the redemption amount (as determined pursuant to the articles of MLF) of such MLF Special Shares (the “**MLF Redemption Amount**”) and will issue to Newco a non-interest bearing demand promissory note in a principal amount equal to the MLF Redemption Amount (the “**MLF Redemption Note**”) in full and absolute payment, satisfaction and discharge of the MLF Redemption Amount; and (ii) shall, to the extent permitted under the Tax Act, hereby designate and be deemed to have designated and provided notice, pursuant to Section 89(14) of the Tax Act, the full amount of the dividend, if any, that will be deemed under Section 84(3) of the Tax Act to be paid by it to Newco upon the redemption of the MLF Special Shares in this Section 2.03(h), to be an eligible dividend;
- (i) Newco (i) will redeem for cancellation all of the Newco Preferred Shares held by MLF for an amount equal to the redemption amount (as determined pursuant to the articles of Newco) of such Newco Preferred Shares (the “**Newco Redemption Amount**”) and will issue to MLF a non-interest bearing demand promissory note in a principal amount equal to the Newco Redemption Amount (the “**Newco Redemption Note**”) in full and absolute payment, satisfaction and discharge of the Newco Redemption Amount; and (ii) shall, to the extent permitted under the Tax Act, hereby designate and be deemed to have designated and provided notice, pursuant to Section 89(14) of the Tax Act the full amount of the dividend, if any, that will be deemed under Section 84(3) of the Tax Act to be paid by it to MLF upon the redemption of the Newco Preferred Shares in this Section 2.03(i) to be an eligible dividend;
- (j) MLF and Newco will fully set off the MLF Redemption Note against the Newco Redemption Note, and both the MLF Redemption Note and the Newco Redemption Note will thereupon be cancelled;
- (k) Newco and Subco (referred to in this Section as “**predecessor corporations**”) will amalgamate pursuant to the provisions of Section 181 of the CBCA to form an amalgamated entity named “Canada Packers Inc.” in such a manner that, on and by virtue of the amalgamation:
 - (i) Newco and Subco will cease to exist as entities separate from Amalco;
 - (ii) Amalco will possess all the property, rights, privileges and franchises (excluding any amounts receivable from any predecessor corporation or shares of a predecessor corporation) and will be subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of the predecessor corporations (other than any amounts payable to any predecessor corporation);
 - (iii) the Articles of Arrangement will be the articles of amalgamation of Amalco and the Certificate of Arrangement will be the certificate of amalgamation of Amalco;
 - (iv) Amalco’s authorized share capital will consist of common shares (the “**Amalco Common Shares**”) and preferred shares, in each case having rights, privileges, restrictions and conditions set out in Exhibit III to this Plan of Arrangement;
 - (v) each issued and outstanding Newco Common Share immediately prior to the amalgamation will be converted into such number of Amalco Common Shares as is equal to the Amalco Share Conversion Ratio;

- (vi) each issued and outstanding Subco Common Share (other than a Subco Common Share held by a predecessor corporation) will be converted into such number of Amalco Common Shares as is equal to the quotient determined by the formula

$$A / B$$

where:

- A is the product obtained by multiplying (i) the aggregate number of Newco Common Shares that were issued and outstanding immediately prior to the amalgamation by (ii) the Amalco Share Conversion Ratio, and
- B is the product obtained by multiplying (i) the aggregate number of Subco Common Shares that were issued and outstanding immediately prior to the amalgamation by (ii) the Transferred Percentage;
- (vii) each Subco Common Share held by a predecessor corporation will be cancelled for no consideration;
- (viii) the stated capital of the Amalco Common Shares will be an amount equal to the stated capital of the Newco Common Shares and the stated capital of the Subco Common Shares (excluding the Subco Common Shares held by a predecessor corporation) immediately prior to the amalgamation;
- (ix) no securities will be issued except as described in paragraphs (k)(v) and (k)(vi) and no assets will be distributed by Amalco in connection with the amalgamation;
- (x) the name of Amalco will be "Canada Packers Inc.";
- (xi) the registered office of Amalco will be 6985 Financial Drive, Suite 201, Mississauga, Ontario L5N 0A1, Canada;
- (xii) with respect to the directors of Amalco: (A) the directors will consist of a minimum number of 8 and a maximum number of 18 directors, (B) until changed by the shareholders of Amalco, or by the directors of Amalco if authorized to do so, the number of directors of Amalco will be 9, and (C) the initial directors of Amalco will be: Michael H. McCain, Dennis Organ, Curtis E. Frank, Gary Maksymetz, Jonathan W.F. McCain, Sarah Piper, Meghan Roach, Heather Stefanson and Michael Vels;
- (xiii) there will be no restrictions on the business Amalco may carry on or the powers it may exercise;
- (xiv) the by-laws of Amalco will be the by-laws attached as Exhibit IV to this Plan of Arrangement, and such by-laws will be deemed to have been confirmed by the shareholders of Amalco; and
- (xv) KPMG LLP will be the initial auditor of Amalco, to hold office until the close of the first annual meeting of Amalco shareholders following the Effective Date, or until KPMG LLP resigns as contemplated by Section 164 of the CBCA or is removed from office as contemplated by Section 165 of the CBCA, and the directors of Amalco will be authorized to fix their remuneration;
- (l) concurrently with the amalgamation as described in Section 2.03(k), the Amalco Common Shares will, outside of and not as part of this Plan of Arrangement, be listed for trading on the TSX (subject to standard post-closing listing conditions imposed by the TSX in similar circumstances);

- (m) by virtue of the amalgamation as described in Section 2.03(k), each Transferred Employee who holds Subco Stock Options shall exchange each such Subco Stock Option for an Amalco Stock Option granting such employee the right to acquire a number of Amalco Common Shares equal to the Amalco Equity Security Exchange Ratio multiplied by the number of MLF Common Shares issuable under the MLF Stock Option exchanged for such Subco Stock Option pursuant to Section 2.03(e) (rounded down to the nearest whole number), and in respect of such transactions:
 - (i) the only consideration such Transferred Employee will receive for the exchange of their Subco Stock Options will be the applicable Amalco Stock Options, with such exchange being subject to Section 2.04;
 - (ii) the Subco Stock Options so exchanged will be cancelled; and
 - (iii) the Amalco Stock Options will not be exercisable until after the completion of this Plan of Arrangement;
- (n) each holder of MLF Arrangement Common Shares will exchange each MLF Arrangement Common Share held thereby for one MLF Common Share, and in respect of such transactions:
 - (i) the aggregate addition to the stated capital accounts of the MLF Common Shares issued by MLF pursuant to this Section 2.03(n) will equal the “paid-up capital” (for purposes of the Tax Act) of the MLF Arrangement Common Shares immediately before the event described in this Section 2.03(n);
 - (ii) the only consideration such MLF Shareholders will receive for the disposition of their MLF Arrangement Common Shares will be the applicable MLF Common Shares;
 - (iii) the MLF Arrangement Common Shares so exchanged will be cancelled;
 - (iv) no election(s) under section 85 of the Tax Act will be filed in respect of the transfer described in this Section 2.03(n); and
 - (v) the MLF Common Shares will, outside of and not as part of this Plan of Arrangement, continue without interruption to be listed for trading on the TSX; and
- (o) the articles of MLF will be amended to remove the MLF Special Shares and MLF Arrangement Common Shares from the authorized capital of MLF (and to remove all references to the MLF Special Shares and MLF Arrangement Common Shares), such that, following such amendment, MLF’s authorized capital will be as set out in Exhibit V to this Plan of Arrangement.

2.04 Effect on Options

- (a) For purposes of the exchange of MLF Stock Options for New MLF Stock Options pursuant to Section 2.03(d), the exercise price of each such New MLF Stock Option will be equal to the original exercise price of the MLF Stock Option exchanged therefor divided by the MLF Equity Security Exchange Ratio (rounded up to the nearest whole cent).
- (b) For purposes of the exchange of MLF Stock Options for Subco Stock Options pursuant to Section 2.03(e), each such Subco Stock Option will have an aggregate exercise price equal to the aggregate exercise price of the MLF Stock Option exchanged therefor.
- (c) For purposes of the exchange of Subco Stock Options for Amalco Stock Options pursuant to Section 2.03(m), the exercise price of each such Amalco Stock Option will be equal to the original exercise price of the MLF Stock Option exchanged for the Subco Stock Option pursuant to Section 2.03(e) divided by the Amalco Equity Security Exchange Ratio (rounded up to the nearest whole cent).

- (d) Except as provided for in this Section 2.04, the terms and conditions of each New MLF Stock Option granted in exchange for a MLF Stock Option shall be substantially similar to the terms and conditions of such MLF Stock Option, including in respect of such option's term and termination conditions.
- (e) Except as provided for in this Section 2.04, the terms and conditions of each Subco Stock Option granted in exchange for a MLF Stock Option shall be substantially similar to the terms and conditions of such MLF Stock Option, including in respect of such option's term and termination conditions.
- (f) Except as provided for in this Section 2.04, the terms and conditions of each Amalco Stock Option granted in exchange for a Subco Stock Option shall be substantially similar to the terms and conditions of the MLF Stock Option exchanged pursuant to Section 2.03(e) for such Subco Stock Option, including in respect of such option's term and termination conditions.
- (g) It is intended that the provisions of Subsection 7(1.4) of the Tax Act (and any corresponding provision of provincial tax legislation) apply to any exchange of options described in Section 2.04(a), (b) or (c). If, and to the extent (if any) determined by MLF (in respect of an exchange in Section 2.04(a)) or Amalco (in respect of an exchange in Sections 2.04(b) or (c)) to be necessary for such provision to apply, the exercise price of the New MLF Stock Options, Subco Stock Options, or Amalco Stock Options issued on such exchange, as the case may be (the "**New Options**"), will be increased (and will be deemed always to have been increased) such that the In the Money Amount of the New Options immediately after such exchange does not exceed the In the Money Amount immediately before such exchange of the MLF Stock Options or Subco Stock Options, as the case may be, that was cancelled on such exchange.

2.05 Effect on RSUs, PSUs and DSUs

- (a) Pursuant to and in accordance with the MLF LTIP, with respect to each Non-Transferred Employee and Former MLF Employee, such Person's holding of RSUs will be adjusted such that, following completion of the Arrangement, the aggregate number of RSUs held by such Person shall be equal to (i) the number of MLF Common Shares underlying such RSUs held by such Person as of immediately prior to the Effective Time, multiplied by (ii) the MLF Equity Security Exchange Ratio.
- (b) Pursuant to and in accordance with the MLF LTIP, with respect to each Non-Transferred Employee and Former MLF Employee, such Person's holding of PSUs will be adjusted such that, following completion of the Arrangement, the aggregate number of PSUs held by such Person shall be equal to (i) the number of MLF Common Shares underlying such PSUs held by such Person as of immediately prior to the Effective Time, multiplied by (ii) the MLF Equity Security Exchange Ratio.
- (c) Pursuant to and in accordance with the MLF DSU Plan, each holder of DSUs shall have their holding of DSUs adjusted such that, following completion of the Arrangement, the aggregate number of DSUs held by such Person shall be equal to (i) the number of DSUs held by such Person as of immediately prior to the Effective Time, multiplied by (ii) the MLF Equity Security Exchange Ratio.
- (d) Pursuant to and in accordance with the MLF LTIP, with respect to each Transferred Employee, such Person's holding of RSUs will be amended such that, following completion of the Arrangement:
 - (i) the "Share" (as defined in the MLF LTIP) applicable to each RSU held shall refer to an Amalco Common Share in place of an MLF Common Share;
 - (ii) the aggregate number of RSUs held by such Person shall be equal to (i) the number of MLF Common Shares underlying such RSUs held by such Person as of immediately prior to the Effective Time, multiplied by (ii) the Amalco Equity Security Exchange Ratio; and
 - (iii) MLF's obligation in respect of such Person's RSUs shall become an obligation of Amalco.

- (e) Pursuant to and in accordance with the MLF LTIP, with respect to each Transferred Employee, such Person's holding of PSUs will be amended such that, following completion of the Arrangement:
 - (i) the "Share" (as defined in the MLF LTIP) applicable to each PSU held shall refer to an Amalco Common Share in place of an MLF Common Share;
 - (ii) the aggregate number of PSUs held by such Person shall be equal to (i) the number of MLF Common Shares underlying such PSUs held by such Person as of immediately prior to the Effective Time, multiplied by (ii) the Amalco Equity Security Exchange Ratio; and
 - (iii) MLF's obligation in respect of such Person's PSUs shall become an obligation of Amalco.

2.06 Registers of Holders

- (a) Upon the exchange of the MLF Common Shares pursuant to Section 2.03(c), the name of each registered MLF Shareholder will be deemed to be removed from the register of holders of MLF Common Shares and will be deemed to be added to the registers of holders of MLF Arrangement Common Shares and MLF Special Shares.
- (b) Upon the transfer of the MLF Special Shares pursuant to Section 2.03(f): (i) the name of each registered MLF Shareholder will be deemed to be removed from the register of holders of MLF Special Shares and will be deemed to be added to the register of holders of Newco Common Shares; and (ii) Newco will be deemed to be recorded as the registered holder of the MLF Special Shares on the register of holders of MLF Special Shares and will be deemed to be the legal and beneficial owner thereof.
- (c) Upon the transfer of the Transferred Property pursuant to Section 2.03(g): (i) MLF will be deemed to be added to the register of holders of Newco Preferred Shares; and (ii) Newco will be deemed to be recorded as a registered holder of Subco Common Shares on the register of holders of Subco Common Shares and will be deemed to be the legal and beneficial owner of such Subco Common Shares.
- (d) Upon the redemption of the MLF Special Shares pursuant to Section 2.03(h), Newco will be deemed to be removed from the register of holders of MLF Special Shares.
- (e) Upon the redemption of the Newco Preferred Shares pursuant to Section 2.03(i), MLF will be deemed to be removed from the register of holders of Newco Preferred Shares.
- (f) Upon the amalgamation of Newco and Subco pursuant to Section 2.03(k): (i) appropriate entries will be made in the register holders of Newco Common Shares to reflect the cancellation of such shares, (ii) appropriate entries will be made in the register holders of Subco Common Shares to reflect the cancellation of such shares and (iii) MLF and the holders of Newco Common Shares will be deemed to be recorded as registered holders of Amalco Common Shares and will be deemed to be the legal and beneficial owners thereof.
- (g) Upon the exchange of the MLF Arrangement Common Shares pursuant to Section 2.03(n), the name of each registered MLF Shareholder will be deemed to be removed from the register of holders of MLF Arrangement Common Shares and will be deemed to be added to the register of holders of MLF Common Shares.

2.07 Deemed Fully Paid and Non-Assessable Shares

All MLF Common Shares, MLF Arrangement Common Shares, MLF Special Shares, Newco Common Shares, Newco Preferred Shares and Amalco Common Shares issued pursuant hereto will be deemed to be or have been validly issued and outstanding as fully paid and non-assessable shares for all purposes of the CBCA.

ARTICLE 3 CERTIFICATES AND PAYMENTS

3.01 Entitlement to Share Certificates

- (a) As soon as practicable after the Effective Date, Amalco will issue and deliver, or cause its Transfer Agent to issue and deliver, to each MLF Shareholder of record as of the Distribution Record Date, certificates representing the Amalco Common Shares to which such holder is entitled pursuant to the Arrangement.
- (b) Following the Distribution Record Date, certificates representing MLF Common Shares will be deemed for all purposes to be certificates representing only the MLF Common Shares issued to MLF Shareholders pursuant to Section 2.03(n) hereof and, accordingly, no new certificates will be issued representing such MLF Common Shares.
- (c) No certificates will be issued for shares that are issued and subsequently cancelled in accordance with the provisions of this Plan of Arrangement.
- (d) For the purposes of this Plan of Arrangement, any reference to a “certificate” shall include evidence of registered ownership of the applicable shares in an electronic book-based system maintained by the applicable Transfer Agent and the provisions of this Plan of Arrangement shall be read and construed (and where applicable, modified) to give effect to such interpretation.

3.02 Fractional Shares

No certificates representing fractional Amalco Common Shares arising from the Arrangement shall be issued to MLF Shareholders pursuant to the Arrangement and no dividend, stock split or other change in the capital structure of Amalco shall relate to any such fractional security and such fractional interests shall not entitle the owner thereof to exercise any rights as a security holder of Amalco. The number of Amalco Common Shares to be issued to a MLF Shareholder pursuant to this Plan of Arrangement will be rounded down to the nearest whole number, with no cash being paid for any fractional share eliminated by such rounding.

3.03 Lost Certificates

If any certificate which, immediately prior to the Effective Time, represented an interest in outstanding MLF Common Shares has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to have been lost, stolen or destroyed, the Transfer Agent will issue and deliver in exchange for such lost, stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any dividends or distributions with respect thereto) as determined in accordance with the Arrangement. The Person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond to each of MLF, Amalco and the Transfer Agent, which bond shall be in form and substance satisfactory to each of MLF, Amalco and the Transfer Agent, or shall otherwise indemnify MLF, Amalco and the Transfer Agent against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

3.04 Withholding Rights

MLF and Amalco will be entitled to deduct and withhold from amounts payable under this Plan of Arrangement to any Person, such amounts as MLF and Amalco, respectively, are required or permitted to deduct and withhold with respect to such payment under the Tax Act or any provision of any applicable federal, provincial, territorial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

3.05 Restatement of Articles

Outside of and not as part of this Plan of Arrangement, the articles of MLF will be restated to reflect the amendments in this Plan of Arrangement and the restated articles of MLF will be filed with the Director pursuant to

Section 180 of the CBCA. Outside of and not as part of this Plan of Arrangement, the articles of Amalco will be restated to reflect this Plan of Arrangement and the restated articles of Amalco will be filed with the Director pursuant to Section 180 of the CBCA.

ARTICLE 4 AMENDMENTS

4.01 Amendments to Plan of Arrangement

- (a) Subject to the provisions of the Interim Order, any amendment, modification or supplement to this Plan of Arrangement may be proposed by MLF at any time prior to or at the Meeting with or without any other prior notice or communication and, if so proposed and accepted by the requisite majority of MLF Shareholders at the Meeting, will become part of this Plan of Arrangement for all purposes.
- (b) Following the Meeting, this Plan of Arrangement may be amended, modified or supplemented unilaterally by MLF, provided that each such amendment, modification or supplement is approved by the Court and communicated to any Persons in the manner required by the Court.
- (c) Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the Meeting will be effective only if it is consented to by MLF and, if required by the Court, is consented to by or communicated to the MLF Shareholders in the manner directed by the Court.
- (d) Notwithstanding Section 4.01(b), any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order unilaterally by MLF, provided that it concerns a matter which, in the reasonable opinion of MLF, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial interests of any holder of MLF Common Shares or Amalco Common Shares.

ARTICLE 5 FURTHER ASSURANCES

5.01 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and will be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

ARTICLE 6 TERMINATION

6.01 Termination

Notwithstanding any prior approvals by the Court or by MLF Shareholders, the Board of Directors may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution at any time prior to the issuance of the Certificate of Arrangement, without further approval of the Court or the MLF Shareholders.

EXHIBIT I

INITIAL AMENDMENT TO THE ARTICLES OF MAPLE LEAF FOODS INC.

A. COMMON SHARES

Subject to the terms and conditions of the Preferred Shares and the Special Shares of the Corporation, the Common Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Dividends

1. The Common Shares, the Non-Voting Common Shares and the Arrangement Common Shares of the Corporation shall participate equally as to dividends. All dividends which the board of directors of the Corporation shall determine to declare and pay, shall be declared and paid in equal amounts per share and at the same time on all Common Shares, Non-Voting Common Shares and Arrangement Common Shares issued and outstanding without preference or distinction.

Voting Rights

2. The holders of the Common Shares shall be entitled to receive notice of, to attend, and to vote at all meetings of shareholders of the Corporation. At such meetings, the holders of the Common Shares shall be entitled to one vote for each Common Share held.

Parity on Liquidation and Dissolution

3. In the event of a liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, all of the property and assets of the Corporation available for distribution to the holders of the Common Shares, the holders of the Non-Voting Common Shares and the holders of Arrangement Common Shares shall be paid or distributed equally, share for share, to the holders of the Common Shares, the holders of the Non-Voting Common Shares and the holders of Arrangement Common Shares, respectively, without preference or distinction.

Equality of Shares

4. Except as provided for herein, each Common Share, each Non-Voting Common Share and each Arrangement Common Share shall have the same rights and attributes and be the same in all respects. Upon any consolidation, subdivision, exchange, reclassification or cancellation of the Non-Voting Common Shares and/or the Arrangement Common Shares, an equivalent consolidation, subdivision, exchange, reclassification or cancellation shall be made to the Common Shares to preserve the equivalence of such classes of shares provided for herein.

B. ARRANGEMENT COMMON SHARES

The Arrangement Common Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Dividends

1. The Common Shares, the Non-Voting Common Shares and the Arrangement Common Shares of the Corporation shall participate equally as to dividends. All dividends which the board of directors of the Corporation shall determine to declare and pay, shall be declared and paid in equal amounts per share and at the same time on all Common Shares, Non-Voting Common Shares and Arrangement Common Shares issued and outstanding without preference or distinction.

Voting Rights

2. The holders of the Arrangement Common Shares shall be entitled to receive notice of, to attend, and to vote at all meetings of shareholders of the Corporation. At such meetings, the holders of the Common Shares shall be entitled to two votes for each Arrangement Common Share held.

Parity on Liquidation and Dissolution

3. In the event of a liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, all of the property and assets of the Corporation available for distribution to the holders of the Common Shares, the holders of the Non-Voting Common Shares and the holders of the Arrangement Common Shares shall be paid or distributed equally, share for share, to the holders of the Common Shares, the holders of the Non-Voting Common Shares and the holders of the Arrangement Common Shares, respectively, without preference or distinction.

Equality of Shares

4. Except as provided for herein, each Common Share, each Non-Voting Common Share and each Arrangement Common Share shall have the same rights and attributes and be the same in all respects. Upon any consolidation, subdivision, exchange, reclassification or cancellation of the Non-Voting Common Shares and/or the Common Shares, an equivalent consolidation, subdivision, exchange, reclassification or cancellation shall be made to the Arrangement Common Shares to preserve the equivalence of such classes of shares provided for herein.

C. NON-VOTING COMMON SHARES

The Non-Voting Common Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Dividends

1. The Non-Voting Common Shares, the Common Shares and the Arrangement Common Shares of the Corporation shall participate equally as to dividends. All dividends which the board of directors of the Corporation shall determine to declare and pay, shall be declared and paid in equal amounts per share and at the same time on all Non-Voting Common Shares, Common Shares and Arrangement Common Shares issued and outstanding without preference or distinction.

Non-Voting Rights

2. Except as required by law, the holders of the Non-Voting Common Shares as a class shall not be entitled as such to vote at any meeting of the shareholders of the Corporation. The holders of the Non-Voting Common Shares shall be entitled to receive notice of and to attend meetings of holders of voting shares of the Corporation except meetings at which only holders of a specified class of shares are entitled to vote. The holders of Non-Voting Common Shares shall not be entitled to vote separately as a class, and shall not be entitled to dissent, upon a proposal to amend the articles to: (a) increase or decrease any maximum number of authorized Non-Voting Common Shares resulting from a subdivision or consolidation respectively; (b) increase any maximum number of authorized shares of a class or series of a class having rights or privileges equal or superior to the Non-Voting Common Shares; (c) effect an exchange, reclassification or cancellation of the Non-Voting Common Shares; or (d) create a new class or series of a class of shares equal or superior to the Non-Voting Common Shares, unless the holders of Non-Voting Common Shares are being affected by such amendment in a manner differently from the holders of Common Shares.

Parity on Liquidation and Dissolution

3. In the event of a liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, all of the property and

assets of the Corporation available for distribution to the holders of the Non-Voting Common Shares, the holders of the Common Shares and the holders of the Arrangement Common Shares shall be paid or distributed equally, share for share, to the holders of the Non-Voting Common Shares, the holders of the Common Shares and the holders of the Arrangement Common Shares, respectively, without preference or distinction.

Equality of Shares

4. Except as provided for herein, each Non-Voting Common Share, each Common Share and each Arrangement Common Share shall have the same rights and attributes and be the same in all respects. Upon any consolidation, subdivision, exchange, reclassification or cancellation of the Common Shares and/or the Arrangement Common Shares, an equivalent consolidation, subdivision, exchange, reclassification or cancellation shall be made to the Non-Voting Common Shares to preserve the equivalence of such classes of shares provided for herein.

Conversion of Non-Voting Common Shares into Common Shares

5. The Non-Voting Common Shares, or any of them, may, upon and subject to the terms and conditions hereinafter set forth, be converted at any time by the holder or holders thereof into fully paid Common Shares of the Corporation as the same shall be constituted at the time of conversion on the basis of one (1) Common Share as presently constituted for one (1) Non-Voting Common Share; provided, however, that in the event of liquidation, dissolution or winding-up of the Corporation, such right of conversion shall cease and expire at noon on the business day next preceding the date of such liquidation, dissolution or winding-up. A holder of Non-Voting Common Shares desiring to convert such shares into Common Shares in accordance with the foregoing shall surrender the certificate or certificates representing the Non-Voting Common Shares to be converted to the registered office of the Corporation, accompanied by a request in writing for such conversion with the holder's signature thereon verified, and any other documentation as the directors of the Corporation may from time to time require, and thereupon there shall be issued to such holder by the Corporation, as fully paid and nonassessable, the number of Common Shares to which the holder is entitled to upon such conversion. Any such conversion of Non-Voting Common Shares into Common Shares shall be deemed to occur on the date such certificate, request in writing and other documentation is delivered to the registered office of the Corporation. The holder shall pay any governmental or other tax imposed on or in respect of such conversion. If only a part of the Non-Voting Common Shares represented by any certificate is to be converted, a new certificate for the balance of the Non-Voting Common Shares held by such shareholder shall be issued by the Corporation.

Automatic Conversion of Non-Voting Common Shares Upon Transfer

6. If, at any time, a holder of Non-Voting Common Shares transfers all or a portion of the Non-Voting Common Shares held by such holder, the shares being transferred shall be automatically converted upon such transfer into fully paid Common Shares of the Corporation on the basis of one Common Share for each Non-Voting Common Share simultaneously upon the completion of such transfer, without any further action by the Corporation or any other person, so that the transferee will be a holder of Common Shares in equal number to the Non-Voting Common Shares transferred by the transferor. Following the transfer, the transferee shall surrender to the registered office of the Corporation the certificate or certificates representing the Non-Voting Common Shares transferred by the transferor, accompanied by written evidence of the transfer, as the directors of the Corporation may from time to time require. Upon such surrender, a new share certificate representing an equal number of Common Shares shall be issued to the transferee. If only a part of the Non-Voting Common Shares represented by a certificate were transferred, a new share certificate representing the number of Common Shares received by the transferee shall be issued by the Corporation. In addition, the Corporation shall issue to the transferor a new share certificate representing the portion of Non-Voting Common Shares evidenced by the original certificate which were not transferred by the transferor.

D. PREFERRED SHARES

The Preferred Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Directors' Authority to Issue in One or More Series

1. The directors of the Corporation may issue the Preferred Shares at any time and from time to time in one or more series.

Terms of Each Series

2. Before the first shares of a particular series are issued, the board of directors of the Corporation shall, subject to the limitation on the number of Preferred Shares to be issued as set forth below, fix the number of shares in such series and shall determine, subject to any limitations set forth in these provisions as more fully set forth below, the designation, rights, privileges, restrictions and conditions attaching to the shares of such series including, without limitation, the rate and amount of any dividends to be declared, the method of calculation of such dividends and whether such rate, amount or method of calculation shall be subject to change or adjustment in the future, the currency or currencies of payment, the date or dates and place or places of payment thereof and the date or dates from which such dividends shall accrue, the terms of redemption, including the redemption price and other terms and conditions of redemption, the rights of retraction (if any) and the prices and other terms and conditions of any rights of retraction and whether any additional rights of retraction may be provided to such holders in the future, the voting rights and the conversion or exchange rights (if any) and any sinking fund, purchase fund or other provisions attaching thereto.

First Shares of Each Series

3. Before the issue of the first shares of a series, the board of directors of the Corporation shall send to the Director (as defined in the *Canada Business Corporations Act*) articles of amendment containing a description of such series including the designations, rights, privileges, restrictions and conditions determined by the directors.

Ranking of Each Series of Preferred Shares

4. No rights, privileges, restrictions or conditions attaching to a series of Preferred Shares shall confer upon a series a priority over any other series of Preferred Shares in respect of redemption, the payment of dividends, the return of capital or the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary. The Preferred Shares of each series shall rank on a parity with the Preferred Shares of every other series with respect to priority in redemption, the payment of dividends, the return of capital and in the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

Priority

5. Each series of Preferred Shares shall have priority over the Common Shares, the Non-Voting Common Shares and any other class of shares of the Corporation ranking junior to the Preferred Shares, and each series of Preferred Shares shall rank on parity with every other series of Preferred Shares, in each case with respect to redemption, the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

Other Preferences

6. The Preferred Shares of any series may also be given such other preferences, not inconsistent with the provisions hereof, over the Common Shares, the Non-Voting Common Shares and over any other class of shares of the Corporation ranking junior to the Preferred Shares as may be determined by the board of directors of the Corporation.

Dividends

7. The holders of each series of Preferred Shares shall be entitled to receive cumulative dividends as and when declared by the board of directors of the Corporation at a rate per share per annum as determined by the board of directors of the Corporation, acting in good faith, provided, such rate per annum does not

exceed by more than 2% the yield to maturity of an unsecured bond with a Comparable Credit Rating issued by a Comparable Issuer on the Determination Date or such other date as close as practicable to such date, such bond having the same or as close as possible term to maturity as is equal to the period until the series of Preferred Shares are first redeemable in whole or in part. Dividends shall be payable at such places, at such times and with such frequency as may be determined by the board of directors of the Corporation. For purposes hereof:

“Comparable Issuer” refers to an issuer selected by the board of directors of the Corporation as being comparable to the Corporation in terms of industry focus and whose outstanding unsecured long-term debt securities have a Comparable Credit Rating.

“Comparable Credit Rating” means a credit rating that is the same or that is the closest as possible to the credit rating of the outstanding long-term debt securities of the Corporation.

“Determination Date” means the date the rights, privileges, restrictions and conditions attaching to the shares of such series of Preferred Shares are determined.

Participation

8. If any cumulative dividends or amounts payable on a return of capital in the event of the liquidation, dissolution or winding up of the Corporation in respect of a series of Preferred Shares are not paid in full, the Preferred Shares of all series shall participate rateably in: (a) the amounts that would be payable on such shares if all such dividends were declared and paid in full; and (b) the amounts that would be payable in respect of the return of capital as if all such amounts were paid in full; provided that if there are insufficient assets to satisfy all such claims, the claims of the holders of the Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining shall be applied towards the payment and satisfaction of claims in respect of dividends. After payment to the holders of any series of Preferred Shares of the amount so payable to such holders as herein provided, the holders of such series of Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation in the event of the liquidation, dissolution or winding up of the Corporation.

Conversion Rights

9. No series of Preferred Shares shall be convertible into any other class of shares of the Corporation.

Redemption

10. Each series of Preferred Shares shall be redeemable by the Corporation on such terms as determined by the board of directors of the Corporation.

Voting Rights

11. Holders of any series of Preferred Shares shall not be entitled to receive notice of, to attend or to vote at any shareholders' meeting of the Corporation except: (a) as provided by law; or (b) upon an event of default by the Corporation where the board of directors of the Corporation has not declared the whole dividend on the particular series of Preferred Shares in any period and in that event, such holders shall be entitled to receive notice of, to attend and to vote at the shareholders' meetings (with one vote for each share held), which voting rights shall cease upon payment by the Corporation of the dividend to which holders are entitled.

Variation of Rights

12. The provisions of the Preferred Shares and any series thereof may be amended or repealed at any time with such approval as may be required by law.

Limitation on Number of Preferred Shares to be Issued

13. Whenever a share of any series of Preferred Shares is to be issued, the aggregate number of Preferred Shares of such series to be issued shall not exceed that number that is equal to: (A) (i) 25% of the Common Share Market Capitalization as of the Measurement Time, minus (ii) the Preferred Share Market Capitalization as of the Measurement Time, all divided by (B) the issuance price per share of the series of Preferred Shares to be issued.

“Common Share Market Capitalization” means the aggregate value of the Corporation's Common Shares and Non-Voting Common Shares issued and outstanding as of the Measurement Time calculated based on the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (or any successor exchange thereto on which the Common Shares may then be traded) for the five (5) trading days immediately preceding the Measurement Time.

“Preferred Share Market Capitalization” means the aggregate value of all Preferred Shares of all series issued and outstanding as of the Measurement Time calculated based on the issuance price per share of each such Preferred Share.

“Measurement Time” means 5:00 p.m. (Toronto time) on the date on which the board of directors of the Corporation determines the issuance price per share of the series of Preferred Shares to be issued.

E. SPECIAL SHARES

The Special Shares shall carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Definitions

1. For the purposes of this Section E, the following words and phrases shall have the following meanings:
- (a) **“Butterfly Proportion”** means the fraction A/B where:
 - (i) A = the Net Fair Market Value of the Transferred Property to be transferred by the Corporation to Newco as described in Section 2.03(g) of the Plan of Arrangement, determined immediately before such transfer; and
 - (ii) B = the Net Fair Market Value of all property owned by the Corporation, determined immediately before the transfer of the Transferred Property by the Corporation to Newco as described in Section 2.03(g) of the Plan of Arrangement.
 - (b) **“Dividend Payment Date”** means the last day of the Corporation's fiscal year.
 - (c) **“MLF Common Shares”** has the meaning attributed to such term in the Plan of Arrangement.
 - (d) **“Net Fair Market Value”** of any property shall be determined in accordance with all administrative policies of the Canada Revenue Agency and net of related liabilities, if any.
 - (e) **“Newco”** has the meaning attributed to such term in the Plan of Arrangement.
 - (f) **“Period End Date”** has the meaning attributed to such term in paragraph 2 below.
 - (g) **“Plan of Arrangement”** means the Plan of Arrangement to which this Exhibit I is attached.
 - (h) **“Prime Rate”** means, on any day, the annual prime commercial lending rate of interest established and announced as the reference rate of interest used by the Royal Bank of Canada on such day to determine the rates of interest on Canadian dollar loans to customers in Canada and designated by the Royal Bank of Canada as its prime rate.

- (i) **“Redemption Amount”** has the meaning attributed to such term in paragraph 4 below.
- (j) **“Retraction Date”** has the meaning attributed to such term in paragraph 5 below.
- (k) **“Transferred Property”** has the meaning attributed to such term in the Plan of Arrangement.

Dividends

2. The holders of the Special Shares will be entitled to receive, as and when declared by the board of directors of the Corporation and in priority to any payment of dividends on the Common Shares of the Corporation, the Non-Voting Common Shares of the Corporation, the Arrangement Common Shares of the Corporation, or the Preferred Shares of the Corporation, fixed, preferential, non-cumulative, cash dividends equal to the Redemption Amount multiplied by the Prime Rate as of the Dividend Payment Date, payable per annum on the Dividend Payment Date. The holders of the Special Shares shall not be entitled to any dividend other than or in excess of the non-cumulative cash dividends provided for above. If within three months after the expiration of any fiscal year of the Corporation the board of directors of the Corporation in its discretion shall not have declared the said fixed preferential dividend or any part thereof on the Special Shares for such fiscal year then the rights of the holders of the Special Shares to such dividend or any undeclared part thereof shall be forever extinguished. For any period which is less than a full year with respect to any Special Share which is issued, redeemed or repurchased during such year, dividends shall be deemed to accrue on a daily basis and shall be equal to the product of $A \times B \times C$, where: A = the Redemption Amount; B = the Prime Rate as of the Period End Date; and C = a fraction of which the numerator is the number of days in such period (including the day at the beginning of such period and excluding the day at the end of such period (the **“Period End Date”**)) and of which the denominator is the number of days in such year (including the day at the beginning thereof and excluding the Dividend Payment Date at the end thereof). If, by reason of insolvency provisions of applicable law or for any other reason, on any Dividend Payment Date the dividends declared as of such date are not paid in full on all of the Special Shares then outstanding, such unpaid dividends shall be paid on a subsequent date or dates determined by the board of directors of the Corporation. The board of directors of the Corporation may, in its sole discretion, declare dividends on the Special Shares to the exclusion of any other class of shares of the Corporation.

Liquidation, Dissolution or Winding Up

3. In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Special Shares will be entitled to receive, before any amount shall be paid by the Corporation, or any assets of the Corporation shall be distributed, to the holders of Common Shares of the Corporation, the Non-Voting Common Shares of the Corporation, the Arrangement Common Shares of the Corporation, or the Preferred Shares of the Corporation, an amount equal to the Redemption Amount in respect of each Special Share held by them, respectively, to the extent of the amount or value of the assets of the Corporation available under applicable law for payment to holders of shares of the Corporation upon liquidation, dissolution or winding up of the Corporation. After payment to the holders of the Special Shares of the amount provided above in this paragraph 3 such holders will not be entitled to share in any further distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs.

Redemption by Corporation

4. The Corporation may redeem at any time the whole, or from time to time any part, of the then issued and outstanding Special Shares from the holders thereof on payment (which may, at the discretion of the Corporation, be made through the issuance of a promissory note or promissory notes) of: (a) an amount for each Special Share to be redeemed equal to the aggregate fair market value of all of the issued and outstanding MLF Common Shares as of immediately before the completion of the transactions contemplated by Section 2.03(c) of the Plan of Arrangement multiplied by the Butterfly Proportion and then divided by the number of Special Shares issued pursuant to Section 2.03(c) of the Plan of Arrangement; and (b) all declared and unpaid dividends on such Special Share (collectively, the **“Redemption Amount”**).

Retraction by Holder

5. Subject to applicable law, a holder of Special Shares will be entitled to require the Corporation to redeem, at any time, all or any of the Special Shares held by such holder, by tendering to the Corporation at its registered office a share certificate or certificates representing the Special Shares that the holder wishes to have the Corporation redeem together with a written request specifying the number of Special Shares to be redeemed and the business day (referred to herein as the “**Retraction Date**”) on which the holder wishes to have the Corporation redeem the Special Shares. Following receipt of such share certificate or certificates and written request, the Corporation will, on the Retraction Date (or as soon as practicable thereafter), redeem such Special Shares by paying to the holder the Redemption Amount for each Special Share so redeemed.

Cancellation

6. Any Special Shares that are redeemed by the Corporation as aforesaid will for all purposes be considered to have been redeemed on, and will be cancelled concurrently with, the payment of the Redemption Amount by the Corporation to or for the benefit of the holder thereof.

No Dilution

7. For so long as any Special Shares are outstanding, the Corporation will not: (a) declare or pay any dividend on the common shares of the Corporation or the Arrangement Common Shares of the Corporation; or (b) redeem, purchase for cancellation or otherwise acquire any common shares of the Corporation or Arrangement Common Shares of the Corporation, if, in the opinion of the board of directors, the payment of such dividend or the consideration payable in connection with such redemption, purchase or other acquisition, as the case may be, would reduce the net realizable value of the assets of the Corporation (after taking into account all liabilities of the Corporation) to an amount that is less than the product of the Redemption Amount of each Special Share multiplied by the number of Special Shares outstanding immediately before the time of payment of such dividend or consideration, as the case may be.

Voting Rights

8. Subject to applicable law, holders of Special Shares will not be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation and will not be entitled to vote at any such meeting.

Specified Amount

9. For the purposes of Section 191(4) of the *Income Tax Act* (Canada), the amount specified in respect of the redemption, acquisition or cancellation of each Special Share shall be the amount specified by a director or an officer of the Corporation in a certificate that is made (a) effective concurrently with the issuance of such Special Share; and (b) pursuant to a resolution of the board of directors duly passed and evidenced in writing authorizing the issuance of such Special Share, such amount to be expressed as a dollar amount (and not expressed as a formula) and shall be equal to the fair market value of the consideration for which such Special Share is issued.

EXHIBIT II

INITIAL AMENDMENT TO THE ARTICLES OF 16923534 CANADA INC.

A. COMMON SHARES

The common shares of the Corporation shall entitle the holders thereof to vote, on the basis of one vote per common share, at all meetings of shareholders, except meetings at which only holders of another specified class of shares are entitled to vote, and shall, subject to the rights, privileges, restrictions and conditions attaching to the Preferred Shares, whether as a class or a series, and to any other class or series of shares of the Corporation which rank prior to the common shares, entitle the holders thereof to receive (a) dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amount and payable at such times and at such place or places as the board of directors may from time to time determine and (b) the remaining property of the Corporation upon a dissolution.

B. PREFERRED SHARES

The Preferred Shares shall carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Definitions

1. For the purposes of this Section B, the following words and phrases shall have the following meanings:
 - (a) **"Dividend Payment Date"** means the last day of the Corporation's fiscal year.
 - (b) **"Period End Date"** has the meaning attributed to such term in paragraph 2 below.
 - (c) **"Plan of Arrangement"** means the Plan of Arrangement to which this Exhibit II is attached.
 - (d) **"Prime Rate"** means, on any day, the annual prime commercial lending rate of interest established and announced as the reference rate of interest used by the Royal Bank of Canada on such day to determine the rates of interest on Canadian dollar loans to customers in Canada and designated by the Royal Bank of Canada as its prime rate.
 - (e) **"Redemption Amount"** has the meaning attributed to such term in paragraph 4 below.
 - (f) **"Retraction Date"** has the meaning attributed to such term in paragraph 5 below.
 - (g) **"Transferred Property"** has the meaning attributed to such term in the Plan of Arrangement.

Dividends

2. The holders of the Preferred Shares will be entitled to receive, as and when declared by the board of directors of the Corporation and in priority to any payment of dividends on the common shares of the Corporation, fixed, preferential, non-cumulative, cash dividends equal to the Redemption Amount multiplied by the Prime Rate as of the Dividend Payment Date, payable per annum on the Dividend Payment Date. The holders of the Preferred Shares shall not be entitled to any dividend other than or in excess of the non-cumulative cash dividends provided for above. If within three months after the expiration of any fiscal year of the Corporation the board of directors of the Corporation in its discretion shall not have declared the said fixed preferential dividend or any part thereof on the Preferred Shares for such fiscal year then the rights of the holders of the Preferred Shares to such dividend or any undeclared part thereof shall be forever extinguished. For any period which is less than a full year with respect to any Preferred Share which is issued, redeemed or repurchased during such year, dividends shall be deemed to accrue on a daily basis and shall be equal to the product of $A \times B \times C$, where: A = the Redemption Amount; B = the Prime Rate as of the Period End Date; and C = a fraction of which the numerator is the number of days in such period (including the day at the beginning of such period and excluding the day at the end of such period (the

“**Period End Date**”)) and of which the denominator is the number of days in such year (including the day at the beginning thereof and excluding the Dividend Payment Date at the end thereof). If, by reason of insolvency provisions of applicable law or for any other reason, on any Dividend Payment Date the dividends declared as of such date are not paid in full on all of the Preferred Shares then outstanding, such unpaid dividends shall be paid on a subsequent date or dates determined by the board of directors of the Corporation. The board of directors of the Corporation may, in its sole discretion, declare dividends on the Preferred Shares to the exclusion of any other class of shares of the Corporation.

Liquidation, Dissolution or Winding Up

3. In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Preferred Shares will be entitled to receive, before any amount shall be paid by the Corporation, or any assets of the Corporation shall be distributed, to the holders of common shares of the Corporation or holders of any other shares of any other class of the Corporation, an amount equal to the Redemption Amount in respect of each Preferred Share held by them, respectively, to the extent of the amount or value of the assets of the Corporation available under applicable law for payment to holders of shares of the Corporation upon liquidation, dissolution or winding up of the Corporation. After payment to the holders of the Preferred Shares of the amount provided above in this paragraph 3, such holders will not be entitled to share in any further distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs.

Redemption by Corporation

4. The Corporation may redeem at any time the whole, or from time to time any part, of the then issued and outstanding Preferred Shares from the holders thereof on payment (which may, at the discretion of the Corporation, be made through the issuance of a promissory note or promissory notes) of: (a) an amount for each Preferred Share to be redeemed equal to the net fair market value of Transferred Property received by the Corporation pursuant to Section 2.03(g) of the Plan of Arrangement, divided by the number of Preferred Shares issued pursuant to Section 2.03(g) of the Plan of Arrangement; and (b) all declared and unpaid dividends on such Preferred Share (collectively, the “**Redemption Amount**”).

Retraction by Holder

5. Subject to applicable law, a holder of Preferred Shares will be entitled to require the Corporation to redeem, at any time, all or any of the Preferred Shares held by such holder, by tendering to the Corporation at its registered office a share certificate or certificates representing the Preferred Shares that the holder wishes to have the Corporation redeem together with a written request specifying the number of Preferred Shares to be redeemed and the business day (referred to herein as the “**Retraction Date**”) on which the holder wishes to have the Corporation redeem the Preferred Shares. Following receipt of such share certificate or certificates and written request, the Corporation will, on the Retraction Date (or as soon as practicable thereafter), redeem such Preferred Shares by paying to the holder the Redemption Amount for each Preferred Share so redeemed.

Cancellation

6. Any Preferred Shares that are redeemed by the Corporation as aforesaid will for all purposes be considered to have been redeemed on, and will be cancelled concurrently with, the payment of the Redemption Amount by the Corporation to or for the benefit of the holder thereof.

No Dilution

7. For so long as any Preferred Shares are outstanding, the Corporation will not: (a) declare or pay any dividend on the shares of any other class of the Corporation; or (b) redeem, purchase for cancellation or otherwise acquire any shares of any other class of the Corporation, if, in the opinion of the board of directors, the payment of such dividend or the consideration payable in connection with such redemption, purchase or other acquisition, as the case may be, would reduce the net realizable value of the assets of the Corporation (after taking into account all liabilities of the Corporation) to an amount that is less than the

product of the Redemption Amount of each Preferred Share multiplied by the number of Preferred Shares outstanding immediately before the time of payment of such dividend or consideration, as the case may be.

Voting Rights

8. Subject to applicable law, holders of the Preferred Shares will not be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation and will not be entitled to vote at any such meeting.

Specified Amount

9. For the purposes of Section 191(4) of the *Income Tax Act* (Canada), the amount specified in respect of the redemption, acquisition or cancellation of each Preferred Share shall be the amount specified by a director or an officer of the Corporation in a certificate that is made (a) effective concurrently with the issuance of such Preferred Share; and (b) pursuant to a resolution of the board of directors duly passed and evidenced in writing authorizing the issuance of such Preferred Share, such amount to be expressed as a dollar amount (and not expressed as a formula) and shall be equal to the fair market value of the consideration for which such Preferred Share is issued.

EXHIBIT III

ARTICLES OF CANADA PACKERS INC.

A. COMMON SHARES

The common shares of the Corporation shall entitle the holders thereof to vote, on the basis of one vote per common share, at all meetings of shareholders, except meetings at which only holders of another specified class of shares are entitled to vote, and shall, subject to the rights, privileges, restrictions and conditions attaching to the Preferred Shares, whether as a class or a series, and to any other class or series of shares of the Corporation which rank prior to the common shares, entitle the holders thereof to receive (a) dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amount and payable at such times and at such place or places as the board of directors may from time to time determine and (b) the remaining property of the Corporation upon a dissolution.

B. PREFERRED SHARES

The Preferred Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Directors' Authority to Issue in One or More Series

1. The Preferred Shares may at any time and from time to time be issued in one or more series. Prior to the issue of Preferred Shares of any series, the directors of the Corporation shall, subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares as a class, the articles of the Corporation and the provisions of the *Canada Business Corporations Act*, by resolution amend the articles of the Corporation to fix the number of Preferred Shares in such series and determine the designation of, and the rights, restrictions, privileges and conditions attached to, the Preferred Shares of such series including, without limitation:
 - (a) the rate, amount or method of calculation of any dividends and whether such rate, amount or method of calculation is subject to adjustment;
 - (b) whether any dividends are cumulative, partly cumulative or non-cumulative;
 - (c) the dates, manner and currency of payments of any dividends and the date from which any dividends accrue or become payable;
 - (d) if redeemable, retractable or purchasable (whether at the option of the Corporation or the holder or otherwise), the redemption, retraction or purchase prices and currency or currencies thereof and the terms and conditions of redemption or purchase, with or without any provision for sinking or similar funds;
 - (e) any rights of conversion, exchange or reclassification and the terms and conditions of such rights; and
 - (f) any other rights, privileges, restrictions and conditions not inconsistent with these provisions;

the whole subject to receipt by the Director appointed under the *Canada Business Corporations Act* of articles of amendment designating and fixing the number of Preferred Shares in such series and setting forth the rights, privileges, restrictions and conditions attached thereto and the issue by the Director of a certificate of amendment with respect thereto.

Ranking of Preferred Shares of Each Series

2. The Preferred Shares of each series shall with respect to the payment of dividends and the distribution of the assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation for the purpose

of winding up its affairs, rank (a) on a parity with the Preferred Shares of every other series and (b) senior to the shares of any other class ranking junior to the Preferred Shares. The Preferred Shares of any series shall also be entitled to such other preferences, not inconsistent with these provisions, over the shares of any other class ranking junior to the Preferred Shares as may be fixed in accordance with section 1 above.

Voting Rights

3. Except as hereinafter specifically provided, as required by the *Canada Business Corporations Act*, by law or as may be required by an order of a court of competent jurisdiction or in accordance with any voting rights which may be attached to any series of Preferred Shares, the holders of Preferred Shares shall not be entitled as such to receive notice of, or attend, any meeting of shareholders of the Corporation and shall not be entitled to vote at any meeting. The holders of Preferred Shares or any series thereof shall not, unless the rights, privileges, restrictions and conditions attached to any particular series thereof provide to the contrary, be entitled to vote separately as a class or series on any proposal to amend the articles of the Corporation referred to in paragraph (a), (b) or (e) of subsection 176(1) of the *Canada Business Corporations Act*. In the event of any meeting of the holders of Preferred Shares, or any series thereof, each holder of Preferred Shares shall be entitled to one vote in respect of each Preferred Share held. Any approval required to be given by the holders of Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by a resolution signed by all the holders of the then outstanding Preferred Shares or by a resolution passed by the affirmative vote of not less than 66⅔% of the votes cast by holders of Preferred Shares who voted in respect of that resolution at a meeting of the holders of Preferred Shares called and held for such purpose in accordance with the by-laws of the Corporation at which holders of not less than twenty-five percent (25%) of the then outstanding Preferred Shares are present in person or represented by proxy; provided that, if at any such meeting a quorum is not present within one-half hour after the time appointed for such meeting, the meeting shall be adjourned to the same day in the next week at the same time and to such place as the chairman of the meeting may determine and, subject to the provisions of the *Canada Business Corporations Act*, it shall not be necessary to give notice of such adjourned meeting. At such adjourned meeting the holders of Preferred Shares present in person or represented by proxy shall constitute a quorum and may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than 66⅔% of the votes cast by the holders of Preferred Shares at such meeting shall constitute the approval of the holders of Preferred Shares. Subject to the foregoing, the formalities to be observed with respect to proxies, the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed in the *Canada Business Corporations Act* and the by-laws of the Corporation with respect to meetings of shareholders.

EXHIBIT IV

CANADA PACKERS INC.

BY-LAW NUMBER 1

A By-law relating generally to
the transaction of the business
and affairs of
Canada Packers Inc.

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1 - INTERPRETATION

1.1 Definitions - In this by-law and all other by-laws of the Corporation:

- (a) “the Act” means the *Canada Business Corporations Act* or any statute which may be substituted therefor, including the regulations thereunder, as amended from time to time;
- (b) “articles” means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution or articles of revival of the Corporation and includes any amendments thereto;
- (c) “board” means the board of directors of the Corporation;
- (d) “business day” means a day other than a “non-business day”;
- (e) “Corporation” means Canada Packers Inc.;
- (f) “meeting of shareholders” means an annual meeting of shareholders or a special meeting of shareholders;
- (g) “non-business day” means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act* (Canada);
- (h) “officer” means any individual appointed as an officer by the board under the provisions of Section 6.1;
- (i) “person” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;
- (j) words importing the singular number also include the plural and vice-versa; words importing the masculine gender include the feminine and neuter genders;
- (k) subject to the foregoing, all words used in this by-law and defined in the Act shall have the meanings given to such words in the Act or in the related Parts thereof.

2 - GENERAL BUSINESS

2.1 Registered Office - Until changed in accordance with the Act, the registered office of the Corporation shall be in the province within Canada specified in the articles and at such place and address therein as the board may from time to time determine.

2.2 Corporate Seal - The Corporation may have a corporate seal which shall be adopted and may be changed by the board.

2.3 Financial Year - The financial year of the Corporation shall end on the last Sunday in December of each year or on any other date fixed from time to time by a resolution of the board.

2.4 Execution of Instruments - The board shall from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed or executed on behalf of the Corporation. Notwithstanding the generality of the foregoing, the board may permit or direct that:

- (a) subject to the Act, any instrument or document required or permitted to be executed by one or more persons on behalf of the Corporation may be signed by means of secure electronic signature (as defined in the Act) or facsimile;
- (b) any instrument or document required or permitted to be executed by one or more persons may be executed in separate counterparts, each of which when duly executed, whether manually or

electronically, by one or more of such persons, shall be an original and all such counterparts together shall constitute one and the same such instrument or document; and

- (c) subject to the Act, wherever a notice, resolution, requisition, statement or other document or other information is required to be created in writing, that requirement be satisfied by the creation of an electronic document.

Where appropriate such instruments may be executed under the corporate seal.

2.5 Authority to Act for Corporation - The board shall from time to time and on such terms and conditions as it may specify authorize any person or class of persons, for and on behalf of the Corporation:

- (a) to make, enter into, execute and deliver any and all leases, extensions and renewals of leases, deeds, assignments, transfers, discharges, releases and main levées;
- (b) to acquire, to dispose of or to take security upon any property whether real or personal, movable or immovable;
- (c) to grant security on any property whether real or personal, movable or immovable;
- (d) to surrender or release security upon any property whether real or personal, movable or immovable; and
- (e) to do any one or more of the foregoing acts relating to any class of transactions or matters.

2.6 Delegation - Subject to the Act, the board may from time to time delegate to a director, a committee of directors or an officer of the Corporation or such other person or persons so designated by the board all or any of the powers conferred on the board by Section 3.1 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

3 - BORROWING AND BANKING

3.1 Borrowing - Without limit to the powers of the board as provided in the Act, the board may from time to time on behalf of the Corporation:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge debt obligations of the Corporation;
- (c) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation; and
- (d) give, directly or indirectly, financial assistance to any person by means of a loan, or guarantee to secure the performance of an obligation or otherwise.

3.2 Banking Arrangements - The banking business of the Corporation, or of any part or division of the Corporation, shall be transacted with such bank, trust company or other firm or body corporate as the board may designate, appoint or authorize from time to time and all such banking business, or any part thereof, shall be transacted on the Corporation's behalf by such one or more officers or other persons as the board may designate, direct or authorize from time to time and to the extent thereby provided. Notwithstanding the generality of the foregoing, the board may delegate to officers of the Corporation the authority to designate the employees, by name or by title, who may sign jointly, cheques or other instruments of payment of the Corporation.

4 - DIRECTORS

4.1 Duties of Directors - The board shall manage or supervise the management of, the business and affairs of the Corporation.

4.2 Quorum - Subject to the Act, a majority of the number of directors fixed or elected by shareholders from time to time shall constitute a quorum for the transaction of business. Notwithstanding vacancies, a quorum of directors may exercise all the powers of the board.

4.3 Meetings by Telephone, Electronic or other Communication Facility - Subject to the Act, if all of the directors of the Corporation consent, a director may participate in a meeting of directors or of a committee of directors by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board held while a director holds office.

4.4 Place of Meetings - Meetings of the board may be held at the registered office of the Corporation or at any other place within or outside Canada.

4.5 Calling of Meetings - Meetings of the board shall be held from time to time at such place, on such day and at such time as the board, the chairman of the board, the chief executive officer or any two directors may determine.

4.6 Notice of Meetings - Notice of the time and place of each meeting of the board shall be given in writing, including by electronic means or by facsimile, to each director not less than 48 hours, exclusive of non-business days, before the time when the meeting is to be held. To the extent feasible, the Notice of Meeting shall specify the business to be transacted at the meeting. A majority of the directors may determine that a matter may be dealt with at the meeting notwithstanding the failure to provide notice to directors in the manner specified in this Section 4.6.

4.7 First Meeting of New Board - Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting following the meeting of shareholders at which such board is elected.

4.8 Votes to Govern - At all meetings of the board any question shall be decided by a majority of the votes cast on the question and in the case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. Any question at a meeting of the board shall be decided by a show of hands unless a ballot is required or demanded.

4.9 Conflict of Interest - A director or an officer of the Corporation who is a party to or is a director or officer of or has a material interest in any person who is a party to a material contract or material transaction or proposed material contract or proposed material transaction with the Corporation shall disclose the nature and extent of his interest in writing to the Corporation or request that such information be entered in minutes of meetings of the board in a manner specified by the board and such officer or director shall otherwise comply with the provisions of the Act. For purposes of this Section 4.9, a "material contract" or "material transaction" is one that is material to the Corporation or is material to the director or officer.

5 - COMMITTEES

5.1 Committees of Directors - The board may appoint a committee or committees of directors, however designated, and, subject to the Act, may delegate to such committee or committees any of the powers of the board.

5.2 Procedure - Unless otherwise provided in the by-laws or determined by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure. Unless otherwise determined by the board, the provisions of Sections 4.3, 4.4, 4.5, 4.6 and 4.8 shall apply equally to meetings of each committee.

6 - OFFICERS

6.1 Appointment of Officers - Subject to Sections 6.2 and 6.3 the board may from time to time appoint such officers as the board may determine. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation.

6.2 Chief Executive Officer - The board shall designate a chief executive officer. The chief executive officer shall have general supervision of the business and affairs of the Corporation, subject to the direction of the board.

6.3 Secretary - The secretary shall attend and be the secretary of all meetings of the board and shareholders; shall give or cause to be given notice of such meetings; and shall be the custodian of the corporate seal and of the records and contracts, documents and other instruments of the Corporation except when some other person has been designated for that purpose by the board.

6.4 Term of Office - Every officer shall hold office at the pleasure of the board.

7 - PROTECTION OF DIRECTORS AND OFFICERS

7.1 Indemnity of Directors and Officers

- (a) The Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer or an individual acting in a similar capacity, of another entity against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by such individual in respect of any civil, criminal or administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.
- (b) The Corporation may advance moneys to such individual for the costs, charges and expenses of a proceeding referred to in (a) provided such individual agrees in advance, in writing, to repay the moneys if the individual does not fulfil the condition of paragraph (c).
- (c) The Corporation may not indemnify an individual under paragraph (a) unless the individual:
 - (i) acted honestly and in good faith with a view to the best interests of the Corporation or other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request, as the case may be; and
 - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful.
- (d) The Corporation may also seek the approval of a court to indemnify an individual referred to in paragraph (a), or advance monies under paragraph (b) in respect of an action by or on behalf of the Corporation or other entity to procure a judgment in its favour, to which such individual is made a party because of the individual's association with the Corporation or other entity as described in paragraph (a) against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in paragraph (c).
- (e) Despite paragraph (a), an individual referred to in that paragraph is entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defence of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the Corporation or other entity as described in paragraph (a), if the individual seeking indemnity:
 - (i) was not adjudged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and
 - (ii) fulfils the conditions set out in paragraph (c).

7.2 Insurance - The Corporation may purchase and maintain insurance for the benefit of an individual referred to in this Section 7 against any liability incurred by the individual:

- (a) in the individual's capacity as a director or officer or former director or officer of the Corporation; or
- (b) in the individual's capacity as a director or officer or former director or officer, or similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

7.3 Indemnification Not Exclusive - Each of the provisions of this Article 7 shall be in addition to and not in substitution for or derogation from any rights to which any person referred to herein may otherwise be entitled.

8 - MEETINGS OF SHAREHOLDERS

8.1 Annual Meetings - Subject to the Act, the annual meeting of shareholders shall be held on such day and at such time in each year as the board may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

8.2 Special Meetings - Subject to the Act, the board may at any time call a special meeting of shareholders to be held on such day and at such time as the board may determine for the purposes specified by the board and for the transaction of such other business as may be properly brought before the meeting.

8.3 Notice of Meeting - Notice of the time and place for holding a meeting of shareholders shall be given in the manner provided in Section 11.1 of this by-law not more than 50 days and not fewer than 21 days before the date of the meeting (or within such other time limits as may be prescribed by any other applicable statute or rule or regulation of a stock exchange) to each shareholder entitled to vote at the meeting, to each director and to the auditor of the Corporation.

8.4 Place of Meetings - Subject to the Act, meetings of shareholders shall be held at such place within Canada as the directors shall determine or at any place outside Canada that may be specified in the articles.

8.5 Participation in Meeting by Electronic Means - Subject to the Act, any person entitled to attend a meeting of shareholders may participate in the meeting, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes such a communication facility available. A person participating in a meeting by such means is deemed for the purposes of the Act to be present at the meeting.

8.6 Chairman and Secretary - The chairman of the board or, in the chairman's absence, the vice chairman, if any, or in the vice chairman's absence, the chief executive officer, or in the chief executive officer's absence, the president or in the president's absence, a vice-president shall be chairman of any meeting of shareholders and, if none of the said officers be present within 15 minutes after the time appointed for holding the meeting, the persons present and entitled to vote shall choose a chairman from amongst themselves. The secretary of the Corporation shall act as secretary at any meeting of shareholders or, if the secretary of the Corporation be absent, the chairman of the meeting shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by the chairman with the consent of the meeting.

8.7 Persons Entitled to be Present - The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

8.8 Quorum - At any meeting of shareholders, a quorum shall be at least two (2) persons present in person or represented by proxy holding or representing by proxy not less than one-third (1/3) of the shares entitled to be voted thereat. A quorum need not be present throughout the meeting provided a quorum is present at the opening of the meeting.

8.9 Proxies and Representatives - A shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the power conferred by the proxy.

8.10 Time for Deposit of Proxies - The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours, exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so

specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, it shall have been received by the secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

8.11 Voting - Subject to the Act, every matter at a meeting of shareholders shall be decided by a show of hands unless a ballot is required by the chairman or demanded by any person entitled to vote. Upon a show of hands every person entitled to vote shall have one vote. After a vote by a show of hands has been taken the chairman may still require or any person entitled to vote may still demand a ballot thereon. Whenever a vote by show of hands has been taken, unless a ballot is required or demanded, a declaration by the chairman of the meeting that the vote upon the matter has been carried or carried by a particular majority or not carried, and an entry to that effect in the minutes of the meeting, shall be, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution. Subject to the Act, any vote may be held entirely by means of a telephonic, electronic or other communication facility if the Corporation makes available such a communication facility. Subject to the Act, any person participating in a meeting of shareholders electronically and entitled to vote at the meeting may vote by means of the telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

8.12 Casting Vote - In case of an equality of votes at any meeting of shareholders either upon a show of hands or upon a ballot, the chairman of the meeting shall not be entitled to a second or casting vote.

8.13 Ballots - On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chairman may require, or any shareholder or proxyholder entitled to vote at the meeting may demand, a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which each person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

9 - SHARES

9.1 Securities Records - The Corporation shall maintain a register of shares and other securities in which it records the shares and other securities issued by it in registered form, showing with respect to each class or series of shares and other securities:

- (a) the names, alphabetically arranged, and the latest known address of each person who is or has been a holder;
- (b) the number of shares or other securities held by each holder; and
- (c) the date and particulars of the issue and transfer of each share or other security.

9.2 Transfer Agent and Registrar - The board may appoint, remove or replace a transfer agent or a registrar and one or more branch transfer agents or registrars to maintain a central securities register and branch securities registers.

9.3 Registered Owner of Shares - Subject to the provisions of the Act, the Corporation may treat the registered owner of a share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payments in respect thereof and otherwise to exercise all the rights and powers of an owner of a share.

9.4 Share Certificates - Unless otherwise ordered by the board, any share certificates shall be signed by any director or officer of the Corporation and need not be under corporate seal. Signatures may be printed or otherwise mechanically reproduced on the share certificates and every such signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. Share certificates representing shares in respect of which a transfer agent has been appointed shall be countersigned manually by or on behalf of such transfer agent. If a share certificate contains a printed or mechanically reproduced signature of a person, the Corporation may issue the share certificate, notwithstanding that the person has ceased to be a director or an officer of the Corporation, and the share certificate is as valid as if the person were a director or an officer at the date of its issue.

10 - DIVIDENDS AND RIGHTS

10.1 Dividends - Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

10.2 Record Date for Dividends - The board may fix in advance a date, preceding the date for the payment of any dividend by not more than 50 days, for the determination of the persons entitled to receive payment of such dividend. Notice of such date shall be given not less than seven business days prior to such date by press release and by written notice to each stock exchange on which the shares of the Corporation are listed for trading.

10.3 Non-receipt of Payment - In the event of non-receipt or loss of any dividend payment by the person to whom it is sent, the Corporation shall issue to such person a replacement payment for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

10.4 Unclaimed Dividends - Any dividend unclaimed after a period of two years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

11 - MISCELLANEOUS

11.1 Method of Giving Notices

- (a) Any notice or other document to be given or sent by the Corporation to a shareholder, director or officer or to the auditor of the Corporation may be given or sent by prepaid mail addressed to, may be delivered personally to, or may be sent by means of fax, e-mail or other form of electronic transmission to, the person to whom it is to be given or sent at his latest address as shown in the records of the Corporation or its transfer agent or in any notice filed in accordance with the provisions of the Act.
- (b) To the extent permitted by law, in addition to the delivery methods set out in (a) above, any notice or other document to be given or sent by the Corporation to a shareholder may be sent by providing or posting the notice or other document on or making it available through a generally accessible electronic source and providing notice of the availability and location of the notice or other document to the shareholder via any of the methods specified in (a) above, including by mail, personal delivery, fax, e-mail or other form of electronic transmission. A notice or other document sent to a shareholder by posting it on or making it available through a generally accessible electronic source shall be deemed to be received on the day such person is sent notice of the availability and location of such notice or other document.

11.2 Waiver of Notice - Any shareholder (or such shareholder's duly appointed proxyholder), director, officer, auditor or member of a committee of the board may at any time waive the sending of any notice, or waive or abridge the time for any notice, required to be given to such person under any provision of the Act, the articles, the by-laws or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board which may be given in any manner. Attendance of a director at a meeting of directors or of a shareholder or any other person entitled to attend a meeting of shareholders is a waiver of notice of the meeting except where such director, shareholder or other person, as the case may be, attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

11.3 Omissions and Errors - The accidental omission to give notice to any shareholder, director or officer or to the auditor or the non-receipt of any notice or any error in a notice not affecting the substance thereof shall not invalidate any action taken at any meeting called by such notice or otherwise founded thereon. Any notice with respect to any shares registered in more than one name may, if more than one address appears on the books of the Corporation in respect of such joint holding, be given the joint shareholders at any such address.

11.4 Invalidity - The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

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EXHIBIT V

SUBSEQUENT AMENDMENT TO THE ARTICLES OF MAPLE LEAF FOODS INC.

A. COMMON SHARES

The Common Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Dividends

1. The Common Shares and the Non-Voting Common Shares of the Corporation shall participate equally as to dividends. All dividends which the board of directors of the Corporation shall determine to declare and pay, shall be declared and paid in equal amounts per share and at the same time on all Common Shares and Non-Voting Common Shares issued and outstanding without preference or distinction.

Voting Rights

2. The holders of the Common Shares shall be entitled to receive notice of, to attend, and to vote at all meetings of shareholders of the Corporation. At such meetings, the holders of the Common Shares shall be entitled to one vote for each Common Share held.

Parity on Liquidation and Dissolution

3. In the event of a liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, all of the property and assets of the Corporation available for distribution to the holders of the Common Shares and the holders of the Non-Voting Common Shares shall be paid or distributed equally, share for share, to the holders of the Common Shares and the holders of the Non-Voting Common Shares, respectively, without preference or distinction.

Equality of Shares

4. Except as provided for herein, each Common Share and each Non-Voting Common Share shall have the same rights and attributes and be the same in all respects. Upon any consolidation, subdivision, exchange, reclassification or cancellation of the Non-Voting Common Shares, an equivalent consolidation, subdivision, exchange, reclassification or cancellation shall be made to the Common Shares to preserve the equivalence of such classes of shares provided for herein.

B. NON-VOTING COMMON SHARES

The Non-Voting Common Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Dividends

1. The Non-Voting Common Shares and the Common Shares of the Corporation shall participate equally as to dividends. All dividends which the board of directors of the Corporation shall determine to declare and pay, shall be declared and paid in equal amounts per share and at the same time on all Non-Voting Common Shares and Common Shares issued and outstanding without preference or distinction.

Non-Voting Rights

2. Except as required by law, the holders of the Non-Voting Common Shares as a class shall not be entitled as such to vote at any meeting of the shareholders of the Corporation. The holders of the Non-Voting Common Shares shall be entitled to receive notice of and to attend meetings of holders of voting shares of the Corporation except meetings at which only holders of a specified class of shares are entitled to vote. The holders of Non-Voting Common Shares shall not be entitled to vote separately as a class, and shall

not be entitled to dissent, upon a proposal to amend the articles to: (a) increase or decrease any maximum number of authorized Non-Voting Common Shares resulting from a subdivision or consolidation respectively; (b) increase any maximum number of authorized shares of a class or series of a class having rights or privileges equal or superior to the Non-Voting Common Shares; (c) effect an exchange, reclassification or cancellation of the Non-Voting Common Shares; or (d) create a new class or series of a class of shares equal or superior to the Non-Voting Common Shares, unless the holders of Non-Voting Common Shares are being affected by such amendment in a manner differently from the holders of Common Shares.

Parity on Liquidation and Dissolution

3. In the event of a liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, all of the property and assets of the Corporation available for distribution to the holders of the Non-Voting Common Shares and the holders of the Common Shares shall be paid or distributed equally, share for share, to the holders of the Non-Voting Common Shares and the holders of the Common Shares, respectively, without preference or distinction.

Equality of Shares

4. Except as provided for herein, each Non-Voting Common Share and each Common Share shall have the same rights and attributes and be the same in all respects. Upon any consolidation, subdivision, exchange, reclassification or cancellation of the Common Shares, an equivalent consolidation, subdivision, exchange, reclassification or cancellation shall be made to the Non-Voting Common Shares to preserve the equivalence of such classes of shares provided for herein.

Conversion of Non-Voting Common Shares into Common Shares

5. The Non-Voting Common Shares, or any of them, may, upon and subject to the terms and conditions hereinafter set forth, be converted at any time by the holder or holders thereof into fully paid Common Shares of the Corporation as the same shall be constituted at the time of conversion on the basis of one (1) Common Share as presently constituted for one (1) Non-Voting Common Share; provided, however, that in the event of liquidation, dissolution or winding-up of the Corporation, such right of conversion shall cease and expire at noon on the business day next preceding the date of such liquidation, dissolution or winding-up. A holder of Non-Voting Common Shares desiring to convert such shares into Common Shares in accordance with the foregoing shall surrender the certificate or certificates representing the Non-Voting Common Shares to be converted to the registered office of the Corporation, accompanied by a request in writing for such conversion with the holder's signature thereon verified, and any other documentation as the directors of the Corporation may from time to time require, and thereupon there shall be issued to such holder by the Corporation, as fully paid and nonassessable, the number of Common Shares to which the holder is entitled to upon such conversion. Any such conversion of Non-Voting Common Shares into Common Shares shall be deemed to occur on the date such certificate, request in writing and other documentation is delivered to the registered office of the Corporation. The holder shall pay any governmental or other tax imposed on or in respect of such conversion. If only a part of the Non-Voting Common Shares represented by any certificate is to be converted, a new certificate for the balance of the Non-Voting Common Shares held by such shareholder shall be issued by the Corporation.

Automatic Conversion of Non-Voting Common Shares Upon Transfer

6. If, at any time, a holder of Non-Voting Common Shares transfers all or a portion of the Non-Voting Common Shares held by such holder, the shares being transferred shall be automatically converted upon such transfer into fully paid Common Shares of the Corporation on the basis of one Common Share for each Non-Voting Common Share simultaneously upon the completion of such transfer, without any further action by the Corporation or any other person, so that the transferee will be a holder of Common Shares in equal number to the Non-Voting Common Shares transferred by the transferor. Following the transfer, the transferee shall surrender to the registered office of the Corporation the certificate or certificates representing the Non-Voting Common Shares transferred by the transferor, accompanied by written evidence of the transfer, as the directors of the Corporation may from time to time require. Upon such

surrender, a new share certificate representing an equal number of Common Shares shall be issued to the transferee. If only a part of the Non-Voting Common Shares represented by a certificate were transferred, a new share certificate representing the number of Common Shares received by the transferee shall be issued by the Corporation. In addition, the Corporation shall issue to the transferor a new share certificate representing the portion of Non-Voting Common Shares evidenced by the original certificate which were not transferred by the transferor.

C. PREFERRED SHARES

The Preferred Shares shall, as a class, carry and be subject to the rights, privileges, restrictions and conditions hereinafter set forth:

Directors' Authority to Issue in One or More Series

1. The directors of the Corporation may issue the Preferred Shares at any time and from time to time in one or more series.

Terms of Each Series

2. Before the first shares of a particular series are issued, the board of directors of the Corporation shall, subject to the limitation on the number of Preferred Shares to be issued as set forth below, fix the number of shares in such series and shall determine, subject to any limitations set forth in these provisions as more fully set forth below, the designation, rights, privileges, restrictions and conditions attaching to the shares of such series including, without limitation, the rate and amount of any dividends to be declared, the method of calculation of such dividends and whether such rate, amount or method of calculation shall be subject to change or adjustment in the future, the currency or currencies of payment, the date or dates and place or places of payment thereof and the date or dates from which such dividends shall accrue, the terms of redemption, including the redemption price and other terms and conditions of redemption, the rights of retraction (if any) and the prices and other terms and conditions of any rights of retraction and whether any additional rights of retraction may be provided to such holders in the future, the voting rights and the conversion or exchange rights (if any) and any sinking fund, purchase fund or other provisions attaching thereto.

First Shares of Each Series

3. Before the issue of the first shares of a series, the board of directors of the Corporation shall send to the Director (as defined in the *Canada Business Corporations Act*) articles of amendment containing a description of such series including the designations, rights, privileges, restrictions and conditions determined by the directors.

Ranking of Each Series of Preferred Shares

4. No rights, privileges, restrictions or conditions attaching to a series of Preferred Shares shall confer upon a series a priority over any other series of Preferred Shares in respect of redemption, the payment of dividends, the return of capital or the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary. The Preferred Shares of each series shall rank on a parity with the Preferred Shares of every other series with respect to priority in redemption, the payment of dividends, the return of capital and in the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

Priority

5. Each series of Preferred Shares shall have priority over the Common Shares, the Non-Voting Common Shares and any other class of shares of the Corporation ranking junior to the Preferred Shares, and each series of Preferred Shares shall rank on parity with every other series of Preferred Shares, in each case with respect to redemption, the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

Other Preferences

6. The Preferred Shares of any series may also be given such other preferences, not inconsistent with the provisions hereof, over the Common Shares, the Non-Voting Common Shares and over any other class of shares of the Corporation ranking junior to the Preferred Shares as may be determined by the board of directors of the Corporation.

Dividends

7. The holders of each series of Preferred Shares shall be entitled to receive cumulative dividends as and when declared by the board of directors of the Corporation at a rate per share per annum as determined by the board of directors of the Corporation, acting in good faith, provided, such rate per annum does not exceed by more than 2% the yield to maturity of an unsecured bond with a Comparable Credit Rating issued by a Comparable Issuer on the Determination Date or such other date as close as practicable to such date, such bond having the same or as close as possible term to maturity as is equal to the period until the series of Preferred Shares are first redeemable in whole or in part. Dividends shall be payable at such places, at such times and with such frequency as may be determined by the board of directors of the Corporation. For purposes hereof:

“Comparable Issuer” refers to an issuer selected by the board of directors of the Corporation as being comparable to the Corporation in terms of industry focus and whose outstanding unsecured long-term debt securities have a Comparable Credit Rating.

“Comparable Credit Rating” means a credit rating that is the same or that is the closest as possible to the credit rating of the outstanding long-term debt securities of the Corporation.

“Determination Date” means the date the rights, privileges, restrictions and conditions attaching to the shares of such series of Preferred Shares are determined.

Participation

8. If any cumulative dividends or amounts payable on a return of capital in the event of the liquidation, dissolution or winding up of the Corporation in respect of a series of Preferred Shares are not paid in full, the Preferred Shares of all series shall participate rateably in: (a) the amounts that would be payable on such shares if all such dividends were declared and paid in full; and (b) the amounts that would be payable in respect of the return of capital as if all such amounts were paid in full; provided that if there are insufficient assets to satisfy all such claims, the claims of the holders of the Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining shall be applied towards the payment and satisfaction of claims in respect of dividends. After payment to the holders of any series of Preferred Shares of the amount so payable to such holders as herein provided, the holders of such series of Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation in the event of the liquidation, dissolution or winding up of the Corporation.

Conversion Rights

9. No series of Preferred Shares shall be convertible into any other class of shares of the Corporation.

Redemption

10. Each series of Preferred Shares shall be redeemable by the Corporation on such terms as determined by the board of directors of the Corporation.

Voting Rights

11. Holders of any series of Preferred Shares shall not be entitled to receive notice of, to attend or to vote at any shareholders' meeting of the Corporation except: (a) as provided by law; or (b) upon an event of default by the Corporation where the board of directors of the Corporation has not declared the whole dividend on the particular series of Preferred Shares in any period and in that event, such holders shall be entitled to

receive notice of, to attend and to vote at the shareholders' meetings (with one vote for each share held), which voting rights shall cease upon payment by the Corporation of the dividend to which holders are entitled.

Variation of Rights

12. The provisions of the Preferred Shares and any series thereof may be amended or repealed at any time with such approval as may be required by law.

Limitation on Number of Preferred Shares to be Issued

13. Whenever a share of any series of Preferred Shares is to be issued, the aggregate number of Preferred Shares of such series to be issued shall not exceed that number that is equal to: (A) (i) 25% of the Common Share Market Capitalization as of the Measurement Time, minus (ii) the Preferred Share Market Capitalization as of the Measurement Time, all divided by (B) the issuance price per share of the series of Preferred Shares to be issued.

"Common Share Market Capitalization" means the aggregate value of the Corporation's Common Shares and Non-Voting Common Shares issued and outstanding as of the Measurement Time calculated based on the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (or any successor exchange thereto on which the Common Shares may then be traded) for the five (5) trading days immediately preceding the Measurement Time.

"Preferred Share Market Capitalization" means the aggregate value of all Preferred Shares of all series issued and outstanding as of the Measurement Time calculated based on the issuance price per share of each such Preferred Share.

"Measurement Time" means 5:00 p.m. (Toronto time) on the date on which the board of directors of the Corporation determines the issuance price per share of the series of Preferred Shares to be issued.

SCHEDULE D: FAIRNESS OPINION

[See attached]



April 22, 2025

The Special Committee of the Board of Directors and the Board of Directors
Maple Leaf Foods Inc.
6897 Financial Drive
Mississauga, Ontario
L5N 0A8

To the Special Committee of the Board of Directors and the Board of Directors:

RBC Dominion Securities Inc. ("RBC"), a member company of RBC Capital Markets, understands that Maple Leaf Foods Inc. (the "Company") intends to effect a reorganization of the Company whereby the pork operations currently operated by the Company and its affiliates, which includes all the assets and liabilities pertaining thereto that are held, directly or indirectly, by the Company and its affiliates (but excluding the ham boning operations at the Lagimodiere prepared meats facility) (the "Business") are to be transferred to a new publicly-traded entity to be named Canada Packers Inc. ("Canada Packers"), and where 84.0% of the common shares of Canada Packers (the "Canada Packers Shares") will be distributed to the holders (the "Shareholders") of the common shares of the Company (the "Shares") on a pro-rata basis as a tax-deferred butterfly reorganization by way of a plan of arrangement (the "Transaction") (such Canada Packers Shares distributed and existing Shares held collectively referred to as the "Consideration"). The remaining 16.0% of the Canada Packers Shares will be retained by the Company upon completion of the Transaction. The terms of the Transaction will be more fully described in a management information circular (the "Circular"), which will be mailed to the Shareholders in connection with the Transaction.

The Company publicly announced its intention to spin out the Business on July 9, 2024. At the time it was expected that 80.1% of the common shares of the new publicly-traded entity would be distributed to Shareholders by way of a return of capital, with the remaining 19.9% of the common shares being retained by the Company (the "Proposed Transaction"). Following announcement the Company continued to evaluate and refine the optimal structure, terms and timing for implementing the proposed spin-out, and on November 6, 2024, the decision was made to pursue a tax-deferred butterfly reorganization.

RBC understands that McCain Capital ("MCI"), that holds approximately 39.49% of the issued and outstanding Shares, is expected to hold an approximate 33.17% interest in the Canada Packers Shares upon completion of the Transaction. RBC also understands that MCI, Michael Harrison McCain ("MHM" and together with MCI, the "McCain Parties"), Jonathan W. F. McCain ("JM") and the Company have entered into a support agreement (the "Support Agreement"), dated July 8, 2024 and amended and restated on November 12, 2024, pursuant to which the McCain Parties and the Company have agreed to enter into a governance agreement (the "Governance Agreement") with Canada Packers (the form of which is attached to the Support Agreement) upon closing of the Transaction which outlines the rights and obligations of the parties in relation to the governance of Canada Packers, including a commitment by the McCain Parties and the Company to hold the Canada Packers Shares received or

retained by them pursuant to the Transaction for 24 months following the closing of the Transaction. The Governance Agreement will also grant MCI certain investor rights including, but not limited to, the right to cause one of their nominees to serve as the Executive Chair of the board of directors of Canada Packers and consent rights for certain matters. RBC further understands that each of the McCain Parties and JM will enter into voting support agreements with the Company (each a "Voting Support Agreement") pursuant to which, among other things, the McCain Parties and JM will agree, subject to the terms and conditions of such Voting Support Agreement, to vote or cause to be voted the Shares owned, directly or indirectly, by them in favour of the Transaction. RBC also understands that the Company and Canada Packers will enter into an evergreen supply agreement (the "Supply Agreement") that will specify terms under which Canada Packers will supply pork product to the Company and the Company will provide brokerage services to Canada Packers upon closing of the Transaction.

RBC also understands that a committee (the "Special Committee") of the board of directors (the "Board") of the Company who are independent of the McCain Parties and JM has been constituted to consider the Transaction and make recommendations thereon to the Board. RBC was instructed by the Special Committee that the Transaction is a "business combination" within the meaning of MI 61-101. The Special Committee has retained RBC to provide advice and assistance to the Special Committee in evaluating the Transaction, including the preparation and delivery to the Special Committee and the Board of RBC's opinion (the "Fairness Opinion") as to the fairness of the Consideration to be received under the Transaction from a financial point of view to the Shareholders other than the McCain Parties, JM, Andover Capital Corporation, which is the registered holder of the common shares held by JM, any other entity controlled by any of such persons, and any person that is an officer or director of any of such persons ("Public Shareholders"). The Fairness Opinion has been prepared in accordance with the guidelines of the Investment Industry Regulatory Organization of Canada. RBC has not prepared a valuation of the Company, Canada Packers or any of their respective securities or assets and the Fairness Opinion should not be construed as such.

Engagement

The Special Committee initially contacted RBC regarding a potential advisory assignment in November 2021, and RBC was formally engaged by the Special Committee through an agreement between the Company and RBC dated November 24, 2021 that was subsequently extended on December 13, 2022, December 11, 2023, and December 11, 2024 (collectively the "Engagement Agreement"). Pursuant to the Engagement Agreement, RBC delivered to the Special Committee and the Board a fairness opinion, as of July 8, 2024, in respect of the Proposed Transaction. The terms of the Engagement Agreement provide that RBC is to be paid a fixed fee for each fairness opinion. In addition, RBC is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by the Company in certain circumstances. RBC consents to the inclusion of the Fairness Opinion in its entirety and a summary thereof in the Circular and to the filing thereof, as necessary, by the Company with the securities commissions or similar regulatory authorities in each province of Canada.

Relationship With Interested Parties

Neither RBC, nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, Canada Packers, MCI, or any of their respective associates or affiliates. RBC has not been engaged to provide any financial advisory services nor has it participated in any financing involving the Company, Canada Packers, MCI, or any of their respective associates or affiliates, within the past two years, other than the services provided under the Engagement Agreement and as described herein. In the past two years RBC acted as (i) co-lead arranger to the Company on the amendment and extension of a \$400 million term loan facility in April 2024, (ii) co-lead arranger to the Company on a \$400 million term loan facility in June 2023; and (iii) sole lender on four refinancing and upsizing transactions of \$76.7 million in term loan facilities, in

aggregate, for affiliates of MCI. There are no understandings, agreements or commitments between RBC and the Company, Canada Packers, MCI, or any of their respective associates or affiliates with respect to any future business dealings other than in relation to the refinancing, extension, and amendment of the credit facilities of the Company and Canada Packers contemplated to occur concurrent with the Transaction. RBC may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Company, Canada Packers, MCI, or any of their respective associates or affiliates. The compensation of RBC under the Engagement Agreement does not depend in whole or in part on the conclusions reached in the Fairness Opinion or the successful outcome of the Transaction. Royal Bank of Canada, controlling shareholder of RBC, provides banking services to the Company in the normal course of business.

RBC acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company, Canada Packers, any of their respective associates or affiliates, or any of the associates or affiliates of MCI and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, RBC conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, Canada Packers, or the Transaction.

Credentials of RBC Capital Markets

RBC is one of Canada's largest investment banking firms, with operations in all facets of corporate and government finance, corporate banking, mergers and acquisitions, equity and fixed income sales and trading and investment research. RBC Capital Markets also has significant operations in the United States and internationally. The Fairness Opinion expressed herein represents the opinion of RBC and the form and content herein have been approved for release by a committee of its directors, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

Scope of Review

In connection with our Fairness Opinion, we have reviewed and relied upon or carried out, among other things, the following:

1. the press release of the Company dated July 9, 2024, related to the Transaction;
2. the most recent draft, dated April 21, 2025, of the Circular;
3. the Support Agreement, dated July 8, 2024, between by MHM, MCI, and the Company, as amended and restated on November 12, 2024;
4. the most recent draft, dated April 7, 2025, of the form of Voting Support Agreement to be entered into by MHM, MCI, JM, and the Company
5. the audited financial statements of the Company for each of the six years ended December 31, 2019 to 2024;
6. the audited combined carve-out financial statements of Canada Packers for each of the three years ended December 31, 2022 to 2024;
7. annual reports of the Company for each of the three years ended December 31, 2022 to 2024;
8. the Notice of Meeting and Information Circulars of the Company for each of the two years ended December 31, 2022 and 2023;
9. annual information forms of the Company for each of the three years ended December 31, 2022 to 2024;

10. historical segmented financial statements of the Company for each of the six years ended December 31, 2019 to 2024, provided by management of the Company;
11. certain internal financial, operational, corporate and other information concerning the Company and its businesses, prepared and provided to us by the management of the Company, including unaudited pro forma forecast and historical financial and operating information for the Business and the Company excluding the Business;
12. the amended and restated governance agreement, dated February 21, 2017, between the McCain Parties and the Company;
13. the final draft of the Governance Agreement to be entered into by the McCain Parties, the Company, and Canada Packers;
14. the most recent draft, dated April 15, 2025, of the Supply Agreement;
15. the most recent draft, dated April 4, 2025, of the long-term IT services agreement (the "Long-Term Services Agreement") between the Company and Canada Packers;
16. the draft term sheets, dated April 1, 2025, outlining the proposed terms and conditions of the definitive credit agreements to be entered into by the Company, Canada Packers and a syndicate of institutional lenders;
17. various reports, memoranda and internal presentations prepared by management of the Company, its external legal counsel and its advisors regarding the Transaction;
18. discussions with senior management of the Company;
19. discussions with the Special Committee's legal counsel and the Company's financial advisors;
20. public information relating to the business, operations, financial performance and stock trading history of the Company and other selected public companies considered by us to be relevant;
21. public information with respect to other transactions of a comparable nature considered by us to be relevant;
22. public information regarding the industries in which the Company and Canada Packers operate;
23. representations contained in certificates addressed to us, dated as of the date hereof, from senior officers of the Company as to the completeness and accuracy of the information upon which the Fairness Opinion is based; and
24. such other corporate, industry and financial market information, investigations and analyses as RBC considered necessary or appropriate in the circumstances.

RBC has not, to the best of its knowledge, been denied access by the Company to any information requested by RBC.

Prior Valuations

The Company has represented to RBC that there have not been any prior valuations (as defined in MI 61-101) of the Company or its material assets or its securities in the past twenty-four month period.

Assumptions and Limitations

With the Special Committee's approval and as provided for in the Engagement Agreement, RBC has relied upon the completeness, accuracy and fair presentation of all of the financial (including, without limitation, the financial statements of the Company) and other information, data, advice, opinions or representations obtained by it from public sources, senior management of the Company, and their consultants and advisors (collectively, the "Information"). The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of such Information. Subject to the exercise

of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

Senior officers of the Company have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Information (as defined above) provided to RBC orally by, or in the presence of, any officer or employee of the Company, or in writing by the Company, any of its affiliates or any of their respective agents or advisors, for the purpose of preparing the Fairness Opinion was, at the date provided to RBC, and is at the date hereof, complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact, and did not and does not omit to state any material fact necessary to make the Information, or any statement contained therein, not misleading in light of the circumstances in which it was provided to RBC; and that (ii) since the dates on which the Information was provided to RBC, except as disclosed in writing to RBC, there has been no material change or change in material facts, financial or otherwise, in or relating to the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, and there has been no material change in the Information or other material change or change in material facts, in each case, that might reasonably be considered material to the Fairness Opinion.

In preparing the Fairness Opinion, RBC has made several assumptions, including that all of the conditions required to implement the Transaction will be met.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Company, Canada Packers, and their respective subsidiaries and affiliates, as they were reflected in the Information and as they have been represented to RBC in discussions with management of the Company. In its analyses and in preparing the Fairness Opinion, RBC made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of RBC or any party involved in the Transaction.

The Fairness Opinion has been provided for the use of the Special Committee and the Board and may not be used by any other person or relied upon by any other person other than the Special Committee and the Board without the express prior written consent of RBC. The Fairness Opinion is given as of the date hereof and RBC disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to RBC's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, RBC reserves the right to change, modify or withdraw the Fairness Opinion.

RBC believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion is not to be construed as a recommendation to any Public Shareholders as to whether to vote in favour of the Transaction.

Overview of the Company

The Company is a leading protein company focused on responsibly-produced branded consumer products including fresh pork, poultry and plant-based protein products. The Company's consumer packaged goods platform produces and distributes prepared meats, ready-to-cook and

ready-to-serve meals, snack kits, and plant protein products across a portfolio of well-known brands. The Company is also one of Canada's largest producers of Raised-Without-Antibiotics ("RWA") poultry.

The Company currently operates across 22 manufacturing facilities with the ability to process approximately 106 million poultry and 3.9 million hogs annually. For the twelve months ended December 31, 2024, the Company had sales of \$4.9 billion and adjusted earnings before interest, tax, depreciation, and amortization ("Adjusted EBITDA") of \$553 million. The Company is headquartered in Mississauga, Ontario, and the Shares are traded on the Toronto Stock Exchange under the symbol MFI.

Overview of the Business

The Business is currently operated by the Company and its affiliates and consists of, among other things, agricultural and hog production operations, primary pork processing, and a national and global sales and distribution network for fresh and frozen pork products, and is among North America's largest producers of RWA pork.

The Business raises, across 200 production locations, approximately 1.75 million hogs annually, of which approximately 57% can be used in the production of RWA pork. Based on management's preliminary estimates, for the twelve months ended December 31, 2024, the Business had sales of \$1.7 billion and Adjusted EBITDA of \$146 million.

Fairness Analysis

Approach to Fairness

In considering the fairness of the Consideration to be received under the Transaction from a financial point of view to the Public Shareholders, RBC considered and relied upon a number of factors including: (i) a comparison of the estimated aggregate trading value of the Consideration after giving effect to the Transaction to the current trading value of the Shares (the "Comparable Trading Analysis"); (ii) the expected impact of the Transaction on the business and operations of the Company; and (iii) the expected structure and tax implications of the Transaction.

(i) Comparable Trading Analysis

The Company

In assessing the expected share trading characteristics of the Company after giving effect to the Transaction, RBC principally considered and relied upon a review of the trading multiples of comparable publicly traded companies in the branded consumer packaged protein products sector that are most similar to the Company after giving effect to the Transaction. For the purpose of its analysis, RBC determined that the companies set forth in the table below are most comparable to the Company after giving effect to the Transaction but note that each company is unique in terms of size, revenue mix, geography, market position, business risks and opportunities for growth, profitability and other industry dynamics. The primary criterion used in analyzing these companies was a multiple of calendar year 2025 (i) consensus research analyst estimates of Adjusted EBITDA and (ii) internal Company management forecasted Adjusted EBITDA, each presented in accordance with International Financial Reporting Standards ("IFRS"). Where comparable publicly traded companies report on the basis of accounting standards other than IFRS, RBC has adjusted such figures to improve comparability to figures reported under IFRS. Based on the review of publicly traded comparable companies, RBC selected a multiple of 2025 Adjusted EBITDA range of 8.5x to 9.5x in arriving at the expected enterprise value of the Company after giving effect to the Transaction.

Companies	Equity Value (\$ millions)	Enterprise Value ⁽¹⁾ (\$ millions)	Enterprise Value / 2025E Adjusted EBITDA
Branded Consumer Packaged Protein			
Hormel Foods Corporation	23,126	26,100	12.2x
Premium Brands Holdings Corporation	3,505	6,003	8.8x
Cranswick plc	5,180	5,381	9.9x

Source: Company filings and S&P Capital IQ as at market close on April 21, 2025

Note: All figures in Canadian dollars. Financials are calendarized to December 31 year end

(1) Enterprise value includes operating lease liabilities

Canada Packers

In assessing the expected share trading characteristics of Canada Packers, RBC principally considered and relied upon a review of the trading multiples of comparable publicly traded companies in the commodity protein producer and processor sector that are most similar to Canada Packers. For the purpose of its analysis, RBC determined that the companies set forth in the table below are most comparable to Canada Packers but note that each company is unique in terms of size, revenue mix, geography, market position, business risks and opportunities for growth, profitability and other industry dynamics. RBC believes the smaller size and expected lower public trading float and trading liquidity of Canada Packers will be factors that contribute to it trading toward the lower end of the comparable peer group. The primary criterion used in analyzing these companies was a multiple of calendar year 2025 (i) consensus research analyst estimates of Adjusted EBITDA and (ii) internal Company management forecasted Adjusted EBITDA, each presented in accordance with IFRS. Where comparable publicly traded companies report on the basis of accounting standards other than IFRS, RBC has adjusted such figures to improve comparability to figures reported under IFRS. Based on the review of publicly traded comparable companies, RBC selected a multiple of 2025 Adjusted EBITDA range of 4.0x to 5.0x in arriving at the expected enterprise value of Canada Packers.

Companies	Equity Value (\$ millions)	Enterprise Value ⁽¹⁾ (\$ millions)	Enterprise Value / 2025E Adjusted EBITDA
Commodity Protein and Processor			
JBS S.A.	22,980	48,120	5.4x
WH Group Limited	15,939	18,963	4.4x
Smithfield Foods, Inc.	10,720	12,938	5.8x
BRF S.A.	8,195	11,544	4.7x
Branded and Commodity Protein			
Tyson Foods, Inc.	30,172	41,674	8.4x

Source: Company filings and S&P Capital IQ as at market close on April 21, 2025

Note: All figures in Canadian dollars. Financials are calendarized to December 31 year end

(1) Enterprise value includes operating lease liabilities

Other Items

To arrive at the research analyst consensus Adjusted EBITDA estimates for Canada Packers and the Company after giving effect to the Transaction, RBC aggregated research analyst consensus estimates for 2025 Adjusted EBITDA for the Company and allocated it to the Business and the Company after giving effect to the Transaction based on their relative Adjusted EBITDA contribution as per internal Company management estimates which reflected the impact of the Supply Agreement and the allocation of corporate expenses. RBC further adjusted Canada Packers consensus 2025 Adjusted EBITDA to reflect incremental costs expected to be incurred as a standalone publicly traded company. RBC also conducted the analysis based on management forecasted 2025 Adjusted EBITDA, which was higher versus research consensus estimates. We believe the enhanced segmented financial public

disclosure of the Business and Canada Packers resulting from the Transaction will enable research analyst estimates to better reflect management's business plan going forward.

To arrive at the expected equity value per share of the Company after giving effect to the Transaction, RBC deducted from the enterprise value the expected net debt of the Company as of June 30, 2025 based on management estimates after giving effect to the Transaction, accounting for the estimated one-time transaction and tax costs relating to the Transaction. The implied pro forma equity value of the Company per share was also adjusted to account for the 16.0% ownership interest in Canada Packers that will be retained by the Company divided by the fully diluted number of outstanding Shares. To arrive at the expected equity value per share of Canada Packers, RBC deducted from the enterprise value the expected net debt of Canada Packers as of June 30, 2025 based on management's estimates.

In completing our analysis, RBC also considered the impact to the current trading value of the Shares that resulted from the public announcement of the Proposed Transaction on July 9, 2024.

Summary of Comparable Trading Analysis

After taking into consideration the factors described above, RBC concluded that the estimated aggregate trading value of the Consideration after giving effect to the Transaction is expected to be in line with or exceed the current trading value of the Shares.

(ii) Impact of the Transaction on the Business and Operations on the Company

RBC understands that the Business operates relatively independently within the current structure of the Company, with a distinct management team, employees, and facilities and therefore the Transaction is expected to have limited day-to day impact on the Business and the Company after giving effect to the Transaction. RBC also considered the ongoing relationship that would exist between the Company and Canada Packers, as dictated by the Supply Agreement, Governance Agreement and Long-Term Services Agreement, and the ability of each entity to pursue its independent business plan.

RBC understands that under the Supply Agreement, Canada Packers will continue to supply the Company with pork product using market-based pricing which is in line with internal transfer pricing practices utilized by the Company historically. RBC also reviewed the Governance Agreement and the amended and restated governance agreement between the Company and the McCain Parties. Key terms of the Governance Agreement include, but are not limited to, (i) the commitment by the McCain Parties and the Company to hold the Canada Packers Shares received or retained by them pursuant to the Transaction for 24 months following the closing of the Transaction, and (ii) certain investor rights granted to MCI, including the right to elect the Executive Chair of the board of directors of Canada Packers and consent rights for certain matters.

Potential advantages of the Transaction include but are not limited to: (i) enhancing Canada Packers' ability to pursue growth opportunities as a standalone entity; and (ii) mitigating downside risk to the Company in the event of a foreign animal disease event.

(iii) Expected Structure and Tax Implications of the Transaction

The Transaction is expected to be structured as a butterfly reorganization where the Canada Packers Shares will be distributed on a tax-deferred basis. RBC understands there will be a one-time tax payment to be paid by the Company in relation to the reversal of certain farming tax deferrals which are expected to occur as a result of inventory transfers to Canada Packers. RBC has incorporated the expected tax leakage and other transaction costs in its Comparable Trading Analysis.

Fairness Conclusion

Based upon and subject to the foregoing, RBC is of the opinion that, as of the date hereof, the Consideration to be received under the Transaction is fair from a financial point of view to the Public Shareholders.

Yours very truly,

RBC Dominion Securities Inc.

RBC DOMINION SECURITIES INC.

SCHEDULE E: NOTICE OF APPLICATION FOR FINAL ORDER

[See attached]



Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

(Court Seal)

**IN THE MATTER OF AN APPLICATION UNDER SECTION
192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C.
1985, c. C-44, AS AMENDED**

**AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF
THE *RULES OF CIVIL PROCEDURE***

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT
OF MAPLE LEAF FOODS INC. INVOLVING 16923534
CANADA INC. AND CANADA PACKERS INC.**

NOTICE OF APPLICATION

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing (*choose one of the following*)

- ☐ In writing
- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

at the following location:

To be provided by the Court.

Please advise if you intend to join the hearing by emailing Ryan Morris at ryan.morris@blakes.com.

On Friday, June 13, 2025, at 10:00 a.m., before the Honourable Justice Cavanagh.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date April 22, 2025 Issued by Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 9th Floor
Toronto ON M5G 1R7

AND TO: All Holders of Common Shares in the capital of Maple Leaf Foods Inc.

AND TO: All Holders of Options to purchase Common Shares in the capital of Maple Leaf Foods Inc.

AND TO: All Holders of Deferred Share Units of Maple Leaf Foods Inc.

AND TO: All Holders of Performance Share Units of Maple Leaf Foods Inc.

AND TO: All Holders of Restricted Share Units of Maple Leaf Foods Inc.

AND TO: The Directors of Maple Leaf Foods Inc.

AND TO: The Auditor for Maple Leaf Foods Inc.

AND TO: The Director Appointed under the CBCA

APPLICATION

1. The Applicant, Maple Leaf Foods Inc. (“**Maple Leaf**”) makes application for:
 - (a) an order pursuant to subsections 192(3) and 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the “**CBCA**”), approving an arrangement (the “**Arrangement**”) proposed by Maple Leaf and described in Maple Leaf’s management information circular (the “**Circular**”), which Circular will be attached as an exhibit to the affidavit to be filed in support of this Application, and which Arrangement will result in, among other things, the spin-off of Maple Leaf’s “Pork Complex” operations (excluding certain ham boning operation) as Canada Packers Inc. (“**Canada Packers**”) to create two independent publicly listed companies;
 - (b) an interim order for the advice and directions of this Court pursuant to subsection 192(4) of the CBCA with respect to the Plan of Arrangement and this Application (the “**Interim Order**”);
 - (c) an order abridging the time for the service and filing or dispensing with service of the Notice of Application and Application Record, if necessary; and
 - (d) such further and other relief as to this Honourable Court may seem just.
2. The grounds for the Application are:

- (a) Maple Leaf is a corporation subsisting under the provisions of the CBCA. Maple Leaf is a Canadian multinational consumer protein company that produces, among other things, prepared meats, value-added fresh pork and poultry. Common shares in the capital of Maple Leaf (the “**Shares**”) are listed and posted for trading on the Toronto Stock Exchange under the symbol “MFI”;
- (b) pursuant to the Arrangement, as contemplated by the Plan of Arrangement included at Schedule “C” to the Circular, in summary:
 - (i) each holder of Shares (each a “**Shareholder**”) will receive one newly issued common share of Maple Leaf (the “**MLF Shares**”) and certain common shares of Canada Packers (the “**Canada Packers Shares**”) in exchange for each Share held;
 - (ii) Maple Leaf will hold an ownership stake in Canada Packers;
 - (iii) each holder of options to purchase Shares (“**Options**”) that is a former Maple Leaf employee prior to the Arrangement (a “**Former Employee**”) or remains a Maple Leaf employee (a “**Non-Transferred Employee**”) after the effective time of the Arrangement (the “**Effective Time**”) will ultimately exchange such Options for options to purchase MLF Shares at the exchange ratio stipulated in the Plan of Arrangement;
 - (iv) each holder of Options that becomes a Canada Packers employee after the Effective Time (a “**Transferred Employee**”) will ultimately exchange such

Options for options to purchase Canada Packers Shares at the exchange ratio stipulated in the Plan of Arrangement;

- (v) performance share units of Maple Leaf (“**PSUs**”) and restricted share units of Maple Leaf (“**RSUs**”) held by Transferred Employees will be amended in accordance with the terms of the applicable Maple Leaf incentive plan so that the “Share” underlying such securities refers to a Canada Packers Share and the aggregate value of such securities is the same immediately before and immediately after the Effective Time; and
- (vi) deferred share units of Maple Leaf (“**DSUs**”), PSUs and RSUs held by Non-Transferred Employees and Former Employees shall be adjusted in accordance with the terms of the applicable Maple Leaf incentive plan to ensure that the aggregate value of such securities is the same immediately before and immediately after the Effective Time;
- (c) the Arrangement is an “arrangement” within the meaning of subsection 192(1) of the CBCA;
- (d) all statutory requirements for an arrangement under the CBCA either have been fulfilled or will be fulfilled by the date of the return of the Application;
- (e) Maple Leaf is not insolvent within the meaning of subsection 192(2) of the CBCA;
- (f) it is not practicable for Maple Leaf to effect the Arrangement under any other provision of the CBCA;

- (g) the directions set out and the approvals required pursuant to any Interim Order this Court may grant have been followed and obtained, or will be followed and obtained by the return date of this Application;
 - (h) the Arrangement is put forward in good faith for a *bona fide* business purpose, and has a material connection to the Toronto Region;
 - (i) the Arrangement is fair and reasonable, and it is appropriate for this Court to approve the Arrangement;
 - (j) section 192 of the CBCA;
 - (k) National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;
 - (l) Rules 3.02(1), 14.05, 16.04(1), 16.08, 17.02, 37, 38 and 39 of the *Rules of Civil Procedure*; and
 - (m) such further and other grounds as the lawyers may advise and this Court may permit.
3. The following documentary evidence will be used at the hearing of the application:
- (a) such Interim Order as may be granted by this Court;
 - (b) the affidavit of David Smales, to be sworn, and the exhibits thereto;

- (c) such further affidavit(s) on behalf of the Applicant reporting as to the compliance with any Interim Order of this Court and as to the result of any meetings ordered by any Interim Order of this Court; and
 - (d) such further and other evidence as the lawyers may advise and this Court may permit.
4. This Notice of Application will be sent to all registered holders of Shares, Options, DSUs, PSUs and RSUs at the address of each holder as shown on the books and records of Maple Leaf or as this Court may direct in the Interim Order, pursuant to rule 17.02(n) of the *Rules of Civil Procedure* in the case of those holders whose addresses, as they appear on the books and records of Maple Leaf, are outside Ontario.

April 22, 2025

BLAKE, CASSELS & GRAYDON LLP

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Commerce Court West
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Lawyers for the Applicant,
Maple Leaf Foods Inc.

Court File No.

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, CHAP. C. C-44, AS AMENDED
AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE
AND IN THE MATTER OF A PROPOSED ARRANGEMENT OF MAPLE LEAF FOODS INC. INVOLVING 16923534 CANADA INC. AND CANADA PACKERS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF APPLICATION

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Maple Leaf Foods Inc.

SCHEDULE F: INTERIM ORDER

[See attached]

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE	)	THURSDAY, THE 1 ST
	)	
JUSTICE CAVANAGH	)	DAY OF MAY, 2025

IN THE MATTER OF AN APPLICATION UNDER SECTION
192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C.
1985, c. C-44, AS AMENDED

AND IN THE MATTER OF RULES 14.05(2) and 14.05(3) OF
THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED ARRANGEMENT
OF MAPLE LEAF FOODS INC. INVOLVING 16923534
CANADA INC. AND CANADA PACKERS INC.

INTERIM ORDER

THIS MOTION, made by the Applicant, Maple Leaf Foods Inc. (“**Maple Leaf**”) for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the “**CBCA**”), was heard this day by video conference.

ON READING the Notice of Motion, the Notice of Application issued on April 22, 2025, the affidavit of David Smales, sworn April 29, 2025 (the “**Affidavit**”), including the Plan of Arrangement, which is attached as Schedule “C” to Maple Leaf’s draft management information circular (the “**Circular**”), which is attached as Exhibit “A” to the Affidavit, on hearing the

submissions of the lawyers for Maple Leaf and on being advised that the Director under the CBCA (the “**Director**”) does not consider it necessary to appear,

Definitions

1. THIS COURT ORDERS that all definitions used in this Interim Order shall have the meanings ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. THIS COURT ORDERS that Maple Leaf is permitted to call, hold and conduct an annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Shares**”) in the capital of Maple Leaf to be held at ThinkFood!, 6897 Financial Drive, Mississauga, Ontario, L5N 0A8, and in virtual format via live webcast at <https://meetings.lumiconnect.com/400-337-006-096> on June 11, 2025, at 9:00 a.m. (Toronto time) in order for the Shareholders, among other things, to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the “**Arrangement Resolution**”), a copy of which is found at Schedule “A” to the Circular, which is attached as Exhibit “A” to the Affidavit.

3. THIS COURT ORDERS that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of meeting of Shareholders, which accompanies the Circular (the “**Notice of Meeting**”), and the articles and by-laws of Maple Leaf subject to what is provided hereafter and subject to further order of this Court.

4. THIS COURT ORDERS that the record date (the “**Record Date**”) for determination of the Shareholders entitled to notice of, and to vote at, the Meeting in respect of the Arrangement Resolution shall be the close of business (Toronto time) on April 23, 2025.

5. THIS COURT ORDERS that the only persons entitled to speak at the Meeting shall be:

- (a) the Shareholders or their respective proxyholders;
- (b) the officers, directors, auditors and advisors of Maple Leaf;
- (c) the Director; and
- (d) other persons who may receive the permission of the Chair of the Meeting.

6. THIS COURT ORDERS that Maple Leaf may transact such other business at the Meeting as is contemplated in the Circular, or as may otherwise be properly before the Meeting or any adjournment or postponement thereof.

Quorum

7. THIS COURT ORDERS that the Chair of the Meeting shall be determined by Maple Leaf and that the quorum for the transaction of business at the Meeting shall be two persons present in person or represented by proxy holding or representing by proxy not less than one-third of the Shares entitled to vote at the Meeting.

Amendments to the Arrangement and Plan of Arrangement

8. THIS COURT ORDERS that Maple Leaf is authorized to make, subject to the terms of the Arrangement Agreement between Maple Leaf, 16923534 Canada Inc. and Canada Packers Inc. (the “**Arrangement Agreement**”) and paragraph 9 below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof, provided same: (i) are to correct clerical errors, (ii) would not, if disclosed, reasonably be expected to affect a Shareholder’s decision to vote, or (iii) are authorized by subsequent Court

order, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. THIS COURT ORDERS that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement are made after initial notice is provided as contemplated in paragraph 8 above, which would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by e-mail, press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Maple Leaf may determine.

Amendments to the Circular

10. THIS COURT ORDERS that Maple Leaf is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraphs 12 and 13.

Adjournments, Postponements and Changes of Venue

11. THIS COURT ORDERS that Maple Leaf, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn, postpone or change the venue of the Meeting (including holding an in-person only or virtual-only meeting) on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the

Shareholders respecting the adjournment, postponement, or change of venue, and notice of any such adjournment, postponement or change of venue shall be given by such method as Maple Leaf may determine is appropriate in the circumstances (including solely by issuance of a press release if it so determines). This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments, postponements or changes of venue.

Notice of Meeting

12. THIS COURT ORDERS that, in order to effect notice of the Meeting, Maple Leaf shall send notice and access materials (“**Notice and Access Materials**”) in accordance with National Instrument NI 51-102 – *Continuous Disclosure Obligations* and National Instrument NI 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) advising of the availability of access to the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting and the form of proxy, along with such amendments or additional documents as Maple Leaf may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the “**Meeting Materials**”), as follows:

- (a) to the registered Shareholders at the close of business on the Record Date, at least thirty (30) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:
 - (i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of Maple Leaf, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to Maple Leaf;

- (ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or
 - (iii) by facsimile or by e-mail or other electronic transmission to any Shareholder, who is identified to the satisfaction of Maple Leaf, who requests such transmission in writing, and if required by Maple Leaf, who is prepared to pay the charges for such transmission;
- (b) to non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with NI 54-101; and
- (c) to the respective directors and auditors of Maple Leaf and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or by facsimile or by e-mail or other electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. THIS COURT ORDERS that, in the event that Maple Leaf elects to distribute the Meeting Materials, Maple Leaf is hereby directed to distribute the Circular (including the Notice of Application, and this Interim Order), and any other communications or documents determined by Maple Leaf to be necessary or desirable (collectively, the “**Court Materials**”) to holders of outstanding options to purchase Shares (“**Options**”), holders of deferred share units of Maple Leaf (“**DSUs**”), holders of performance share units of Maple Leaf (“**PSUs**”) and holders of restricted

share units of Maple Leaf (“**RSUs**”) by any method permitted for notice to Shareholders as set forth in subparagraphs 12(a) or 12(b), above, or by e-mail or other electronic transmission, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons shall be to their e-mail addresses or addresses as they appear on the books and records of Maple Leaf or its registrar and transfer agent at the close of business on the Record Date.

14. THIS COURT ORDERS that accidental failure or omission by Maple Leaf to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Maple Leaf, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Maple Leaf, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. THIS COURT ORDERS that Maple Leaf is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as Maple Leaf may determine in accordance with the terms of the Arrangement Agreement (“**Additional Information**”), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by e-mail, press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Maple Leaf may determine.

16. THIS COURT ORDERS that distribution of the Meeting Materials and the Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12

and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

17. THIS COURT ORDERS that Maple Leaf is authorized to use the form of proxy substantially in the form of the draft accompanying the Circular, with such amendments and additional information as Maple Leaf may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Maple Leaf is authorized, at its expense, to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. Maple Leaf may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if Maple Leaf deems it advisable to do so.

18. THIS COURT ORDERS that registered Shareholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to section 148(4)(a)(i) of the CBCA must be deposited with Maple Leaf's registrar and transfer agent as set out in the Circular to be received not later than 9:00 a.m. on June 9, 2025 or not less than 48 hours (Saturdays and holidays excepted) prior to the time any adjourned or postponed Meeting is reconvened or held, unless the Chair of the Meeting determines to waive or extend the deadline, in his or her sole discretion.

Voting

19. THIS COURT ORDERS that the only persons entitled to vote in person (or virtually) or represented by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold Shares as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Forms of proxy that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. THIS COURT ORDERS that votes shall be taken at the Meeting on the basis of one vote per Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be approved, with or without variation, at the Meeting by an affirmative vote of:

- (a) not less than two-thirds ($66\frac{2}{3}\%$) of the votes cast on the Arrangement Resolution by all Shareholders, present in person (or virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting; and
- (b) not less than a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person (or virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting excluding for purposes of this item (b) the votes cast in respect of Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

Such votes shall be sufficient to authorize Maple Leaf to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis

consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders or holders of Options, DSUs, PSUs or RSUs, subject only to final approval of the Arrangement by this Court.

21. THIS COURT ORDERS that in respect of matters properly brought before the Meeting pertaining to items of business affecting Maple Leaf (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Share held, unless otherwise provided for by Maple Leaf.

Hearing of Application for Approval of the Arrangement

22. THIS COURT ORDERS that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Maple Leaf may apply to this Court for final approval of the Arrangement.

23. THIS COURT ORDERS that distribution of the Notice of Application and the Interim Order in the Circular, when sent in accordance with paragraphs 12 and 13, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 24 herein.

24. THIS COURT ORDERS that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Maple Leaf, as soon as reasonably practicable and, in any event, no less than four (4) business days before the hearing of this Application at the following addresses:

BLAKE, CASSELS & GRAYDON LLP
199 Bay Street, Suite 4000
Commerce Court West
Toronto, ON M5L 1A9

Attention: Ryan A. Morris
ryan.morris@blakes.com
Lawyers for Maple Leaf Foods Inc.

25. THIS COURT ORDERS that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

- (a) Maple Leaf;
- (b) the Director; and
- (c) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

26. THIS COURT ORDERS that any materials to be filed by Maple Leaf in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

27. THIS COURT ORDERS that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 24 shall be entitled to be given notice of the adjourned date.

Service and Notice

28. THIS COURT ORDERS that Maple Leaf and its counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings,

including any notices, or other correspondence, by forwarding true copies thereof by electronic message to Maple Leaf's Shareholders, creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

Precedence

29. THIS COURT ORDERS that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Shares, Options, DSUs, PSUs, RSUs, or the articles or by-laws of Maple Leaf, this Interim Order shall govern.

Extra-Territorial Assistance

30. THIS COURT seeks and requests the aid and recognition of any court or any judicial, regulatory, or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

Variance

31. THIS COURT ORDERS that Maple Leaf shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

A handwritten signature in black ink, appearing to read "C. M. B.", is positioned above a horizontal line.

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED
AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE
AND IN THE MATTER OF A PROPOSED ARRANGEMENT OF MAPLE LEAF FOODS INC. INVOLVING 16923534 CANADA INC. AND CANADA PACKERS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE –
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INTERIM ORDER

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Maple Leaf Foods Inc.

SCHEDULE G: INFORMATION CONCERNING CANADA PACKERS POST-ARRANGEMENT

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NOTICE TO READER

As at the date of this Circular, Newco and Subco have not carried on any active business. At all times prior to the Effective Date, Newco will have no assets or liabilities and will conduct no operations, and other than as contemplated by and in connection with the Pre-Arrangement Transactions, Subco will have no assets or liabilities and will conduct no operations. Upon completion of the Arrangement, Newco and Subco will amalgamate in order to form Canada Packers, which will be an independent, public corporation. Canada Packers' sole business following the completion of the Arrangement will be operating what is currently Maple Leaf Foods' Pork Operations, a global leader in sustainably produced, premium quality value-added pork products with a diversified business mix.

Unless otherwise indicated, the disclosure in this *Schedule "G"* has been prepared assuming that the Arrangement (including the amalgamation of Newco and Subco to form Canada Packers) has been completed as described in the body of the Circular and that Canada Packers has become an independent public company. Accordingly, disclosure that refers to the current or historical business of Canada Packers is based on the current or historical business of the Pork Operations and assumes that the Arrangement has become effective, unless otherwise indicated. The Carve-Out Financial Statements (as defined herein), which are included in *Schedule "H"* to this Circular, have, unless otherwise indicated, been derived from the historical consolidated financial statements of Maple Leaf Foods for each of the relevant periods. Information included in this *Schedule "G"* derived from the Carve-Out Financial Statements is presented on a carve-out basis from such historical consolidated financial statements of Maple Leaf Foods for the relevant periods.

Unless otherwise defined herein, all capitalized words and phrases used in this *Schedule "G"* have the meanings given to such words and phrases in the Circular.

This *Schedule "G"* is limited to a description of Canada Packers and the business, assets and liabilities being transferred to Canada Packers as part of the Arrangement. Accordingly, the information set forth in this summary does not address all of the information that may be important to Shareholders, and Shareholders are urged to review the more detailed information contained elsewhere in, or incorporated by reference into, this Circular, of which this *Schedule "G"* forms a part.

In order to facilitate the Arrangement, three officers of Maple Leaf Foods were appointed to the initial board of directors of each of Newco and Subco to serve on an interim basis. Unless otherwise indicated, references herein to the programs, policies, procedures, practices, guidelines, mandates and plans (collectively, the "Programs and Policies") of Canada Packers refer, in each case, to the Programs and Policies of Canada Packers which are expected to be formally adopted and ratified by the Canada Packers Board subsequent to the Arrangement becoming effective, and, unless otherwise indicated, the disclosure in respect thereof contained in this *Schedule "G"* is presented on the assumption that the Programs and Policies have been formally adopted and ratified by the Canada Packers Board in such form. Notwithstanding the foregoing, prior to the formal adoption and ratification of each of the Programs and Policies by the Canada Packers Board, it is expected that the Canada Packers Board will review and adjust such Programs and Policies to the extent necessary to ensure that the specific requirements of Canada Packers and its operations are met. Accordingly, the disclosure contained in this *Schedule "G"* in respect of such Programs and Policies remains subject to revision prior or subsequent to the Effective Date.

The financial information contained in this *Schedule "G"* is presented in Canadian dollars and, unless otherwise indicated, has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Unless otherwise specified or the context otherwise requires, all references to "\$" are to Canadian dollars.

FORWARD-LOOKING INFORMATION

This *Schedule "G"* contains "forward-looking information" and "forward looking statements" within the meaning of applicable securities laws. These statements are based on current expectations, estimates, projections, beliefs, judgements and assumptions based on information available at the time the applicable forward-looking statement was made and in light of Maple Leaf Foods' experience combined with its perception of historical trends. Such statements include, but are not limited to, statements with respect to objectives and goals, in addition to statements with respect to beliefs, plans, targets, goals, objectives, expectations, anticipations, estimates, and intentions. In some cases, forward-looking information can be identified by words such as "anticipate", "continue", "estimate",

“expect”, “may”, “will”, “project”, “should”, “could”, “would”, “believe”, “plan”, “intend”, “design”, “target”, “undertake”, “view”, “indicate”, “maintain”, “explore”, “entail”, “schedule”, “objective”, “strategy”, “likely”, “potential”, “outlook”, “aim”, “propose”, “goal”, and similar expressions suggesting future events or future performance. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Maple Leaf Foods believes the expectations reflected in the forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Specific forward-looking information in this document may include, but is not limited to, statements with respect to:

- the assets, liabilities and operations of Newco and Subco prior to the Effective Date;
- sustainability commitments;
- the anticipated effects of the Arrangement;
- the future business, assets and liabilities of Canada Packers, including any material subsidiaries;
- the expected operations, financial results and conditions of Canada Packers, including any material subsidiaries;
- the impact of commodity prices and foreign exchange impacts on Canada Packers and its financial performance, including the use and effectiveness of hedging instruments;
- Canada Packers’ future objectives, strategies and capital program and the methods expected to be employed to achieve such objectives and implement such capital program;
- the business environment in which Canada Packers operates, including expected supply of live hogs and demand levels and the sources thereof generally;
- expansion opportunities available to Canada Packers, including its ability to execute on strategic growth projects and acquisitions;
- the estimated cash flow, earnings, capitalization and adequacy thereof to support, among other things, Canada Packers following the Arrangement;
- future performance, including future financial objectives, goals and targets, category growth analysis, expected capital spend, global pork market dynamics, Japan export market margin outlook, labour markets, and inflationary pressures (including the ability to price for inflation);
- the spread of foreign animal disease, preparedness strategies to manage such spread, and implications for all protein markets;
- the impact of international trade conditions, tariffs and markets on Canada Packers, including access to markets, global conflict and other social, economic and political factors that affect trade;
- Canada Packers securing appropriate new financing arrangements and complying with all covenants thereunder;
- expectations regarding pension plan performance, including future pension plan assets, liabilities and contributions;
- Canada Packers’ competitive position and ability to position itself competitively in the markets in which it competes;

- future composition of the Canada Packers Board and executive officers, including statements regarding the diversity policy;
- the listing of the Newco Common Shares, Canada Packers Common Shares on the TSX issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable under the Canada Packers Option Plan;
- the expectations regarding the trading market for Canada Packers Common Shares following the Arrangement;
- the ability of Canada Packers to access capital markets following the Arrangement;
- the reporting issuer status of Canada Packers following the Arrangement;
- the expected terms of the Canada Packers Governance Agreement, Long-Term Services Agreement Separation Agreement, the Transition Services Agreement, the Pensions and Benefits Agreement and the Supply Agreement;
- the responsibilities of the Committees;
- future dividends and dividend policies of Canada Packers;
- the Programs and Policies of Canada Packers following completion of the Arrangement, including the systems used to implement such policies; and
- the capital structure, directors and executive officers, compensation arrangements, Canada Packers Board committee composition and corporate governance practices, auditors and transfer agent, and the material contracts of Canada Packers.

Although Maple Leaf Foods believes that the forward-looking statements in this *Schedule "G"* are based on assumptions that are current, reasonable and complete, inherent in forward-looking statements are risks and uncertainties beyond its ability to predict or control, which may cause actual results to differ materially from those expressed or implied by forward-looking statements contained in this *Schedule "G"*, including, but not limited to the risk described in detail in the documents incorporated by reference herein and in the sections entitled "The Arrangement – Risk Factors" in the Circular and in this *Schedule "G"*. Readers are cautioned not to place undue reliance on these forward-looking statements.

Maple Leaf Foods cautions readers that the foregoing list of factors is not exhaustive and should be read together with the other cautionary statements in this *Schedule "G"* and in the Circular. Canada Packers' actual results may differ materially from those anticipated in any forward-looking statements.

Forward-looking statements included in this *Schedule "G"* are based on a number of assumptions that may prove to be incorrect, including, but not limited to, the assumptions listed under "Forward-Looking Information" in the body of the Circular, as applicable and:

- the Arrangement (including the amalgamation of Newco and Subco to form Canada Packers) has been completed;
- the performance by Canada Packers, and the other parties thereto, of their respective obligations under the Separation Agreement, the Transition Services Agreement, the Pensions and Benefits Agreement, the Supply Agreement; the Long-Term Services Agreement, the Tax Matters Agreement and the Canada Packers Governance Agreement;
- Canada Packers operating in a similar manner as Maple Leaf Foods' historical Pork Operations;
- the Canada Packers Board ratifying the Programs and Policies and that they will be consistent with currently anticipated terms;

- the condition of the Canadian, U.S. and international markets and economies that Canada Packers operates in;
- the TSX will approve the listing application in respect of the Newco Common Shares and the Canada Packers Common Shares;
- Canada Packers' ability to operate effectively as an independent public company, including its processing ability;
- the ability of Canada Packers to successfully implement strategic priorities and whether it will yield the expected benefits;
- the ability of Canada Packers to implement a capital allocation strategy aligned with maximizing shareholder value;
- the competitive environment, associated market conditions (including tariffs) and market share metrics, category growth or contraction, the expected behaviour of competitors and customers and trends in consumer preferences;
- Subco complying with the conditions set out in the commitment letter;
- expectations regarding participation in and funding of Canada Packers' pension plans;
- the availability and market prices of commodities;
- interest, tax and foreign exchange rates;
- cost, availability of, and inflationary pressures on, labour, equipment and materials;
- third-party suppliers and service providers in Canada Packers' supply chain delivering goods and services essential to its operations;
- cyber security and technological developments;
- sustainability-related risks;
- prevailing regulatory, tax and environmental laws;
- global economic conditions (including tariff and non-tariff barriers to trade) and the sociopolitical dynamics between Canada, the U.S., Japan and China, and the ability of Canada Packers to access markets and source ingredients and other inputs in light of global sociopolitical disruption, and the ongoing impact of global conflicts on inflation, trade and markets; and
- global health crises, such as pandemics and epidemics and the impacts related thereto.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking information. Any forward-looking information that is contained in this *Schedule "G"* speaks only as of the date of such statement. Unless required by applicable securities laws, Maple Leaf Foods does not, and Canada Packers will not, undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

All of the forward-looking information contained in this *Schedule "G"* is expressly qualified by the foregoing cautionary statements and the cautionary statements set forth in the body of the Circular under "Forward-Looking Information". Readers should read this entire *Schedule "G"* and consult their own professional

advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment in Canada Packers.

NON-IFRS MEASURES

This *Schedule “G”* makes reference to certain non-IFRS measures and ratios, including Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT, Free Cash Flow and Net Debt to Adjusted EBITDA. These measures and ratios are not recognized measures under IFRS, and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other companies.

Refer to the heading “Non-IFRS Financial Measures” in the management’s discussion and analysis of financial condition and results of operations for the years ended December 31, 2024, 2023 and 2022 (the “Carve-Out MD&A”) included in *Schedule “H”* to this Circular and the heading “Non-IFRS Measures” in the unaudited pro forma consolidated financial statements of Canada Packers as of and for the year ended December 31, 2024 (the “Canada Packers Pro Forma Financial Statements”) included in *Schedule “I”* to this Circular for more information about these measures and ratios, including reconciliations to the most directly comparable IFRS measures.

MARKET DATA AND INDUSTRY DATA

This *Schedule “G”* includes market and industry data obtained from third-party sources, industry publications, and publicly available information, as well as industry and other data prepared by Maple Leaf Foods on the basis of its knowledge of the Canadian, U.S. and international markets and economies (including Maple Leaf Foods’ estimates and assumptions relating to these markets and economies based on that knowledge). Maple Leaf Foods believes that such market and economic data is accurate and that Maple Leaf Foods’ estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data used throughout this *Schedule “G”* are not guaranteed, and Maple Leaf Foods does not make any representation as to the accuracy of such information. Although Maple Leaf Foods believes it to be reliable, Maple Leaf Foods has not independently verified any of the data from third-party sources referred to in this *Schedule “G”*, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources.

CORPORATE STRUCTURE

INCORPORATION

On December 9, 2024, Subco was formed under the CBCA for the purposes of effecting the Arrangement. On April 17, 2025, Newco was formed under the CBCA for the purposes of effecting the Arrangement. In connection with the Arrangement, Newco and Subco will amalgamate on the Effective Date to form Canada Packers. See “The Arrangement – Details of the Arrangement” in the Circular. Canada Packers’ head and registered office will be located at 6985 Financial Drive, Suite 201, Mississauga, Ontario L5N 0A1, the current head and registered office of Newco and Subco.

As of the date of this Circular, Subco’s authorized share capital consists of an unlimited number of common shares, and Newco’s authorized share capital consists of an unlimited number of common shares.

As of the date of this Circular, neither Newco nor Subco has carried on any active business. As of the date of this Circular, there are 100 Subco Common Shares issued and outstanding, which shares were issued to Maple Leaf Foods for nominal consideration on incorporation. Newco has not issued any shares.

INTERCORPORATE RELATIONSHIPS

At the time the Arrangement is completed, Canada Packers will not have any subsidiaries that are expected to have total assets that exceed 10% of the consolidated assets of Canada Packers or revenues that exceed 10% of the consolidated revenues of Canada Packers.

DESCRIPTION OF THE BUSINESS

Newco and Subco are not currently reporting issuers in any province or territory of Canada (or the equivalent thereof in any other jurisdiction), and the Canada Packers Common Shares are not currently listed on any stock exchange. If the Arrangement is completed, it is expected that Canada Packers will be a reporting issuer in each of the provinces of Canada. Maple Leaf Foods has applied to list on the TSX the Canada Packers Common Shares issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable under the Canada Packers Option Plan. Maple Leaf Foods has also applied to list on the TSX the Newco Common Shares issuable pursuant to the Arrangement.

Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved such application and there is no assurance that the TSX will approve such application. It is a condition precedent to the completion of the Arrangement Agreement that Newco and Canada Packers receive the conditional approval of the TSX in respect of the above listing application, subject only to compliance with the usual requirements of the TSX. Canada Packers will not proceed with the Arrangement without receiving such approval. The trading symbol for the Canada Packers Common Shares will be “CPKR” on the TSX. See “Description of Capital Structure – Market for Securities” in this *Schedule “G”* and “Stock Exchange Listing” in this *Schedule “G”*.

Upon completion of the Arrangement, Canada Packers will own and operate the Pork Operations.

BUSINESS OF CANADA PACKERS

Overview

Canada Packers is a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. As a vertically integrated pork production and processing company, its diversified business mix and differentiated business strategy has demonstrated resiliency through market cycles. Canada Packers has established a track record of delivering margins that management believes compare favourably to many of Canada Packers’ peers. Canada Packers is among North America’s largest producers of RWA pork and is a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets. Canada Packers prides itself on industry leading best practices in sustainability, animal care and worker safety.

Principal Operations of Canada Packers

Canada Packers’ operations principally include: (i) hog production and procurement; (ii) primary processing; and (iii) North American and global pork sales and distribution.

Hog Production and Procurement

Canada Packers operates one of the largest hog production operations in Canada, with a history dating back more than 97 years. Canada Packers has sow, nursery and finishing operations across approximately 200 production locations in Manitoba, Saskatchewan and Alberta. With approximately 74,000 sow spaces under management at the end of 2024, Canada Packers owns all of the sows in the barns it manages and places hogs in owned barns as well as contracted or leased nursery and finishing barns to raise hogs to market weight.

In total, approximately 45% of the roughly 4 million hogs per year that Canada Packers processes at its two processing facilities in Brandon and Lethbridge will be raised by Canada Packers, and approximately 55% are sourced from third-party suppliers. Canada Packers has long-standing relationships with many of its third-party hog suppliers. Canada Packers contracts for hog supply through an established strategy, with contracts ranging from two to five years. In total, Canada Packers has hog supply contracts with approximately 220 suppliers across the Prairie region.

A leader in sustainability practices and animal care, Canada Packers is North America’s largest producer of RWA hogs, with approximately 1 million of the 1.75 million hogs raised by Canada Packers being RWA. In addition, 93% of its owned and controlled barns have already been converted to gestation crate free, and the balance meet open pen gestation standards. Canada Packers employs high standards in animal care, leveraging the humane hog raising and handling techniques, enrichment programs and best in class biosecurity protocols. In addition, all hogs

are Canadian Pork Excellence certified, including with respect to “Pig Trace, Pig Care and Pig Safe” criteria,¹ and are 100% ractopamine free.

Primary Processing

Canada Packers has two pork processing plants located in Brandon, Manitoba and Lethbridge, Alberta. These processing facilities are strategically located, affording procurement and production advantages. For example, the Brandon plant is located in one of the agriculture capitals of North America, with close proximity to feed sources, land supply and skilled labour. Brandon’s operations have the capacity to process up to 4.5 million hogs annually, with current throughput being approximately 3.6 million hogs annually. Given this strategic location and available processing capacity, the opportunities to increase hog supply while focusing on enhancing operational efficiencies will be a key driver of growth. Historically, the number of hogs processed has been generally aligned with the volume of pork required for Maple Leaf Foods’ prepared meats operations. As Maple Leaf Foods only required certain portions of each hog, Canada Packers would optimize use of the whole hog by selling the other cuts of pork within North America and internationally. As an independent and focused company, Canada Packers will have greater potential to add incremental hog supply and increase processing utilization rates to meet North American and global customer demand.

The key features of each plant are summarized below:

Brandon

- Built in 1999 and expanded in 2007
- Canada’s largest primary pork processing facility (650,000 square feet) with approximately 2,000 employees
- Features controlled atmosphere stunning and fully automated hog movement system
- Snap chill processing capabilities providing longer shelf-life
- Currently processing 3.6 million hogs annually, with the potential capacity to process up to 4.5 million hogs annually
- Strategically located
- Value-added offerings for retail customers with product that is case ready and retail ready

Lethbridge

- Designed in 1998
- Niche facility mirroring a traditional Japanese-style pork plant
- 45,000 square feet with approximately 400 employees
- Japanese-style hand butchery
- Currently operating at capacity, processing 0.4 *million* hogs annually

¹ The Canadian Quality Assurance program is an on-farm assessment program that provides assurance to pork processors, retailers and consumers about on-farm food safety and animal care practices.

The following map illustrates the strategic location of the plants:



North American and Global Pork Sales and Distribution

Canada Packers produces and sells fresh, frozen and chilled pork cuts to a diversified global customer base. Its processing capabilities allows it to meet customer and region-specific demand and to offer specialty and value-added pork products.

Canada Packers is a key supplier of pork to customers across the globe. Maple Leaf Foods will be Canada Packers' anchor customer in North America, primarily purchasing conventional and RWA bellies, hams and trims. Sales to Maple Leaf Foods are expected to account for approximately 20% of Canada Packers' total annual sales. Canada Packers will also build on its established track-record with other major North American strategic customers in both retail and food service channels. Sales to these North American customers will primarily be loin, rib and trim cuts, with some sales of other cuts that contribute to maximizing carcass utilization. North American markets (excluding sales to Maple Leaf Foods) are expected to account for approximately 40% of total annual sales.

International markets, including Asia, value Canada Packers' high-quality pork and customer service. Japan is a market with exacting product specifications that Canada Packers has served for decades, with value-added long-shelf-life chilled pork and frozen offerings. With an established on-the-ground team, Canada Packers has developed deep relationships with leading importers and end-users, with co-branded lines that highlight the unique story, flavour, taste and quality of Canada Packers pork.

Access to international markets offers flexibility, enables whole-hog optimization, and allows for greater optionality to maximize margins. Canada Packers has access to all major pork importing countries, with an established sales and marketing presence in Japan, China, South Korea, and the Philippines. These Asian markets are expected to account for approximately 40% of total annual sales.

As illustrated below, the demand for different cuts of pork varies by region, and therefore access to multiple markets facilitates optimization opportunities. Balanced exposure across these markets, together with a diverse sales mix across multiple distribution channels, including retail, foodservice and industrial, contribute to the resilience and durability of Canada Packers' business model. This resilience and durability will be further enabled by Canada Packers' local sales and product optimization teams located in Japan, South Korea, China and the Philippines.



Raw Material Supply

The principal raw materials used by Canada Packers in its business are feed and hogs.

Feed

Canada Packers purchases a variety of feed ingredients, which are readily available at competitive prices. Canada Packers owns five feed mills in Manitoba which are used primarily to service the animal feed requirements of its hog operations. The mills purchase grains, proteins and pre-mixes which they use to manufacture finished feed rations.

Hogs

Hogs for pork processing are supplied by Canada Packers' internal supply and third-party producers. Canada Packers raises approximately 45% of the hogs that it processes in its hog processing facilities, with the remainder of the hogs sourced from third-party farmers through direct contracts with producers. The terms of these contracts are from two to five years and have varying pricing mechanisms and premiums for hogs with specific quality characteristics.

Competitive Environment and Market Conditions

Management sees significant opportunities for growth in the global pork market, as overall protein consumption rises as anticipated by the OECD-FAO. In 2024, the size of the global protein industry was approximately \$1.3 trillion, of which pork represented approximately \$400 billion, according to Euromonitor International. Demand for protein is expected to increase, driven by such factors as: population growth; rising affluence and associated increased demand; dietary shift toward protein-rich foods; and demand for premium sustainably raised food. Canada Packers' strategic locations, its premium pork offerings, together with its access to international markets, positions it well to take advantage of this growing protein demand.

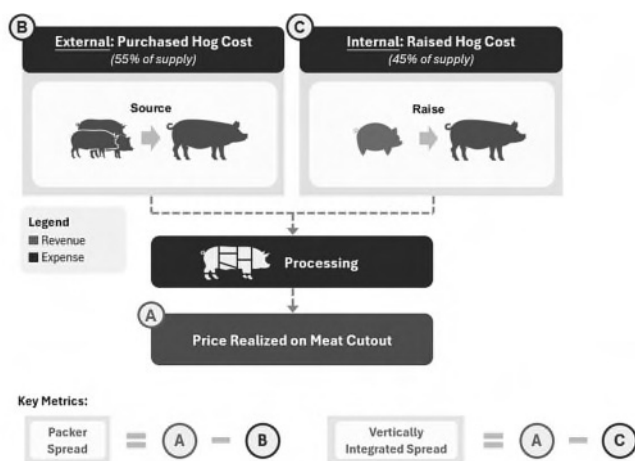
The location of Canada Packers' operations provides it with a geographic strategic advantage. The markets for fresh pork are, however, global, and Canada Packers competes with large pork processors located in the United States and throughout the world. In addition, as Canada Packers is a significant purchaser of live hogs in Canada, it competes with both Canadian and U.S. processors for hog supply, and its own hog growing operations faces competition from other hog production systems for nursery and finishing barn spaces.

Canada Packers is exposed to two key profitability drivers: the packer spread and vertically integrated spread.

Packer Spread: Represents the margin earned from externally purchased hogs. It is calculated as the difference between the price realized on the meat cutout (i.e., the aggregate value of the various meat products derived from processing a hog) and the cost of acquiring a live hog from the market. The key benchmark for the packer spread is the United States Department of Agriculture ("USDA") Cutout Price less the CME Spot Hog Price. The packer spread fluctuates based on factors such as meat demand, hog supply dynamics, and processing efficiency. The packer spread does not include the costs associated with the processing facility or selling, general, and administrative expenses ("SG&A").

Vertically Integrated Spread: Represents the margin generated from internally raised hogs. It is calculated as the difference between the price realized on the meat cutout and the internal cost of raising a hog. The key benchmark for the vertically integrated spread is the Iowa State Cost of Production farrow to finish model. Since Canada Packers is vertically integrated through the entire hog value chain (from breeding to entering processing), this spread is influenced by factors such as feed costs and efficiency, birth rates (farrowing), piglet weaning, mortality rates and processing efficiency. Similar to the packer spread, the vertically integrated spread does not include the costs associated with the processing facility or SG&A.

As illustrated below, these two spreads define Canada Packers' profitability over the long term, with the packer margin reflecting market-driven processing margins and the vertically integrated spread capturing the benefits and risks of internal hog raising.



Spreads have historically been within a relatively predictable range of volatility. However, in the years following the COVID-19 pandemic, the market experienced unprecedented disruptions, primarily driven by sharp fluctuations in feed costs, supply chain disruptions and labour challenges, resulting in instances where the cost to raise a hog was greater than the value of the meat yielded. These disruptions led to heightened margin volatility and created short-term challenges for Canada Packers. These atypical conditions were transitory. Pork markets have notably improved in 2024 and year-to-date 2025 to more normalized conditions as supply chains have stabilized, input cost pressures have eased and industry fundamentals have returned to more typical patterns.

Canada Packers will have exposure to commodity markets, where financial performance is influenced by market prices for live hogs and feed costs. Various strategies will be available to Canada Packers to manage commodity exposure in its raw material supply, including forward contracting and risk management contracts. Canada Packers will follow a risk management approach that involves hedging to manage price and market risks associated with core operating exposures and will not engage in significant trading activity of a speculative nature. Canada Packers will further seek to minimize the influence of underlying commodity prices by increasing operating efficiencies to improve its competitive position. See "Factors Affecting Results of Operations" in the Carve-Out MD&A which is included in *Schedule "H"* to this Circular.

Following completion of the Arrangement, Canada Packers will establish a risk management committee who will meet frequently to discuss the market conditions, review hedging program and trading activity, and approve any new hedging and trading strategies. Canada Packers' initial strategy will involve fixed price contracts with suppliers as well as exchange-traded and over-the-counter futures and options to manage Canada Packers' exposure to price fluctuations. The critical terms of the futures contracts and the associated hedged items are similar. Canada Packers will perform a quantitative assessment of the effectiveness, and it is expected that the value of the futures contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying commodity prices. See "Financial Instruments and Risk Management Activities" in the Carve-Out MD&A included in *Schedule "H"* to this Circular.

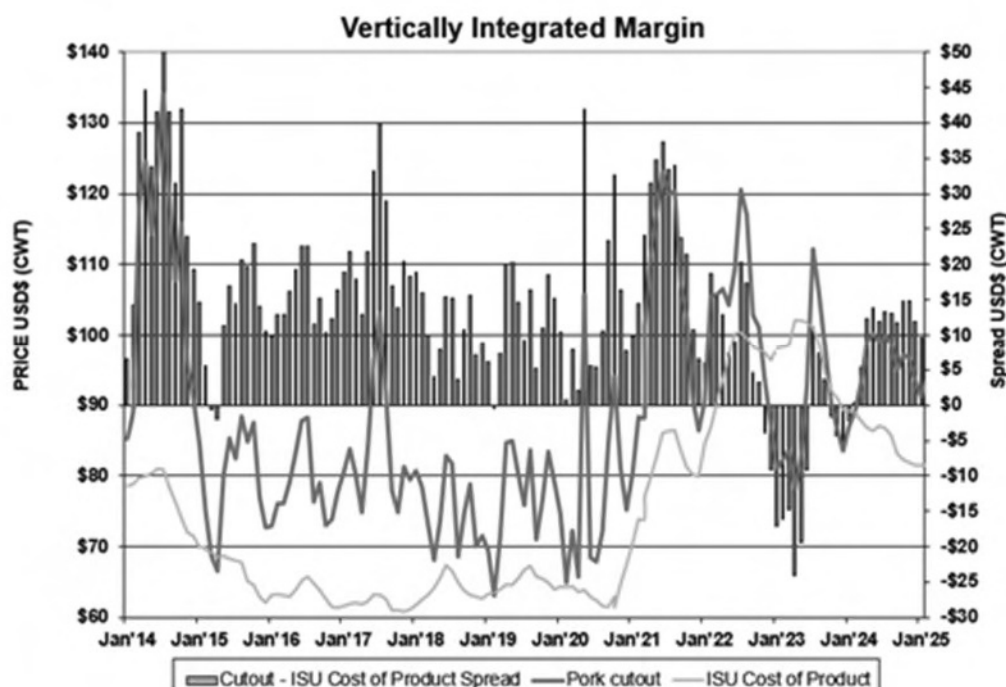
History

Canada Packers' business has demonstrated resilience and durability during market cycles. Due to Canada Packers' flexibility and access to markets around the world, it has had the ability to deliver margins that management believes compare favourably to many of Canada Packers' peers.

The following is a summary of key historical developments in the Pork Operations.

From 2015 to 2024, exclusive of the material impacts of the global market disruptions in 2022 and 2023 discussed below, the pork complex within Maple Leaf Foods maintained robust profitability, delivering, on average, double-digit Adjusted EBITDA margins. Over this period, management believes that the pork complex within Maple Leaf Foods has generally outperformed many of its industry peers.² This performance underscores the effectiveness of Canada Packers' integrated business model, global reach, focus on distinctive, sustainable, and premium product offerings, and unwavering commitment to operational excellence.

Starting in 2022 and extending through 2023, global pork markets faced unprecedented volatility due to a confluence of external factors, including the COVID-19 pandemic and the emergence of a post-pandemic economy marked by supply chain disruptions, labour shortages, historically high feed costs, and the global impact of African Swine Fever ("ASF"), particularly in China, followed by China's significant pork supply recovery. The financial impact on the industry was most pronounced starting in Q4 2022 to Q1 2024.



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During this period of global market disruptions, Canada Packers' business demonstrated resilience. Neither the Brandon Plant nor the Lethbridge plant were mandated to shut down and Canada Packers' comprehensive employee safety and COVID-19 protocols ensured continuity of plant and farm operations. Strong customer relationships in North American and international markets and value-added product offerings further resulted in a more optimized sales mix.

Looking ahead, Canada Packers is strategically focused on expanding its hog supply to drive growth across North American and international markets, while carefully preserving an optimized business mix anchored in sustainably produced, value-added offerings. This, combined with a proven track record in executing targeted cost-saving

² Based on publicly reported segment data of certain industry peers related to operating earnings margins for North American pork operations of such peers over this period.

³ Iowa State University (ISU) – estimated livestock returns, USDA.

initiatives to enhance operational efficiency, is the basis for its confidence in its ability to deliver sustainable value to shareholders.

Strategic Priorities

Canada Packers is focused on advancing its growth and value creation strategy by pursuing the key strategies summarised below:

Focusing on unlocking latent capacity within its existing manufacturing footprint

Canada Packers intends to accomplish this goal by prioritizing capital projects that will modernize its facilities to leverage available capacity and by achieving a significant increase in hog supply through a three-pronged approach that focuses on (i) internal hog production improvements through the utilization of comprehensive key-performance-indicator benchmarking against the industry's top 10% players, in order to identify gaps and implement initiatives across hog barns, (ii) securing additional external hog supply by capitalizing on the recovery of pork markets by targeting independent hog farmers in Manitoba and Saskatchewan to acquire more hog supply, and also by partnering with landowners who would build finishing barns that Canada Packers would lease back from them, enabling a capital-light approach to increasing external hog supply, and (iii) working with Canadian industry leaders to purchase weanlings and feeders from them that otherwise would have been exported for finishing, as there are roughly 4 to 5 million weanlings and feeders being exported to the United States annually. Canada Packers is expected to benefit from improved plant throughput and lower costs, coupled with the diverse revenue streams that it has as a result of its outlets to sell meat into global markets.

Optimizing the Balance Sheet

Canada Packers plans to maintain a prudent capital structure to support financial flexibility and growth and intends to deleverage over the next several years. While Canada Packers' leverage ratio is expected to vary over time, it believes that a Net Debt to Adjusted EBITDA ratio of about 2x is an optimal range for its business.

Paying dividends

It is expected that upon the completion of the Arrangement, the Canada Packers Board will initiate and maintain dividends and, where appropriate, change the dividend going forward on the basis of the Canada Packers' earnings and cash flow growth. It is anticipated that the initial announced dividend after completion of the Arrangement will be in the range of approximately \$25-\$30 million on an annualized basis. This estimate is subject to change based on a variety of factors between now and the date of announcement of the initial dividend by Canada Packers. For more information, see "Description of Capital Structure – Dividends" below.

Executing on Opportunistic M&A

Canada Packers intends to take a highly selective approach to mergers and acquisitions by focusing on targets that will fit with Canada Packers' existing operations and strategic priorities.

Intellectual Property

Following the completion of the Arrangement, Canada Packers will license the Licensed Intellectual Property from Maple Leaf Foods under the terms of the Supply Agreement. See "The Arrangement – Transaction Agreements – Supply Agreement – Intellectual Property" in the Circular.

Safety

Canada Packers prioritizes OHS. The OHS mandate will be designed to achieve a goal of zero occupational injuries in the workplace, driven by the commitment to employee safety. Canada Packers will leverage well established OHS policies and procedures that were in place at the facilities prior to the Arrangement, and safety will be integrated into its ongoing continuous improvement initiatives and operational excellence.

Currency

A portion of Canada Packers' revenues and costs are either denominated in, or directly linked to, currencies other than Canadian dollars (primarily U.S. dollars and Japanese yen). In periods when the Canadian dollar appreciates both rapidly and materially against these foreign currencies, revenues linked to U.S. dollars or Japanese yen are immediately reduced, while Canada Packers' ability to change prices or realize natural hedges may lag the immediate currency change. The effect of such sudden changes in exchange rates can have a significant, immediate impact on Canada Packers' earnings, particularly to the extent that Canada Packers raises hogs itself rather than sourcing them from third-party suppliers, as the costs of those inputs are in Canadian dollars, while sales may be in U.S. dollars or Japanese yen. However, as Canada Packers competes in international markets, and faces competition in its domestic markets from U.S. competitors, significant changes in the Canadian to U.S. dollar exchange rate could have significant effects on Canada Packers' relative competitiveness in its domestic and international markets, as well as on its financial condition and results of operations.

In general, a stronger U.S. dollar increases the value of Canada Packers' U.S. dollar denominated sales and the sales prices achieved by Canada Packers' primary pork processing and hog production operations. Conversely, it increases the cost of raw materials and ingredients across the business. Over the longer-term, a stronger U.S. dollar increases the relative competitiveness of the domestic Canadian packaged goods operation, as imports of competing products from the U.S. become less competitive, and exporting into the U.S. market becomes more attractive to Canada Packers. In general, a weaker Japanese yen reduces export margins to Japan in Canada Packers' fresh pork operations. For more information, see "Factors Affecting Results of Operations – Impact of Currency" and "Financial Instruments and Risk Management Activities – Financial Instruments" in the Carve-Out MD&A included in *Schedule "H"* to this Circular.

Pricing

Pricing for pork sold by Canada Packers is driven by market dynamics. Sales in Canada and the U.S. are typically tied to USDA pricing. Pricing to Maple Leaf Foods, Canada Packers' anchor customer, will be based on USDA formula pricing under the Supply Agreement. In Japan, pricing is subject to "gate pricing," which imposes a minimum price on imported pork, but which has in recent years not had any impact on Canada Packers' sales in Japan, as the market price for pork has been higher than the "gate price" set by the Japanese government.

As discussed under "Description of the Business – Business of Canada Packers – Principal Operations of Canada Packers – North American Global Pork Sales and Distribution" above, Canada Packers has flexibility to choose which markets it pursues based on market dynamics. It employs a dynamic pricing strategy, integrating market-based formulas with transactional optimization. These strategies draw on the expertise of its market specialists based in Canada combined with the local sales teams in key markets.

Environmental Sustainability

Canada Packers is committed to environmental sustainability, both because it believes it is the right thing to do and because it contributes to Canada Packers' ability to offer differentiated, sustainably-produced products that are valued by customers, which it believes would be difficult for competitors to replicate. Canada Packers is committed to operating in a way that balances both economic and environmental performance and, under the Supply Agreement, Canada Packers will agree to meet a number of sustainability practices as part of its commitments.

Employees

Canada Packers has a total of approximately 3,700 employees, substantially all of whom are employed in Canada, and of which approximately 2,500 are covered by collective agreements. In addition, Canada Packers are highly dependent on key members of management who are part of its executive team, as well as specialized sales and animal care team members.

Credit Facilities

In April 2025, Subco entered into a commitment letter with a Canadian chartered bank affiliated with BMO Capital Markets. In connection therewith, as of the date hereof, third party lenders committed to provide the New Canada Packers Credit Facilities upon completion of the Arrangement. See "The Arrangement – Credit Facilities Matters – New Canada Packers Credit Facilities" in the Circular for a description of the New Canada Packers Credit Facilities.

Risk Factors

Below are certain risk factors relating to Canada Packers that Canada Packers Shareholders should carefully consider in connection with and following the Arrangement. The following information is a summary of only certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information that appears elsewhere in or is incorporated by reference into this Circular. Additional risk factors relating to Canada Packers in connection with the Arrangement are set out in the body of the Circular. See “The Arrangement – Risk Factors – Risks Relating to the Arrangement and Ownership of Canada Packers Common Shares” in the Circular for additional information. These risks and uncertainties are not the only ones facing Canada Packers. Additional risk and uncertainties not presently known to Maple Leaf Foods, Newco or Subco or that they currently consider immaterial may also impair Canada Packers’ business operations.

Risks Relating to Canada Packers’ Business and Industry

Global Market and Economic Conditions

Canada Packers’ operations and financial condition are materially affected by global market and economic conditions, including the associated government actions ranging from global conflict to tariffs and other trade barriers. These conditions can contribute to inflationary pressures; increased costs; tariff and non-tariff barriers to trade; changes in customer and consumer behaviour; disruption in global and local supply chains, limiting the availability of key inputs for Canada Packers’ operations as well as its ability to ship products to market; disruptions in international trade and access to markets; operational restrictions; reduced ability to execute product innovation initiatives; counterparty credit risk; and volatility in financial and commodity markets. Depending on the continued evolution of the instability that has marked global economic conditions since the pandemic, the impact may increase the effect of the other risks described in this *Schedule “G”*.

Supply Agreement Risk

Under the Supply Agreement, Canada Packers is required to satisfy certain production volume and quality requirements prescribed by Maple Leaf Foods and Maple Leaf Foods will provide brokerage and customer management services for Canada Packers’ North American customers and license intellectual property and trademarks to Canada Packers and earn fees for providing such services and for licensing these rights. Because of this, Canada Packers will be exposed to risks associated with Maple Leaf Foods’ business operations and financial viability.

The exercise by Maple Leaf Foods of its remedies in the event of a default or potential default, the termination of the Supply Agreement, and/or the inability of Canada Packers to find alternative customers could have a material adverse impact on Canada Packers’ financial condition and results of operations. Canada Packers bears the risk of failing to deliver on its supply commitments under the Supply Agreement, including in the case of animal disease outbreaks in its hogs. In the event that Canada Packers is in material default of its obligations under the Supply Agreement, Maple Leaf Foods will have the right to either (i) terminate the Supply Agreement, in which case Canada Packers may be unable to find alternative customers for its products on terms and conditions that would allow it to operate its business profitably or (ii) step in to manage (or direct the management of) certain of Canada Packers’ operations, in which case Canada Packers’ ability to meet the requirements of its other customers could be adversely impacted. Further, if certain triggering events occur, some of which may be outside of the control of Canada Packers, Maple Leaf Foods could exercise the Option to Purchase. These events include certain events of insolvency affecting Canada Packers and certain events of default under Canada Packers’ material debt financing documentation.

There is no guarantee that Canada Packers will realize the expected benefits from the Supply Agreement, including from the services Maple Leaf Foods will be providing. The RWA hog raising premium or the OPG hog raising premium that Maple Leaf Foods will pay to Canada Packers may be insufficient to cover the incremental cost of raising an RWA hog or an OPG Hog. Canada Packers does not have a right to terminate the Supply Agreement and has limited remedies if Maple Leaf Foods fails to meet its obligations under the Supply Agreement.

See “The Arrangement – Transaction Agreements – Supply Agreement” in the Circular for a description of the terms of the Supply Agreement.

Livestock Health and Risks Associated with Animal Disease

Canada Packers' principal business consists of producing, procuring and processing hogs. Declines in the general health of hogs and the reproductive performance of sows could have an adverse impact on production and production costs, the supply of raw material to Canada Packers' pork processing operations and consumer confidence. In addition, Canada Packers' operations and the demand for Canada Packers' products could be significantly affected by outbreaks of disease among hogs or attributed to hogs whether it occurs within Canada Packers' production operations or in the operations of third-parties. Such diseases could adversely impact the health of Canada Packers' own hogs and the health of the hogs of its suppliers, potentially reducing the availability of hogs for Canada Packers' processing operations. If Canada Packers' hogs are affected by disease, Canada Packers could be required to destroy infected hogs. Even if disease does not result in the complete loss of a herd, disease can have a debilitating effect on the productivity of the affected herd. In either case, this could adversely affect Canada Packers' production or ability to sell or export its products. In addition, Canada Packers is increasing its sales of RWA meat products and in turn expanding the portion of its hog supply raised without antibiotics. Canada Packers' supply of RWA meats may be at a greater risk of supply disruption in the event of an animal disease outbreak.

Governments combat the spread of disease during outbreaks with measures that include, among other things, restrictions on the movement of meat and livestock between jurisdictions, which results in supply excesses and shortages and price volatility which in some cases reaches extreme levels. In 2018 there was an outbreak of ASF in China which has continued to spread. While restrictions have been put in place by the foreign jurisdictions to contain the spread of the disease in hog populations, there can be no assurance the outbreak will be contained or that the outbreak will not spread to areas that supply Canada Packers with live hogs or that additional restrictions will not be put in place that will impede Canada Packers' access to other markets or create volatile market conditions. In addition, if an outbreak of ASF were to occur in Canada, Canada Packers' supply of hogs and pork could be materially impacted. More generally, significant, widespread disease amongst Canadian hogs could result in export markets for Canadian hogs and processed pork being closed for an indefinite period of time and could result in a material decline in consumer demand for pork in domestic markets. Either of these results could have a significantly negative impact on hog prices in Canada and thereby have a material adverse impact on Canada Packers' financial condition and results of operations. In the longer term, the availability of hogs in the relative proximity of Canada Packers' processing facilities may be impacted by climate change if the availability of feed grains in the relative proximity of Canada Packers' processing facilities is altered.

Canada Packers monitors herd health status and has strict bio-security procedures and employee training programs throughout its hog production system and ensures the animals receive veterinary medications as required. However, there is no guarantee these processes will not fail. In addition, not all livestock procured by Canada Packers may be subject to these processes, as the majority of livestock processed by Canada Packers is purchased. In addition to risks associated with maintaining the health of Canada Packers' livestock, any outbreak of disease elsewhere in the world could reduce consumer confidence in the meat products affected by the particular disease and generate adverse publicity.

Canada Packers has developed a comprehensive internal contingency plan for dealing with animal disease occurrences and/or a more broad-based pandemic. It has taken steps to support the Canadian government in enhancing both the country's prevention measures and preparedness plans. There can be no assurance, however, that these prevention measures or plans will be successful in minimizing or containing the impact of an outbreak of animal disease. Accordingly, there can be no assurance that an outbreak of animal disease in Canada or elsewhere will not have a material adverse effect on Canada Packers.

Given that Canada Packers' principal business consists of producing, procuring and processing hogs, a disease outbreak that affects multiple of Canada Packers' herds or facilities, the industry as a whole or the confidence of consumers or customers in Canada Packers' products or pork products more generally could have a disproportionately significant material adverse effect on Canada Packers' financial condition and results of operations. While Canada Packers maintains internal contingency plans to mitigate the above-noted risks, there can be no assurance that those plans will be effective or that emergency third-party funding (such as governmental financial assistance) will be available in the event that Canada Packers is unable to manage any such event through its own financial means.

Hog and Pork Market Cyclicity and Supply

Canada Packers' results of operations and financial condition are dependent upon the cost and supply of hogs as well as the selling prices for pork products, both of which are influenced by constantly changing market forces of supply and demand over which Canada Packers has little or no control. These prices, for the most part, are denominated in or related to U.S. dollars, which adds further variability due to fluctuations in exchange rates. The North American primary pork processing markets are highly competitive, with major and regional companies competing in each market. The market prices for pork products regularly experience periods of supply and demand imbalance and are sensitive to changes in industry processing capacity. Other factors that can influence the supply and market price of live hogs include: fluctuations in the size of herds maintained by North American hog suppliers; environmental and conservation regulations; economic conditions; the relative cost of feed for hogs; weather; livestock diseases; and changes to foreign jurisdiction restrictions on drugs, vitamin and feed additives used in hogs raised in Canada. There can be no assurance that all or part of any such increased costs experienced by Canada Packers from time to time can be passed along to customers of Canada Packers' products directly or in a timely manner.

The factors described above may also impact the supply of hogs available for processing at Canada Packers' pork processing plants by negatively impacting the financial strength of the various independent farming operations upon which Canada Packers relies to meet its requirements for hogs. Any of these could have a material adverse effect on the financial condition and results of operations of Canada Packers.

Canada Packers relies on third-parties for a portion of its hog supply and competes with other processors for hogs. If it is unable to secure reliable hog supply and barn space, its business, operations and financial results will be materially adversely affected. Over the long term, a reduction in the availability of livestock at Canada Packers' processing facilities may result in higher transportation costs if livestock is sourced from more distant growing areas or result in higher capital costs if Canada Packers were required to relocate processing facilities. There can be no assurance that those extra operating costs or capital costs could be passed on to customers, which may have a material adverse effect on Canada Packers' financial condition and results of operations.

Canada Packers is increasing its sales of RWA meat products and in turn expanding the portion of its hog supply raised without antibiotics. Animals raised without antibiotics have a higher cost of production and the meat is typically sold at a premium to cover these higher costs. If Canada Packers fails to find markets or buyers willing to pay the premium price for all the RWA meat produced, a portion of the higher cost meat will be sold through lower price conventional channels.

Furthermore, Canada Packers' supply of RWA meats may be at a greater risk of supply disruption in the event of an animal disease outbreak. Refer to "Livestock Health and Risks Associated with Animal Disease" above.

Cyclicity and Volatility Affecting the Prices of Animal Feed Ingredients

Canada Packers' business is dependent on the cost and supply of animal feed ingredients and other raw materials. These prices are determined by supply and demand, which may fluctuate significantly, and other factors over which Canada Packers has little or no control.

For example, the war in Ukraine brought a significant increase in the prices of agricultural commodities such as corn, wheat and soybeans, in part caused by the increase in the use of these commodities for energy generation purposes, reducing the supply for international consumption, which directly impacts costs and volatility of the margin of Canada Packers' business. Although the prices of grains have more recently decreased, if in the future the cost of commodities increases more than expected and the price of pork does not follow the same trend, Canada Packers may be adversely affected. Regional conflicts in the Middle East could further increase production and transportation costs for both food and fertilizers if there is a sharp increase in oil prices.

Other factors that affect supply and demand of feed ingredients include, among others, fluctuations in local and global hog production levels, environmental and conservation regulations, economic conditions, global pandemics, animal and crop diseases, cost of national and international freight, exchange rate and interest rate fluctuations, and agricultural policies of Canadian and foreign governments. In addition, prices are also constantly affected by weather, climate events and seasonality, fertilizer prices, biofuel policies, export taxes, as well as political and trade disputes around the world. Any changes in animal feed ingredients and other raw material prices may have a major impact on Canada Packers' business.

International Trade

Canada Packers exports significant amounts of its products to customers outside of Canada. In addition, Canada Packers imports various inputs from other jurisdictions. Since Canada Packers is dependent on imports or exports for its business, it is subject to inherent risks associated with international trade, including: change in the free flow of food products between countries; fluctuations in currency values; discriminatory fiscal policies; unexpected changes in local regulations and laws; and the uncertainty of enforcement of remedies in foreign jurisdictions. In addition, trade agreements between Canada and foreign jurisdictions could change and foreign jurisdictions could impose tariffs, quotas, trade barriers, and other similar restrictions on Canada Packers' international sales, as well as subsidize competing agricultural products. International trade and the associated access to markets can be influenced by geopolitical events beyond the control of Canada Packers.

As a result of recent comprehensive changes to U.S. trade policy, tariffs and retaliatory tariffs are being imposed by the U.S. and various affected countries, which may affect Canada Packers. The situation is very fluid and changing rapidly, and there is no certainty as to when, and if, the tariffs will be removed. China has also recently imposed tariffs on Canadian pork imports. Canada Packers will monitor these evolving circumstances. Canada Packers recognizes that its business, operations, financial performance and future growth plans could be significantly impacted if tariffs, retaliatory tariffs or other trade measures are implemented. Tariffs and the threat of tariffs can also have an amplifying, or mitigating, effect on other risk factors such as, foreign exchange rates and consumer and competitor behaviour and competitiveness.

Further, as discussed under "Livestock Health and Risks Associated with Animal Disease" above, the threat of the spread of animal disease could result in significant disruption of international trade in the meat protein business, as governments use international trade barriers as a tool to help manage the spread of such diseases. All of these risks could result in increased costs or decreased revenues, either of which could have a material adverse effect on operations of Canada Packers.

Activities of Competitors and Customers

The food industry is intensely competitive. Competition is based on factors such as product availability, product quality and taste, price, brand recognition, product variety, product packaging and design, shelf space, reputation, nutritional and other claims, effective promotions, and the ability to target changing consumer preferences. Canada Packers may experience competitive pressure as a result of, among other things, competitors' efforts to gain market share, as well as in product categories characterized by low capacity utilization.

Pressures from existing competitors as well as new entrants into various markets could result in reduced sales, margins, profits, and market share, all of which could have a material adverse effect on Canada Packers' financial condition and results of operations.

The ability of Canada Packers to increase revenue and execute its business strategy depends in part on its ability to cost-effectively attract and retain customers. If Canada Packers is unable to do this, its business, financial condition and results of operations may be materially adversely affected. Further, if customers do not perceive the product offerings to be of sufficient value and quality or if Canada Packers fails to offer relevant product offerings, it may not be able to attract or retain customers.

Canada Packers competes with other companies who may have greater financial and other resources, lower operating costs and lower costs of capital. In some instances, this could force Canada Packers to lower prices, resulting in lower profitability or, in the alternative, cause it to lose market share if it fails to lower prices.

Overall, these competitive pressures could cause Canada Packers to lose market share, which may require it to lower prices and/or increase the use of discounting or promotional campaigns, each of which could adversely affect its margins, could result in a decrease in its operating results and profitability.

Product Pricing

Canada Packers' pricing decisions are influenced by a variety of factors, including global commodity markets and access to customers. Some of Canada Packers' competitors have greater scale, brand recognition or other resources (financial or otherwise). Its profitability is dependent upon its ability to sell the meat from the hogs it raises or acquires at prices that exceed the raising costs (vertically integrated spread) or acquisition costs (packer spread).

There can be no assurance that Canada Packers can maintain margins relative to its cost structure. For example, if global market conditions experience severe disruption, such as occurred in late 2022 and into 2024, Canada Packers may not have an ability to secure sufficient pricing which would adversely affect its margins. See “Description of the Business – Business of Canada Packers – History” above for more information. Competitive pressures or other factors could cause Canada Packers to lose sales, which may require management to lower prices and/or increase the use of discounting, each of which would adversely affect its margins and could result in a decrease in operating results and profitability.

Cyber Security and Overall Management of Canada Packers' Information Systems

Canada Packers will rely on information technology systems in all areas of its business and operations. These systems are subject to an increasing number of sophisticated cyber threats. The methods used to obtain unauthorized access, disable or degrade service or sabotage systems are constantly evolving. Should a cyber attack be successful and a breach of sensitive information occur or its systems and services be disrupted, Canada Packers' financial position, reputation, and/or ability to achieve its strategic objectives may be negatively affected. Canada Packers will maintain policies, processes, and procedures to address capabilities, performance, security, and system availability, including resiliency and disaster recovery for systems, infrastructure, and data. Security protocols, along with information technology security policies, address compliance with information technology security standards, including those relating to information belonging to Canada Packers' customers, employees and suppliers.

Canada Packers is exposed to risks associated with cyber security of other third-party service providers with whom it conducts business. For the term of the Long-Term Services Agreement, Canada Packers will be provided with certain information technology systems by Maple Leaf Foods (and third-party service providers with whom Maple Leaf Foods conducts business) on a fixed fee plus cost recovery basis. As such, Canada Packers could be impacted by any cybersecurity event impacting Maple Leaf Foods and Maple Leaf Foods' policies, process and procedures to protect against cyber risk. Canada Packers will actively monitor, manage, and enhance its ability to mitigate cyber risk through its enterprise-wide programs. However, there is no assurance that any of these measures, or the measures of Maple Leaf Foods, will be successful.

Canada Packers will regularly implement process improvement initiatives to simplify and harmonize its systems and processes to optimize performance and reduce the risk of errors in financial reporting. There cannot be any guarantee that any such changes will improve processes or operating results or reduce the risk of errors in financial reporting. Any of these failures could have a material adverse impact on Canada Packers' financial condition and results of operations.

The Long-Term Services Agreement imposes certain obligations on Canada Packers with respect to the use of Maple Leaf Foods' information technology systems. If Canada Packers fails to comply with its obligations under the Long-Term Services Agreement or other agreements pursuant to which it licenses IT systems from Maple Leaf Foods or third-parties or otherwise experiences disruptions to its business relationships with such licensors, it could lose the rights to information systems that are important to its business, which could have a material adverse effect on Canada Packers' financial condition and results of operations.

Geopolitical Instability

Canada Packers is exposed to risks arising from geopolitical instability, including wars, tensions between nations, insurrections and political and economic instability, all of which may have broader impacts on, among other things, the global economy, international trade, access to markets, commodity prices, supply chains, interest rates, exchange rates and customer and consumer patterns. This risk intersects with, contributes to and may amplify many of the other risks discussed in this “Risk Factors” section. For example, the war in the Ukraine impacted commodity markets, including the price and availability of key crops, feed and other supplies essential to Canada Packers' operations and tensions between China and Canada have played a role in accessing the Chinese market in recent years. The impact of these events and other geopolitical instability may have a material adverse effect on the business and operations of Canada Packers and its financial performance.

Supply Chain Management

Successful management of Canada Packers' supply chain is critical to Canada Packers' success. Insufficient supply of products threatens Canada Packers' ability to meet customer demands while over capacity threatens Canada

Packers' ability to generate competitive profit margins. Accordingly, any failure by Canada Packers to properly manage its supply chain could have a material adverse effect on the financial condition and results of operations of Canada Packers.

Reliance on Third-Party Suppliers

Canada Packers relies on third-party suppliers for many aspects of its business. Failure by suppliers and service providers in Canada Packers' supply chain to deliver goods and services essential to its operations could have a material adverse effect on Canada Packers, its operations and financial results. Acceptable suppliers may not always be available which could result in operational disruption, shut-downs, higher production costs, additional capital requirements, transportation delays, supply chain disruption and lost sales. While Canada Packers maintains a strict quality and food safety protocol and monitoring regime, any deficiencies caused by third-party suppliers could result in product liability, recalls or other consequence that could negatively impact the reputation of Canada Packers and could have a material adverse effect on the financial condition and results of operations of Canada Packers.

Canada Packers has long-standing relationships with most of its hog suppliers and typically enters into contracts with its suppliers with terms ranging from two to five years. However, if any of these contracts are terminated or if producers are not able to supply hogs in the quantity and at the frequency that Canada Packers normally acquires them, and Canada Packers is not able to replace the supplier on acceptable terms or at all, Canada Packers may be unable to maintain its usual level of production and sales. Canada Packers' inability to retain an adequate number of hog suppliers may materially adversely affect its financial condition and results of operations.

Food Safety, Customer and Consumer Liability and Product Recalls

Canada Packers is subject to risks that affect the food industry in general, including risks posed by food spoilage, accidental contamination, product tampering, consumer product liability, and the potential costs and disruptions of a product recall. Canada Packers' products are susceptible to contamination by organisms that can cause illness, or pathogens, such as certain strains of *Escherichia coli* (E. coli), *Salmonella* and *Listeria*. There is a risk that these pathogens could be present in certain products produced by Canada Packers. Canada Packers actively manages these risks by maintaining strict and rigorous controls and processes in its manufacturing facilities and distribution systems and by maintaining prudent levels of insurance. However, Canada Packers cannot assure that such systems, even when working effectively, will eliminate the risks related to food safety. Canada Packers could be required to recall certain products in the event of contamination or adverse test results or as a precautionary measure. There is also a risk that not all of the products subject to the recall will be properly identified, or that the recall will not be successful or not be enacted in a timely manner. Any product contamination could subject Canada Packers to product liability claims, claims for economic losses by customers and others in the supply chain, adverse publicity and government scrutiny, investigation or intervention, resulting in increased costs and decreased sales. Many of these costs and losses are not covered by insurance. Any of these events could have a material adverse impact on Canada Packers' financial condition and results of operations.

Reputation

Canada Packers' reputation as a credible, responsible corporate citizen will be a valuable aspect of its business. Maintaining a positive reputation in the eyes of its customers, consumers, communities, governments, regulatory bodies and the general public is important to its continued success.

The potential for deterioration of the reputation of Canada Packers may arise in many contexts and for many different reasons. As a result, reputational risk cannot be managed in isolation from other forms of risk. For example, any real or perceived quality or safety concerns, whether or not ultimately based on fact and whether or not involving Canada Packers (such as incidents involving competitors, or the way in which products are handled by customers, consumers or others in the distribution chain after they leave the control of Canada Packers), could cause negative publicity and reduced confidence in Canada Packers, its brand or its products, which could in turn harm its reputation and operating results. Any loss of confidence on the part of consumers in Canada Packers' products, brands, the ingredients it uses or in the safety and quality of its products could be difficult and costly to overcome.

The growing use of social and digital media by Canada Packers, its consumers and third-parties increases the speed and extent that information or misinformation and opinions can be shared. Negative publicity about Canada Packers, its brands or its products on social or digital media could seriously damage its reputation. If Canada

Packers does not maintain the favorable perception of its brands and reputation, Canada Packers' sales and profits could be negatively impacted.

Reliance on Intellectual Property Licenses

Canada Packers utilizes a number of trademarks, brands, proprietary processes and trade secrets ("Intellectual Property") in the course of its business. Failure to maintain the Intellectual Property in good standing could adversely affect the operations of Canada Packers, the value of its brands and marketability of its products and could therefore have a material adverse effect on its financial condition and results of operations.

Under the terms of the Supply Agreement, Canada Packers will be granted a limited, non-transferable, non-sublicensable license for certain Maple Leaf Foods-owned information, instructions and trademarks, which are important to Canada Packers' business. The Supply Agreement imposes certain covenants and obligations on Canada Packers with respect to the use of the Licensed Intellectual Property. If Canada Packers fails to comply with its obligations under the Supply Agreement or other agreements pursuant to which it licenses intellectual property rights from Maple Leaf Foods or third-parties or otherwise experiences disruptions to its business relationships with such licensors, it could lose the rights to intellectual property that is important to its business, which could have a material adverse effect on Canada Packers' financial condition and results of operations.

Capital Project Execution

Canada Packers may need to expand operations to achieve its business objectives and deliver on its growth strategy. See "Description of the Business – Strategic Priorities" above for more information. Capital projects are subject to many risks, including schedule, cost, regulatory approvals and construction risks. In addition, there is the risk that the returns generated from the projects will be less than the forecast returns which could have an adverse effect on the financial condition and results of operations of Canada Packers.

Canada Packers' network of assets also requires ongoing investment in maintenance capital. Failure to adequately invest in preventative maintenance and other maintenance capital requirements may adversely impact Canada Packers' operations, resulting in increased shutdowns and manufacturing disruptions, which could have a material adverse impact on Canada Packers' financial condition and results of operations.

Climate Change

The potential effects of climate change could have a material impact on Canada Packers and its operations, such risks include a range of physical, financial, compliance and reputational risks. As part of its sustainability strategy, Canada Packers has set environmental footprint reduction targets and has executed certain energy efficiency and greenhouse gas emission reduction projects. While Canada Packers takes steps to assess the commercial viability of these initiatives, there is no assurance that the ongoing costs of these initiatives will continue to be economic. As new laws, regulations and industry standards related to emission reductions continue to evolve, it is possible that Canada Packers' practices, processes and facilities will require significant modifications in order to comply. Further, it is possible that the changes necessary to reduce emissions will not be feasible or that the costs will be material, either of which could have a material adverse effect on Canada Packers' operations and financial position.

Climate change considerations, including emissions associated with Canada Packers' business, may also create reputational risk for Canada Packers and challenge its ability to maintain market share for its products if consumers seek alternative, lower-carbon meat protein products.

Strategic Risk Management

Successful identification and management of the strategic risks facing Canada Packers from time to time is critical to the success of Canada Packers. Among other things, these risks include changes in technology, the food industry, customers, consumers, and competitors. Failure to properly adapt to changes in strategic risks could have a material adverse effect on the financial condition and results of operations of Canada Packers.

Commodities and Hedging Strategies

Canada Packers is a purchaser of, and its business is dependent on, certain commodities in the course of normal operations, such as feed grains, livestock, and energy, such as oil-based fuel, natural gas, and electricity. Commodity prices are subject to fluctuation and such fluctuations are sometimes severe.

Canada Packers may use commodity futures and options for hedging purposes to reduce the effect of changing prices in the short term, but such hedges may not be successful in mitigating this commodity price risk and may, in some circumstances, subject Canada Packers to loss. On a longer-term basis, Canada Packers attempts to manage the risk of increases in commodities and other input costs by increasing the prices it charges to its customers or switching to alternatives; however, no assurance can be given that customers will continue to purchase Canada Packers' products if prices rise or that alternatives may be available or less costly. Any fluctuations in commodity prices that Canada Packers is unable to properly hedge or mitigate could have a material adverse effect on the financial condition and results of operations of Canada Packers.

Legal Matters

In the normal course of its operations, Canada Packers becomes involved in various legal actions, either as plaintiff or defendant, relating to, among other things, its commercial activities and relationships, employment matters and product liabilities. Canada Packers may be named as a defendant in legal actions and is subject to various risks and contingencies arising in the normal course of business. The resolution of these various types of claims are not expected to have a material effect on Canada Packers. However, the final outcome with respect to any outstanding actions or with respect to future claims cannot be predicted with certainty.

Canada Packers will maintain typical insurance coverages for an organization of its size and nature. As a result, insurance coverage may be available for some claims. In some circumstances, legal claims may not be covered by insurance or the insurance coverage may not be sufficient to cover the claimed losses. Further, even if any action is settled within insurance limits, this can result in increases to Canada Packers insurance premiums. Therefore, there can be no assurance that their resolution will not have a material adverse effect on the financial condition or results of operations of Canada Packers.

Mergers and Acquisitions

As part of its growth strategy, Canada Packers may make acquisitions. While Canada Packers intends to take a highly selective approach to mergers and acquisitions by focusing on targets that will fit with Canada Packers' existing operations and strategic priorities, any acquisition may involve large transactions or realignment of existing investments, and present financial, managerial and operational challenges, which, if not successfully overcome, may reduce Canada Packers' profitability. These risks include: adverse effects on existing business relationships with suppliers and customers; inaccurate estimates of the rate of return on acquisitions or investments; inaccurate estimates of fair value made in the accounting for acquisitions and amortization of acquired intangible assets, which could reduce future reported earnings; potential loss of customers or key employees of acquired businesses; and indemnities and potential disputes with the buyers or sellers. Any of these items could materially adversely affect Canada Packers' financial condition and results of operations.

Regulation

Canada Packers' operations are subject to extensive regulation by government agencies in the countries in which it operates, including: the Canadian Food Inspection Agency; the Ministry of Agriculture in Canada; provincial Ministries of the Environment in Canada; the United States Department of Agriculture, as well as regulatory authorities in the international jurisdictions into which it sells. These agencies regulate the processing, packaging, storage, distribution, advertising, labelling, importing and exporting of Canada Packers' products, including food safety standards. Canada Packers' manufacturing facilities and products are subject to inspection by federal, provincial, state and local authorities.

Canada Packers strives to maintain compliance with all laws and regulations and maintains all permits and licenses relating to its operations. Nevertheless, there can be no assurance that Canada Packers is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, permits and licenses in the future. Failure by Canada Packers to comply with applicable laws and regulations and permits and licenses could subject Canada Packers to civil remedies, including fines, injunctions,

recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on Canada Packers' reputation, financial condition and results of operations.

Various governments throughout the world may adopt new regulations related to, among other things, genetically modified organisms, drug residues in food ingredients, food safety, and market and environmental regulation that could increase Canada Packers' costs or require it to make changes in its operations. There can be no assurance that additional regulation will not be enacted. If any of these or other proposals or regulations are enacted, Canada Packers could experience a disruption in the supply or distribution of its products, increased operating costs, and significant additional cost for capital improvements. Canada Packers may be unable to pass on the cost increases associated with such increased regulatory burden to its customers without incurring volume loss as a result of higher prices. Any of these events could have a material adverse effect on Canada Packers' financial condition and results of operations.

Foreign Currencies

A portion of Canada Packers' revenues and costs are either denominated in or directly linked to other currencies (primarily U.S. dollars and Japanese yen). In periods when the Canadian dollar has appreciated both rapidly and materially against these foreign currencies, revenues linked to U.S. dollars or Japanese yen are immediately reduced, while Canada Packers' ability to change prices or realize natural hedges may lag the immediate currency change. The effect of such sudden changes in exchange rates could have a significant immediate impact on Canada Packers' earnings. Due to the diversity of Canada Packers' operations, normal fluctuations in other currencies do not generally have a material impact on Canada Packers' profitability in the short term due to either natural hedges and offsetting currency exposures (for example, when revenues and costs are both linked to other currencies) or the ability in the near term to change prices of its products to offset adverse currency movements. However, as Canada Packers competes in international markets, and faces competition in its domestic markets from U.S. competitors, significant changes in the Canadian to U.S. dollar exchange rate could have, and have in the past had, significant effects on Canada Packers' relative competitiveness in its domestic and international markets, which could have, and has in the past had, significant effects on the financial condition and results of operations of Canada Packers.

Consumer Trends

Success of Canada Packers depends in part on Canada Packers' ability to respond to market trends and produce products that meet customer and consumer demands in the various global markets that it sells into. It is currently expected that demand for protein, and within that the demand for pork, is growing, based on a number of factors, but there is no guarantee these expected trends will materialize, or that Canada Packers will be able to or will benefit from this overall trend. From time-to-time, certain products can be deemed to be more or less healthy and this can impact consumer buying patterns. Canada Packers' failure to anticipate, identify, or react to consumer demand or to align its offerings with local market demand to maximize whole-hog utilization could have a material adverse effect on Canada Packers' financial condition and results of operations.

Environmental Regulation and Risks

Canada Packers' operations are subject to extensive environmental laws and regulations pertaining to the discharge of materials into the environment (including greenhouse gas emissions as discussed in more detail under "Climate Change" above), the handling and disposition of wastes (including solid and hazardous wastes and manure management) and other matters relating to protection of the environment. Failure to comply could have serious consequences, such as criminal as well as civil penalties, liability for damages, and negative publicity for Canada Packers. No assurances can be given that additional environmental issues relating to presently known matters or identified sites or to other matters or sites will not require additional expenditures, or that requirements applicable to Canada Packers or levies or taxes assessed against Canada Packers will not be altered in ways that will require Canada Packers to incur significant additional costs. In addition, certain facilities of Canada Packers have been in operation for many years and, over time, Canada Packers and other prior operators of such facilities may have generated and disposed of waste which is or may be considered to be hazardous. Future discovery of previously unknown contamination of property underlying or in the vicinity of Canada Packers' present or former properties or manufacturing facilities and/or waste disposal sites could require Canada Packers to incur material unforeseen expenses. Occurrences of any such events could have a material adverse effect on Canada Packers' financial condition and results of operations.

Customer Environment and Concentration

Canada Packers is required to adjust to changing customer requirements and purchasing practices. Failure to do so could result in losing sales volumes and market share. Canada Packers' sales and profitability could also be affected by deterioration in the financial condition of, or other adverse developments in, the relationship with one or more of its major customers. Any of these events could have a material adverse effect on Canada Packers' financial condition and results of operations.

Canada Packers' customer base is relatively concentrated, with the majority of sales being to a small number of customers, including the sales to Maple Leaf Foods, its anchor customer. See "Supply Agreement Risk" above. Such concentration may also create credit exposure risk and, in the absence of long-term contracts, customers are not bound to continue to purchase from Canada Packers. Future growth in high-value markets will be contingent on Canada Packers' ability to attract new customers in these areas.

Seasonality

Canada Packers experiences fluctuations in quarterly results due to seasonal features of its operations. For example, hog supply and consumer purchasing patterns are impacted by seasonal factors, including weather and holidays. As a result, seasonality could cause results of operations for an interim financial period to fluctuate and not be indicative of full-year results. Failure to effectively manage inventories and business results to take into account this seasonality, could adversely affect Canada Packers' overall performance and results of operations.

Unpredictable Catastrophic Events

Catastrophes can be caused by various natural and unnatural events, including hurricanes, windstorms, earthquakes, hailstorms, explosions, severe winter weather, fires, regional or global pandemics, hostilities, terrorist acts, riots, crashes and derailments. The incidence and severity of catastrophes are inherently unpredictable. The frequency and intensity of natural catastrophic events may continue to increase as a result of climate change and other factors. Canada Packers' financial condition and results of operations could be materially adversely affected and Canada Packers may experience an abrupt interruption of activities caused by unforeseeable and/or catastrophic events. Canada Packers' operations may be subject to losses resulting from such disruptions including with respect to property, financial assets, trading positions and key personnel. If Canada Packers' business continuity plans cannot be put into action or do not take such events into account, losses may further increase. See "Climate Change" above and "Weather" below.

Weather

Weather conditions and changes in climate and other long-term trends may have a material adverse effect on the availability and prices of the commodities Canada Packers uses. Adverse weather conditions can also impact crop health, which has implications for the quality and cost for inputs into Canada Packers' animal feed. Weather conditions, including extreme heat and extreme cold, can also pose safety concerns for workers and animals, which can affect Canada Packers' operations. In addition, weather conditions may also influence Canada Packers' ability to complete capital projects on time, potentially resulting in delays and increasing costs of such capital projects.

Employees, Contractors and Labour Relations

As of April 22, 2025, approximately 3,700 people were employed in Canada Packers' business, substantially all of whom were employed in Canada, and of which about 2,500 were covered by two collective agreements. Canada Packers' employees are located in various jurisdictions, each such jurisdiction having differing employment laws. While Canada Packers maintains systems and procedures to comply with the applicable requirements, there is a risk that failures or lapses by individual managers could result in a violation or cause of action that could have a material adverse effect on Canada Packers' financial condition and results of operations. Furthermore, if a collective agreement covering a significant number of employees or involving certain key employees were to expire or otherwise cease to have effect leading to a work stoppage, there can be no assurance that such work stoppage would not have a material adverse effect on Canada Packers' financial condition and results of operations. The success of Canada Packers is also dependent on its ability to recruit and retain qualified personnel. The loss of one or more key personnel could have a material adverse effect on the financial condition and results of operations of Canada Packers. Canada Packers may fill some vacancies with foreign workers through international programs, which programs may not be renewed and further give rise to human rights considerations. Canada Packers takes

a variety of steps to ensure human rights are protected and respected through its recruitment processes, including only utilizing certified recruiting firms. Tight labour markets may impact Canada Packers' ability to attract and retain talent, and adapt to employee work preferences which may continue to be a challenge into the future.

Health and Safety

Maintaining a healthy and safe workforce is critical to the success of Canada Packers. Canada Packers maintains a rigorous system to maintain a safe and injury free workplace. However, there is no guarantee that these systems will prevent incidents from occurring which could have implications for operating results. As well, there are risks to Canada Packers created by wide spread health pandemics. These threats include: maintaining the health and welfare of the workforce, the ability to bring in foreign workers, which are a critical part of the overall workforce as a result of restrictions to prevent the spread of pandemics, and higher costs associated with protective measures necessary to maintain worker safety and the safety of overall operations of Canada Packers. In instances of community spread of a pandemic, it is increasingly difficult for Canada Packers to maintain a healthy workplace which could require extraordinary measures to be taken to mitigate the risk of spread at the workplace and the potential for operations to be suspended. Failure to maintain a safe and healthy workplace could have a material adverse effect on the financial condition and results of operations of Canada Packers.

Pension Plan Assets and Liabilities

In the normal course of business, Canada Packers will provide post-retirement pension benefits to its employees under a pension plan with both a defined contribution component and a defined benefit component (the "CP DB Plan"). The funded status of the CP DB Plan significantly affects the net periodic benefit costs and the ongoing funding requirements of the CP DB Plan. Among other factors, changes in interest rates, mortality rates, early retirement rates, and the market value of plan assets can affect the level of plan funding required, increase Canada Packers' future funding requirements, and cause volatility in the net periodic pension cost as well as Canada Packers' financial results. Any increase in pension expense or funding requirements could have a material adverse impact on Canada Packers' financial condition and results of operations.

Credit Risk

In the normal course of business, Canada Packers is exposed to credit risk from its customers, substantially all of which are in the retail, food service, and industrial channels. Canada Packers, as part of its centralized policies and working capital management, performs ongoing credit evaluations of new and existing third-party customers' financial condition and reviews the collectability of its trade accounts receivable and other receivables in order to mitigate any possible credit losses. Canada Packers may experience financial losses in the event of a major customer payment default. For a discussion of the credit risk to which Canada Packers is exposed, see "Financial Instruments and Risk Management Activities – Credit Risk" in the Carve-Out MD&A which is included in *Schedule "H"* to this Circular.

Risks Relating to the Arrangement and Ownership of the Canada Packers Common Shares

Financing Arrangements

Financing arrangements for Canada Packers' operations after the Arrangement becomes effective are in the process of being arranged. In April 2025, Subco entered into a commitment letter with a Canadian chartered bank affiliated with BMO Capital Markets. Pursuant to which third party lenders committed to provide the New Canada Packers Credit Facilities on the terms described in the Circular under the heading "The Arrangement – Credit Facilities Matters – New Canada Packers Credit Facilities" and subject to the conditions set out in the commitment letter. It is expected that Canada Packers will have secured appropriate new financing arrangements prior to the anticipated effective date of the Arrangement. However, there can be no certainty, nor can Canada Packers provide any assurance, that all conditions precedent to obtaining such financing arrangements will be satisfied, or, if satisfied, when they will be satisfied. If such financing arrangements are not finalized prior to closing of the Arrangement, Maple Leaf Foods may decide to proceed nonetheless, or it may either delay or amend the implementation of all or part of the Arrangement, in order to allow sufficient time to complete such new financings.

Following the Arrangement, Canada Packers may require additional financing for its operations. The amount of financing that third party lenders have committed to provide, pursuant to the commitment letter, is not guaranteed and is dependent upon the future financial results of Canada Packers, which may vary materially from

management's expectations. Management's ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as Canada Packers' business success. If adequate funds are not available, or are not available on acceptable terms, Canada Packers may not be able to take advantage of opportunities that present themselves, or otherwise remain in business.

Newly Formed Company; Ability to Operate as an Independent Entity

Canada Packers will be a newly formed company with no separate operating history from that of Maple Leaf Foods and the historical financial information included herein does not reflect the financial condition or results of operations Canada Packers may have achieved during the periods presented, and therefore may not be a reliable indicator of future financial performance. Canada Packers' lack of separate operating history will make it difficult to assess its ability to operate profitably and make distributions to Canada Packers Shareholders. Readers should carefully consider the basis on which the historical financial information included herein was prepared and presented.

Following the Arrangement, Canada Packers may not be able to successfully implement the changes necessary to operate independently. Canada Packers may further incur additional costs relating to operating independently that could materially affect its cash flow and results of operations. Canada Packers will also be reliant on Maple Leaf Foods providing certain services on a transitional basis pursuant to the Long-Term Services Agreement and Transition Services Agreement. As such, during the term of such agreements, Canada Packers will be dependent on such services until it is able to provide its own and may also be impacted by certain events effecting Maple Leaf Foods and Maple Leaf Foods' policies, processes and procedures. See "The Arrangement – Transaction Agreements" in the Circular for additional information.

Maple Leaf Foods believes that Canada Packers, as an independent, publicly-traded company, will be able to, among other things, better focus its financial and operational resources on the Pork Operations, pursue independent growth strategies and provide the Pork Operations with growth opportunities that may not be available to it as part of Maple Leaf Foods' consolidated business. However, by solely focusing on the Pork Operations, Canada Packers does not have a diversified business and is more susceptible to trends in hog and pork markets than it would be if it was engaged in other food businesses.

Market for Canada Packers Common Shares; Selling of Canada Packers Common Shares

Currently, there is no public market for the Canada Packers Common Shares and Canada Packers cannot predict the price at which trading in these shares will occur after completion of the Arrangement. There can be no assurance that an active and liquid trading market will develop after the Arrangement or, if developed, that such a market will be sustained. The lack of liquidity may result in wide bid-ask spreads, contribute to significant fluctuations in the market price of the Canada Packers Common Shares and limit the number of investors who are able to buy Canada Packers Common Shares. In addition, if an active public market does not develop or is not maintained, Canada Packers Shareholders may have difficulty selling their Canada Packers Common Shares.

Upon completion of the Arrangement, there may be holders of Canada Packers Common Shares who wish to sell their Canada Packers Common Shares. Some holders may determine that they do not wish to have an investment in Canada Packers' business. In addition, some holders may be subject to investment restrictions which preclude them from holding Canada Packers Common Shares, while other holders of Canada Packers Common Shares may elect to sell for different reasons. If there are a significant number of sellers of Canada Packers Common Shares without a corresponding number of buyers, the trading price of those shares could decline and such decline could be material.

Risks Relating to Stability of the price for Canada Packers Common Shares and Availability of a Continuing Public Market

The market price of the Canada Packers Common Shares may in the future be subject to significant fluctuations as a result of many factors, some of which will be beyond Canada Packers' control. Among the factors that could in the future affect the price of Canada Packers Common Shares are quarterly variations in Canada Packers' results of operations, changes in market valuations of similar companies and share market price and volume fluctuations generally, changes in earnings estimates or the publication of research reports by analysts, speculation in the press or investment community about Canada Packers' business or the industry generally, strategic actions by Canada Packers or its competitors, a thin trading market for the Canada Packers Common Shares may develop, which could make it somewhat illiquid; regulatory developments, hiring or departures of key personnel, general market

conditions, and domestic and international economic, political, market and currency factors unrelated to Canada Packers' performance.

The public markets have experienced extreme volatility that has sometimes been unrelated to the operating performance of individual companies. These broad market fluctuations may adversely affect the trading price of Canada Packers Common Shares.

Impact of Securities Analysts' Research or Reports

The trading market for the Canada Packers Common Shares will rely in part on the research and reports that industry or financial analysts publish about Canada Packers or its business. Canada Packers does not currently have and may never obtain research coverage by industry or financial analysts. If no or few analysts commence coverage of Canada Packers, the trading price of the Canada Packers Common Shares may decrease. Even if Canada Packers does obtain analyst coverage, if one or more of the analysts covering the business downgrade their evaluations of the price of the Canada Packers Common Shares, then the price of the Canada Packers Common Shares could decline. If one or more of these analysts cease to cover the Canada Packers Common Shares, there could be a loss of visibility in the market for the Canada Packers Common Shares, which in turn could cause the price of the Canada Packers Common Shares to decline.

Influence over Canada Packers by Maple Leaf Foods and MCI

Upon completion of the Arrangement, MCI and Maple Leaf Foods will, directly or indirectly, own or control approximately 33.17% and 16.0%, respectively, of the issued and outstanding Canada Packers Common Shares. In addition, MCI exercises control or direction over approximately 39.49% of the issued and outstanding MLF Common Shares and, as a result, may be able to exert influence over the Canada Packers Common Shares held by Maple Leaf Foods. Accordingly, MCI, and to a lesser extent, Maple Leaf Foods will each have significant influence with respect to all matters submitted to Canada Packers Shareholders for approval, including without limitation the election and removal of directors, amendments to Canada Packers' constating documents and the approval of certain transactions, and in considering such matters their interests may not always align with the interests of other Canada Packers Shareholders.

Canada Packers and each of MCI and Maple Leaf Foods will enter into the Canada Packers Governance Agreement, which will be effective on closing of the Arrangement, and which will provide MCI and Maple Leaf Foods with certain governance and other rights that will enable them to exert influence over Canada Packers. Among other things, the Canada Packers Governance Agreement will provide MCI the ability to nominate up to two directors, and Maple Leaf Foods the ability to nominate up to one director, of Canada Packers' nine-person Canada Packers Board on completion of the Arrangement. MCI and Maple Leaf Foods will each also have certain consent rights, including to change the size of the Canada Packers Board and with respect to the hiring or termination of Canada Packers' Chief Executive Officer. MCI will also have certain consultation rights in connection with certain actions Canada Packers proposes to take, including with respect to amalgamations, merger arrangements, reorganizations, acquisitions of property in excess of \$25 million, the incurrence of indebtedness in excess of \$25 million or amending Canada Packers' business purpose or entering into a new line of business. These rights could influence the business decisions that Canada Packers makes. See "The Arrangement – Transaction Agreements – Canada Packers Governance Agreement" in the Circular for additional information.

This concentration of holdings may cause the market price of the Canada Packers Common Shares to decline or otherwise impact the market for Canada Packers Common Shares.

Conflicts of Interest with Maple Leaf Foods and MCI

Upon the completion of the Arrangement, MCI will own approximately 33.17% of the outstanding Canada Packers Common Shares, and Maple Leaf Foods will own approximately 16.0% of the Canada Packers Common Shares. Maple Leaf Foods is not prohibited from engaging in other business activities that may compete with those of Canada Packers. In certain instances, the interests of Maple Leaf Foods and/or MCI, as applicable, may differ from the interests of Canada Packers and other Canada Packers Shareholders, including with respect to the reinvestment of returns generated by Canada Packers' activities, future acquisitions or strategic decisions, and the appointment of outside advisors and service providers. The Supply Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Canada Packers Governance Agreement, Tax Matters Agreement and Canada Packers' other arrangements with Maple Leaf Foods and MCI, as applicable, do not impose

any duty on either Maple Leaf Foods or MCI, as applicable, to act in the best interest of Canada Packers. While the Canada Packers Governance Agreement will require that the Canada Packers Board maintain at all times a conflicts review committee, composed entirely of Independent Directors (as defined in the Canada Packers Governance Agreement) as well as a Conflicts Policy (as defined herein), it is possible that conflicts of interest may arise between Canada Packers and Maple Leaf Foods and/or MCI and that such conflicts may not be resolved in a manner that is in the best interests of Canada Packers Shareholders. See “The Arrangement – Transaction Agreements” in the Circular, “Conflicts of Interest” below and “Committees of the Canada Packers Board – Canada Packers Conflicts Review Committee” below.

Termination of Canada Packers Governance Agreement

The Canada Packers Governance Agreement is required to be ratified at every third annual meeting of Canada Packers Shareholders commencing with Canada Packers’ 2028 annual meeting of shareholders by both (i) Canada Packers Shareholders, excluding Maple Leaf Foods and the McCain Holders and (ii) the McCain Holders. If the Canada Packers Governance Agreement is not ratified at any such meeting, or if the McCain Holders inform the Canada Packers Board that they are not supportive of ratification, in which case the Canada Packers Governance Agreement will not be presented for ratification at the relevant annual meeting, the Canada Packers Governance Agreement will terminate and be void and of no further force and effect on and from the date of termination of such annual meeting. Under the terms of the Canada Packers Governance Agreement, each of the McCain Holders and Maple Leaf Foods are subject to certain restrictions, including with respect to the acquisition of additional Canada Packers Common Shares. Upon termination of the Canada Packers Governance Agreement, neither the McCain Holders nor Maple Leaf Foods would be subject to the restrictions thereunder. See “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement” in the Circular and “The Arrangement – Risks Relating to the Arrangement and Ownership of the Canada Packers Common Shares – Influence over Canada Packers by Maple Leaf Foods and MCI” above.

Transition and Growth-Related Risks

Canada Packers may be subject to both transition and growth-related risks, including capacity constraints and pressure on its internal systems and controls. Although it is expected that Canada Packers will have adequate staff and resources (including initially services provided by Maple Leaf Foods pursuant to the Long-Term Services Agreement and the Transition Services Agreement), it may lack sufficient resources to operate as a stand-alone company. The historical financial and operating results of Canada Packers while it was under the management of Maple Leaf Foods may not be indicative of future results. In particular, Canada Packers will be responsible for managing substantial regulatory functions and related accounting functions that will require significant employee resources. The ability of Canada Packers to manage both its transition to a stand-alone company and future growth effectively will require it to continually implement and improve financial and operational systems and to expand, train and manage its employee base. The inability of Canada Packers to deal with this transition and growth may have a material adverse effect on Canada Packers’ financial condition and results of operations.

Availability and Access to Capital; Dilution

The ability of Canada Packers to secure short-term and long-term financing on terms acceptable to Canada Packers is critical to fund business growth and manage its liquidity. Further, there is a risk that capital investments will not deliver the returns that are predicted, which could also negatively impact Canada Packers’ cash flows and access to capital on reasonable terms. The failure or inability of Canada Packers to secure short-term and long-term financing in the future on terms that are commercially reasonable and acceptable to Canada Packers could have a significant impact on Canada Packers’ opportunity for growth. Even if Canada Packers successfully raises additional capital when needed, if it raises additional debt, it will be further leveraged and could be subject to additional restrictive covenants. If Canada Packers issues equity securities, investors will be diluted.

Covenants in Credit Agreement

Canada Packers’ credit agreement is expected to contain restrictive covenants that limit its ability to take certain actions and require it to maintain certain financial metrics. A failure to comply with these covenants could result in an event of default which, if not cured or waived, could result in accelerated repayment. If the repayment of the credit facilities was to be accelerated, there can be no assurance that the security provided thereunder would be sufficient to repay the credit facilities in full. See “Description of the Business – Credit Facilities” below and “The

Arrangement – Credit Facilities Matters – New Canada Packers Credit Facilities” in the Circular for additional information.

Continuing Contingent Liabilities Following the Arrangement

Canada Packers will be subject to continuing contingent liabilities following the Arrangement, including potential indemnification liabilities to Maple Leaf Foods pursuant to the Separation Agreement, the Supply Agreement, the Long-Term Services Agreement, the Transition Services Agreement and the Arrangement Agreement and these liabilities could materially and adversely affect Canada Packers’ business, financial condition, results of operations and cash flows. Canada Packers will enter into the Separation Agreement with Maple Leaf Foods that will provide for, among other things, the principal corporate transactions required to affect the Arrangement, certain conditions to the Arrangement and provisions governing the relationship between Canada Packers and Maple Leaf Foods with respect to and resulting from the Arrangement. See “The Arrangement – Transaction Agreements – Separation Agreement” in the Circular for additional information. Among other things, Canada Packers will indemnify Maple Leaf Foods for any assumed liabilities.

Under the Long-Term Services Agreement and the Transition Services Agreement, Canada Packers will indemnify Maple Leaf Foods, its affiliates and their respective directors, officers, employees and agents as set out under “The Arrangement – Transaction Agreements – Long-Term Services Agreement” and “The Arrangement – Transaction Agreements – Transition Services Agreement” in the Circular. Canada Packers will also indemnify, defend and hold harmless Maple Leaf Foods and its affiliates and their respective officers, directors, employees, agents and representatives from and against any and all losses under the Supply Agreement relating to (i) conduct, negligence, misfeasance or non-feasance of Canada Packers, its agents, contractors, officers or employees including any breach by Canada Packers of the Supply Agreement; (ii) any shut down of the facilities or barns or substantial reduction in Canada Packers’ capacities in Canada and/or the US; and (iii) use by Canada Packers of any Licensed Intellectual Property other than in accordance with the Supply Agreement. See “The Arrangement – Transaction Agreements – Supply Agreement” in the Circular for additional information.

Under the Arrangement Agreement, Canada Packers will indemnify and hold harmless Maple Leaf Foods and its respective representatives against any loss suffered or incurred resulting from or in connection with a breach of certain tax-related covenants. See “The Arrangement – Risk Factors – Risks Relating to the Arrangement and Ownership of Canada Packers Common Shares – Indemnification Obligations” in the Circular for additional information.

Indemnification by Maple Leaf Foods Following the Arrangement

In connection with the Arrangement, Maple Leaf Foods will indemnify Canada Packers for certain liabilities. However, there can be no assurance that the indemnity will be sufficient to insure Canada Packers against the full amount of such liabilities, or that Maple Leaf Foods’ ability to satisfy its indemnification obligations will not be impaired in the future. Pursuant to the Separation Agreement, Maple Leaf Foods will agree to indemnify Canada Packers for certain liabilities. However, third-parties could seek to hold Canada Packers responsible for any of the liabilities that Maple Leaf Foods has agreed to retain, and there can be no assurance that the indemnity from Maple Leaf Foods will be sufficient to protect Canada Packers against the full amount of such liabilities, or that Maple Leaf Foods will be able to fully satisfy its indemnification obligations. Moreover, even if Canada Packers ultimately succeeds in recovering from Maple Leaf Foods any amounts for which Canada Packers is held liable, it may be temporarily required to bear these losses itself. If Maple Leaf Foods is unable to satisfy its indemnification obligations, the underlying liabilities could have a material adverse effect on Canada Packers’ financial condition and results of operations. After the Arrangement, Canada Packers’ insurers may deny coverage to Canada Packers for liabilities associated with occurrences prior to the Arrangement. Even if Canada Packers ultimately succeeds in recovering from such insurance providers, it may be required to temporarily bear such loss of coverage.

Under the Long-Term Services Agreement and the Transition Services Agreement, Maple Leaf Foods will assume responsibility to provide or arrange for the provision of the services described in each such agreement. The liability of Maple Leaf Foods, its affiliates and associates and each of their respective directors, officers, employees and agents will, except to the extent that it cannot be limited pursuant to applicable law, be limited as set out under “The Arrangement – Transaction Agreements – Long-Term Services Agreement” and “The Arrangement – Transaction Agreements – Transition Services Agreement” in the Circular.

Dividends

Canada Packers intends to maintain a dividend and, where appropriate, change the dividend on the basis of Canada Packers' future earnings and stock price performance. Any determination to pay dividends in the future will be at the sole discretion of the Canada Packers Board and will depend on many factors, including but not limited to current and expected cash flows, capital expenditures, borrowings and debt repayments, working capital requirements and other factors the Canada Packers Board deems relevant. Failure to pay or increase dividends may have a material adverse effect on Canada Packers' share price. See "Description of Capital Structure – Dividends" below.

Financial Reporting and Other Public Company Requirements

Upon completion of the Arrangement, Canada Packers will become subject to reporting and other obligations under applicable securities laws and upon listing of the Canada Packers Common Shares the rules of the TSX, or any stock exchange on which the Canada Packers Common Shares are then-listed. The applicable securities laws require that Canada Packers file annual, quarterly and event-driven reports with respect to its business, financial condition and results of operations, and requires that Canada Packers maintain effective disclosure controls and procedures and internal control over financial reporting. These reporting and other obligations will place significant demands on management, administrative, operational and accounting resources. In order to meet such requirements, Canada Packers will, among other things, establish systems, implement financial and management controls, reporting systems and procedures and hire qualified accounting and finance staff. However, if Canada Packers is unable to accomplish any such necessary objectives in a timely and effective manner, Canada Packers' ability to comply with its financial reporting obligations and other rules applicable to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls could cause Canada Packers to fail to satisfy its reporting obligations or result in material misstatements in its financial statements. If Canada Packers cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially adversely effected which could also cause investors to lose confidence in Canada Packers' reported financial information, which could result in a reduction in the trading price of the Canada Packers Common Shares.

It is not expected that Canada Packers' disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

Further, Canada Packers' management team does not have experience operating Canada Packers as a public company whose shares are admitted to trading on the TSX and may not successfully or efficiently manage Canada Packers' transition to being such a public company which is subject to significant regulatory oversight and reporting obligations under applicable securities laws. These activities may divert management's attention from other business concerns, which could have a material adverse effect on Canada Packers' business, financial condition, financial performance and cash flows. It is expected that additional annual expenses related to these steps and, among other things, additional directors' and officers' liability insurance, director fees, reporting requirements of the applicable Canadian securities regulatory authorities and other regulators, transfer agent fees, hiring additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses will be incurred by Canada Packers.

Carve-Out Financial Statements

The historical financial information included in this Circular was derived on a carve-out basis from Maple Leaf Foods' consolidated financial statements, and this information does not necessarily reflect the results of operations and financial position Canada Packers would have achieved as a separate publicly-traded company during the periods presented or those that Canada Packers will achieve in the future. This is primarily because of the following factors:

- Prior to the completion of the Arrangement, the operations of the Pork Operations were part of the operations of Maple Leaf Foods' broader corporate organization. Canada Packers' historical financial information reflects allocations of corporate expenses to Canada Packers for administrative and similar functions. These allocations may not reflect the costs Canada Packers will incur for similar services in the future as a standalone publicly-traded company.
- Prior to the completion of the Arrangement, the sales and associated earnings or loss from the Pork Operations to the broader Maple Leaf Foods business were eliminated upon consolidation. These sales and related earnings or loss will now accrue to the standalone publicly-traded company.
- Canada Packers' historical financial information does not reflect changes that are expected to be experienced by Canada Packers in the future as a result of its separation from Maple Leaf Foods including changes in Canada Packers' cost structure, implementation of the Supply Agreement, other service and related agreements being entered into in connection with the Arrangement, personnel needs, tax structure, financing and business operations. The Pork Operations enjoyed certain benefits from Maple Leaf Foods' operating diversity, size, borrowing leverage and available capital for investments, which may not be available to Canada Packers after the completion of the Arrangement. As a separate entity, Canada Packers may be unable to purchase services and technologies or access capital markets on terms as favourable as those obtained by Maple Leaf Foods prior to the completion of the Arrangement.

Following the completion of the Arrangement, Canada Packers will also be responsible for the additional costs associated with being a publicly-traded company. See "Financial Reporting and Other Public Company Requirements" above.

There can be no assurance that Canada Packers' operating results will continue at a similar level when Canada Packers is a separate publicly-traded company. For additional information about Canada Packers' past financial performance and the basis of presentation of the Carve-Out Financial Statements, see the Carve-Out Financial Statements and the notes thereto included in *Schedule "H"* to this Circular.

Income Taxes

The preparation of the Carve-Out Financial Statements in accordance with IFRS requires Canada Packers' management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, equity, income, and expenses. Actual amounts may differ from these estimates. The amounts recognized for income taxes in the Carve-Out Financial Statements could be materially affected by the judgments, estimates, and assumptions that are made in applying policies.

Provisions for income taxes are based on domestic and international statutory income tax rates and the amount of income earned in the jurisdictions in which Canada Packers operates. Significant judgement is required in determining income tax provisions and the recoverability of deferred tax assets. The calculation of current and deferred income tax balances requires Canada Packers' management to make judgements regarding the carrying values of assets and liabilities that include estimates of future cash flows and earnings related to such assets and liabilities, the interpretation of income tax legislation in the jurisdictions in which Canada Packers operates, and the timing of reversal of temporary differences. Canada Packers establishes additional provisions for income taxes when, despite management's opinion that Canada Packers' tax positions are fully supportable, there is sufficient complexity or uncertainty in the application of legislation that certain tax positions may be reassessed by tax authorities. Canada Packers adjusts these additional accruals in light of changing facts and circumstances. To the extent that these adjustments differ from original estimates, deferred tax assets and liabilities, earnings, and comprehensive income will be affected in future periods. See the Carve-out Financial Statements and Carve-Out MD&A, which is included in *Schedule "H"* to this Circular for additional information.

HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

Cautionary Note

The Carve-Out Financial Statements and pro forma financial information for Canada Packers included in this Circular have been prepared for illustrative purposes only and may not be indicative of the operating results or financial condition that would have been achieved if the Arrangement had been completed on the date or for the

periods noted therein, nor do they purport to project the results of operations or financial condition for any future period or as of any future date. See “Description of the Business – Risk Factors – Carve-Out Financial Statements” in this *Schedule “G”*.

Carve-Out Financial Statements for Canada Packers

Upon completion of the Arrangement, the Pork Operations of Maple Leaf Foods will form the primary business of Canada Packers. As a result, included as *Schedule “H”* to this Circular are the audited combined carve-out financial statements for the Pork Operations as at and for the years ended December 31, 2024, 2023 and 2022, the notes thereto, and the auditors’ report thereon (the “Carve-Out Financial Statements”) and the Carve-Out MD&A.

Pro Forma Financial Statements for Canada Packers

Included as *Schedule “I”* to this Circular are the Canada Packers Pro Forma Financial Statements. The Canada Packers Pro Forma Financial Statements, give effect to the Arrangement and certain related transactions as though they had occurred on the dates specified in the notes thereto.

The following table sets out summary pro forma financial information in respect of Canada Packers for (i) the three months ended March 31, 2024, (ii) the three months ended June 30, 2024, (iii) the three months ended September 30, 2024, (iv) the three months ended December 31, 2024, and (v) the year ended December 31, 2024. This information is derived from, is subject to the detailed assumptions set out in, and should be considered in conjunction with, the Canada Packers Pro Forma Financial Statements.

2024	Q1	Q2	Q3	Q4	FY
<i>(In millions of Canadian dollars unless otherwise indicated)</i>					
<i>(Unaudited Pro Forma)</i>					
Total Revenue	\$ 384.7	\$ 408.7	\$ 408.4	\$ 412.8	\$ 1,614.7
IFRS Earnings	\$ 52.8	\$ (32.2)	\$ 14.7	\$ 43.0	\$ 78.4
Adjusted Operating Earnings ⁽¹⁾	\$ 10.8	\$ 16.7	\$ 28.4	\$ 34.5	\$ 90.4
Adjusted EBITDA ⁽¹⁾	\$ 22.8	\$ 28.1	\$ 41.8	\$ 40.0	\$ 132.7
Adjusted EBITDA Margin ⁽¹⁾	5.9%	6.9%	10.2%	9.7%	\$ 8.2%
Adjusted EBT ⁽¹⁾	\$ 1.5	\$ 6.4	\$ 20.0	\$ 18.2	\$ 46.3
Free Cash Flow ⁽¹⁾	\$ (11.9)	\$ 23.8	\$ 16.5	\$ (3.3)	\$ 25.2
Basic Earnings Per Share	\$ 1.80	\$ (1.10)	\$ 0.50	\$ 1.47	\$ 2.68
Adjusted Earnings Per Share ⁽¹⁾	\$ 0.02	\$ 0.18	\$ 0.46	\$ 0.53	\$ 1.19
Net Debt to Adjusted EBITDA ⁽¹⁾					2.9

Note:

(1) Pro Forma non-IFRS measures and ratios, see section titled “Pro Forma Consolidated Non-IFRS Measures” in Schedule “I” of this Circular.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Included in *Schedule “H”* to this Circular is the Carve-Out MD&A which should be read in conjunction with the Carve-Out Financial Statements, including the notes thereto.

DESCRIPTION OF CAPITAL STRUCTURE

AUTHORIZED CAPITAL

Upon completion of the Arrangement, Canada Packers’ authorized share capital is expected to consist of (i) an unlimited number of Canada Packers Common Shares and (ii) an unlimited number of preferred shares, issuable in series.

Upon completion of the Arrangement, it is expected that (assuming no additional MLF Common Shares are issued prior to completion of the Arrangement and subject to the Adjustment Provision) approximately 29,513,569 Canada

Packers Common Shares will be issued and outstanding and that no preferred shares will be issued and outstanding.

CANADA PACKERS COMMON SHARES

Each holder of Canada Packers Common Shares will be entitled to receive notice of and to attend all meetings of the Canada Packers Shareholders and will be entitled to one vote for each Canada Packers Common Share held at all meetings of Canada Packers Shareholders. The holders of Canada Packers Common Shares will be entitled to receive dividends if, as and when declared by the Canada Packers Board, (subject to any preference accorded to the holders of shares ranking senior to the Canada Packers Common Shares). In the event of the liquidation, dissolution or winding-up of its affairs, holders of Canada Packers Common Shares are entitled to a pro rata share of the assets of Canada Packers after payment of all liabilities and obligations of Canada Packers (subject to any preference accorded to the holders of shares ranking senior to the Canada Packers Common Shares). There are no pre-emptive, conversion or redemption rights attaching to the Canada Packers Common Shares.

PREFERRED SHARES

The preferred shares are issuable, at any time and from time to time, in one or more series. The key features are described below:

Prior to the issue of preferred shares of any series, the Canada Packers Board shall, subject to the rights, privileges, restrictions and conditions attached to the preferred shares as a class, Canada Packers' articles and the provisions of the CBCA, by resolution amend Canada Packers' articles to fix the number of preferred shares in such series and determine the designation of, and the rights, restrictions, privileges and conditions attached to, the preferred shares of such series, including any right to receive dividends (which may be cumulative or non-cumulative and variable or fixed) or the means of determining such dividends, the dates of payment thereof, any terms or conditions of redemption or purchase, any conversion rights, any retraction rights, any rights on Canada Packers' liquidation, dissolution or winding-up and any sinking fund or other provisions attached to the preferred shares of the series. Except as provided in any special rights or restrictions attaching to any series of preferred shares issued from time to time, the holders of preferred shares will not be entitled to receive notice of, attend or vote at any meeting of Canada Packers Shareholders.

Preferred shares of each series, if and when issued, will, with respect to the payment of dividends, rank *pari passu* with the preferred shares of every other series and be entitled to preference over any other of Canada Packers' shares ranking junior to the preferred shares with respect to payment of dividends.

In the event of Canada Packers' liquidation, dissolution or winding-up, whether voluntary or involuntary, the holders of preferred shares will be entitled to preference with respect to distribution of Canada Packers' property or assets over any other of Canada Packers' shares ranking junior to the preferred shares with respect to the repayment of capital paid up on and the payment of unpaid dividends accrued on the preferred shares.

DIVIDENDS

Maple Leaf Foods expects that the Canada Packers Board will institute a dividend and, where appropriate, change the dividend on the basis of, among other factors, Canada Packers' future earnings and stock price performance. It is anticipated that the initial announced dividend after completion of the Arrangement will be in the range of approximately \$25-\$30 million on an annualized basis. This estimate is subject to change based on a variety of factors between now and the date of announcement of the initial dividend by Canada Packers. For additional information regarding dividends following completion of the Arrangement see "The Arrangement – Dividends" in the Circular. Any determination to pay dividends in the future will be at the sole discretion of the Canada Packers Board and will depend on many factors, including but not limited to current and expected cash flows, capital expenditures, borrowings and debt repayments, working capital requirements and other factors the Canada Packers Board deems relevant. See "Description of the Business – Risk Factors – Risks Relating to the Arrangement and Ownership of the Canada Packers Common Shares – Dividends".

PRIOR SALES

As of the date of this Circular, no Newco Common Shares or securities convertible into Newco Common Shares have been issued, or will be issued, prior to the Arrangement.

Prior to the Arrangement, Subco will not issue any other Subco Common Shares or securities convertible into Subco Common Shares other than to Maple Leaf Foods in connection with the Pre-Arrangement Transactions. As of the date of this Circular, there are 100 Subco Common Shares issued and outstanding, which shares were issued to Maple Leaf Foods for nominal consideration on incorporation.

MARKET FOR SECURITIES

Currently, there is no market for the Canada Packers Common Shares. Maple Leaf Foods has applied to list on the TSX the Canada Packers Common Shares issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable under the Canada Packers Option Plan. Maple Leaf Foods has also applied to list on the TSX the Newco Common Shares issuable pursuant to the Arrangement.

Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved such application and there is no assurance that the TSX will approve such application. It is a condition precedent to the completion of the Arrangement Agreement that Newco and Canada Packers receive the conditional approval of the TSX in respect of the above listing application, subject only to compliance with the usual requirements of the TSX. Canada Packers will not proceed with the Arrangement without receiving such approval. The trading symbol for the Canada Packers Common Shares will be “CPKR” on the TSX. See “Description of Capital Structure – Market for Securities” in this *Schedule “G”* and “The Arrangement – Stock Exchange Listing” in the body of the Circular.

OPTIONS AND RIGHTS TO PURCHASE SECURITIES

No equity incentive awards have been granted by Newco or Subco to date. Pursuant to the Arrangement, Transferred Employees will exchange their MLF Stock Options for Canada Packers Stock Options governed by the Canada Packers Option Plan as described under “The Arrangement – Treatment of Incentive Compensation Securities – Treatment of Outstanding MLF Stock Options” in the body of the Circular. The proposed executive officers, employees and consultants of Canada Packers own, as of April 10, 2025, in the aggregate, 205,650 MLF Stock Options, which will be exchanged for Canada Packers Stock Options pursuant to the Arrangement in the same manner as for other Transferred Employees.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of Maple Leaf Foods, immediately following completion of the Arrangement, no securities of any class of securities of Canada Packers will be held in escrow or subject to any contractual restrictions on transfer, except that approximately 14,511,929 Canada Packers Common Shares (subject to the Adjustment Provision) representing approximately 49.17% of the outstanding shares will be subject to the transfer restrictions as described under “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement” in the Circular.

PRINCIPAL SHAREHOLDERS

To the knowledge of Maple Leaf Foods, based on information available to it as of the date hereof, except for MCI, Maple Leaf Foods and RBC Global Asset Management Inc., who will own approximately 33.17%, 16.0% and 10.60%, respectively, of the issued and outstanding Canada Packers Common Shares on completion of the Arrangement, there is no person or company that will, immediately following completion of the Arrangement, beneficially own or exercise control or direction, directly or indirectly, over Canada Packers Common Shares carrying more than 10% of the votes attached to the Canada Packers Common Shares.

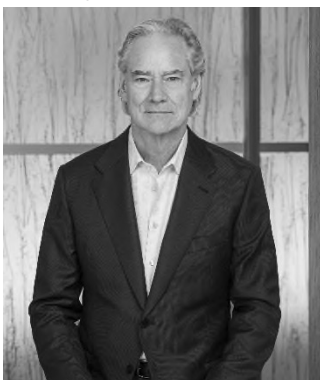
DIRECTORS AND EXECUTIVE OFFICERS

DIRECTORS

Set out below is information regarding the proposed directors of Canada Packers immediately following completion of the Arrangement.

By approving the Arrangement Resolution, shareholders will be deemed to have approved the proposed directors of Canada Packers. The directors of Canada Packers will thereafter be elected by Canada Packers Shareholders at each annual meeting of Canada Packers and subject to the bylaws of Canada Packers, and applicable corporate law, each director elected will hold office until the next annual meeting of Canada Packers Shareholders or until his or her successor is elected or appointed.

Name	Principal Occupation and Biography
MICHAEL H. MCCAIN Age: 66 Residence: Toronto, Ontario, Canada Director Since: N/A Non-Independent	OCCUPATION: Executive Chair, Maple Leaf Foods and Executive Chair, Canada Packers BIOGRAPHY: Mr. M.H. McCain is Executive Chair of Maple Leaf Foods and will serve as Executive Chair of Canada Packers. He joined Maple Leaf Foods in April 1995 as President and Chief Operating Officer and was appointed Chief Executive Officer in January 1999. Prior to joining Maple Leaf Foods, Mr. M.H. McCain spent 16 years with McCain Foods in Canada and the United States, where he was President and Chief Executive Officer of McCain Foods USA. He is a director of MCI and Maple Leaf Foods. He is a member of the Richard Ivey School of Business Advisory Board, the Business Council of Canada, and the Centre for Addiction and Mental Health Foundation. He is also the Honorary Chair of the Maple Leaf Foods Centre for Action on Food Security. Mr. M.H. McCain is a nominee of MCI pursuant to the terms of the Canada Packers Governance Agreement, all of which are described under the heading "The Arrangement – Transaction Agreements – Canada Packers Governance Agreement" in the Circular. CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: Maple Leaf Foods. OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: Royal Bank of Canada – Member, Audit Committee; Member, Human Resources Committee.



EXPERTISE:

Global business and international trade, senior operational executive, finance and financial accounting, board and corporate governance, food and agricultural industries, people, information systems and cybersecurity, commodity markets and risk management, environment and sustainability, business transformation and project management, and government, regulatory, legal and public policy.

Name

DENNIS ORGAN

Age: 51

Residence: Toronto,
Ontario, Canada

Director Since: December 9, 2024

Non-Independent



Principal Occupation and Biography

OCCUPATION: President and Chief Executive Officer, Canada Packers

BIOGRAPHY: Dennis Organ is the President of the Pork Complex at Maple Leaf Foods and the incoming Chief Executive Officer of Canada Packers Inc. Mr. Organ is a distinguished industry executive with 29 years of experience in the food industry. Before joining Maple Leaf Foods in 2023, Mr. Organ held consulting roles as an Operating Partner and a member of the Deal Team at Atlas Industries Holdings and also at KKR & Co. Inc. where he assisted with several key acquisitions.

From 2010 until 2021, Mr. Organ held several progressive positions at Smithfield Foods, including Chief Operating Officer and Chief Executive Officer. Prior to this, Mr. Organ held roles at SpartanNash and Sherwood Food Distributors.

Mr. Organ currently serves as Chairman of the Board at BinSentry. He also served as a member of the boards of directors of numerous companies in the food, supply chain, and financial services sectors.

Mr. Organ holds a Master of Business Administration from the University of Wisconsin-Eau Claire and a Bachelor of Science, Business Administration and Management degree from the University of Phoenix.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

None.

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None.

EXPERTISE:

Global business and international trade, senior operational executive, finance and financial accounting, board and corporate governance, food and agricultural industries, people, information systems and cybersecurity, commodity markets and risk management, environment and sustainability, business transformation and project management, and government, regulatory, legal and public policy.

Name	Principal Occupation and Biography
CURTIS E. FRANK Age: 50 Residence: Toronto, Ontario, Canada Director Since: N/A Non-Independent	OCCUPATION: President and Chief Executive Officer, Maple Leaf Foods BIOGRAPHY: Mr. Frank is President and Chief Executive Officer of Maple Leaf Foods, a position he has held since May 2023. Having joined Maple Leaf Foods in 2000, Mr. Frank has more than 20 years of experience in the food business and the agri-food industry and held a number of progressively more senior roles within Maple Leaf Foods, including chief Operating Officer, before assuming the role of President and CEO last year. In addition to being a director of Maple Leaf Foods, he is also a director of Maple Leaf Centre for Food Security, GS1 Canada and the Grocery Foundation. Mr. Frank graduated from the University of Regina with a Bachelor of Arts. Mr. Frank is a nominee of MLF pursuant to the terms of the Canada Packers Governance Agreement, all of which are described under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement” in the Circular.
	CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: Maple Leaf Foods.
	OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: None.

EXPERTISE:

Global business and international trade, senior operational executive, finance and financial accounting, board and corporate governance, food and agricultural industries, people, information systems and cybersecurity, commodity markets and risk management, environment and sustainability, and business transformation and project management.

Name	Principal Occupation and Biography
GARY MAKSYMETZ Age: 68 Residence: Carlisle, Ontario, Canada Director Since: N/A Independent 	OCCUPATION: Corporate Director BIOGRAPHY: Gary Maksymetz is currently retired. He served as the Chief Operating Officer of Maple Leaf Foods from 2014 until he retired in 2018. Prior to that, he was the President of Maple Leaf Consumer Foods, a business unit of Maple Leaf Foods Inc. Throughout his tenure with the company, he held several key positions, including Executive Vice President of Fresh Meats, Executive Vice President of Fresh Pork, Senior Vice President of Retail Sales for Canada and the U.S., and Vice President and General Manager of the Consumer Foods' U.S. operations. Additionally, he worked at Canada Packers, Swift/Gainers, and Burns Foods, all of which were acquired by Maple Leaf Foods Inc. Mr. Maksymetz holds a Bachelor of Science degree in Food Science from the University of Manitoba. CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: None. OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: None.
EXPERTISE: Global business and international trade, senior operational executive, food and agricultural industries, people, commodity markets and risk management, environment and sustainability, and business transformation and project management.	

Name

Principal Occupation and Biography

JONATHAN W. F. MCCAIN

Age: 40

Residence: Toronto,
Ontario, Canada

Director Since: N/A

Non-Independent



EXPERTISE:

Global business and international trade, finance and financial accounting, board and corporate governance, food and agricultural industries, people, commodity markets and risk management, environment and sustainability, and business transformation and project management.

OCCUPATION: President, McCain Capital Inc.

BIOGRAPHY: Mr. J.W.F. McCain is the President of MCI, a privately-held investment management company. Previously, he was the President of Northstar Scaffold Service Inc. and a management consultant with The Boston Consulting Group. He is also a director of Maple Leaf Foods, MCI, Chairman Mills Corp., Classic Fire Protection Inc., Northstar Scaffold Services Inc., and an investment committee member and director of McCain Capital Partners.

Mr. J.W.F. McCain graduated from the Richard Ivey School of Business at the University of Western Ontario with an Honours in Business Administration degree. He has completed the Directors Education Program at the Rotman School of Business, University of Toronto and is a holder of the Institute of Corporate Directors Director designation. He is a current member of the Toronto chapter of the Young Presidents Organization.

Mr. J.W.F. McCain is a nominee of MCI pursuant to the terms of the Canada Packers Governance Agreement, all of which are described under the heading "The Arrangement – Transaction Agreements – Canada Packers Governance Agreement" in the Circular.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

Maple Leaf Foods - Director and Member of the Safety and Sustainability Committee

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None.

Name	Principal Occupation and Biography
SARAH PIPER Age: 48 Residence: Hunt Valley, Maryland, USA Director Since: N/A Independent 	OCCUPATION: Chief Human Relations Officer, McCormick & Company, Incorporated BIOGRAPHY: Sarah Piper is currently the Chief Human Relations Officer at McCormick & Company, where she drives the development and execution of the company's global people strategy. Prior to her current role, Sarah held various leadership positions within McCormick & Company, including Senior Vice President of Global Human Resource Business Partners, Vice President of Human Relations for the Americas, and Vice President, Total Rewards. Sarah's extensive background also includes key roles at Honeywell International Inc. and H&R Block, where she served as Director of Human Resources. Earlier in her career, she held progressive HR roles at McCormick, Pfizer Inc., and KPMG. Sarah earned a Bachelor of Arts degree in Psychology from York University and a Master of Professional Studies in Human Resource Management from Cornell University. She is a Certified Human Resource Leader (CHRL) and a Certified Compensation Professional (CCP). Sarah serves on the Board of Directors for the United Way of Central Maryland. She is also a member of McCormick's Management Committee and an Emeritus member of McCormick's Global Multiple Management Board. CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES: None. OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS: None.
EXPERTISE:	Global business and international trade, senior operational executive, food and agricultural industries and people.

Name

Principal Occupation and Biography

MEGHAN ROACH

Age: 42

Residence: Toronto,
Ontario, Canada

Director Since: N/A

Independent



EXPERTISE:

Global business and international trade, senior operational executive, finance and financial accounting, board and corporate governance, information systems and cybersecurity, commodity markets and risk management, environment and sustainability, business transformation and project management, government, regulatory, legal and public policy.

OCCUPATION: President and Chief Executive Officer, Roots Corporation

BIOGRAPHY: Meghan Roach is the President and Chief Executive Officer of Roots Canada Ltd., a position she has held since 2020. Prior to her current role, Ms. Roach served as both the Interim Chief Executive Officer and Interim Chief Financial Officer at Roots Corporation.

Before joining Roots, Ms. Roach was the Managing Director at Searchlight Capital Partners, L.P., where she played a vital role in the firm's growth and in executing successful transactions. In 2008, she joined Teachers' Private Capital, the private equity arm of the Ontario Teachers' Pension Plan, where she showcased her capability in handling complex transactions and supporting strategic growth. She also worked in Transaction Advisory and Assurance Services at KPMG.

Ms. Roach holds an MBA from the University of Oxford and a Bachelor of Commerce from Queen's University, along with an FCPA, FCA designation.

Ms. Roach currently serves on the board of Roots Corporation. She has also served on the Board of Directors and Audit Committee of M&M Food Market and has held board positions at Wellington A & B Limited and the Holland Bloorview Kids Rehabilitation Hospital Foundation, where she was Vice Chair and a member of the Investment Committee. Ms. Roach acts as the Co-Chair of the Indo-Pacific working group for the Business Council of Canada and is a member of the Investment Committee of the Nature Conservancy of Canada.

Ms. Roach has been recognized as one of Canada's Most Powerful CEOs and one of the Top 100 Most Powerful Women in Canada.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

Roots Corporation.

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None.

Name	Principal Occupation and Biography
HEATHER STEFANSON	OCCUPATION: Corporate Director
Age: 54	BIOGRAPHY: Heather Stefanson has had a distinguished career in public service and governance. In 2021, she was elected as Manitoba's 24th Premier, making history as the first woman to hold this position, and she remained in office as an MLA until she retired from politics in 2024.
Residence: Winnipeg, Manitoba, Canada	Ms. Stefanson was elected to the Legislative Assembly of Manitoba, representing the Tuxedo constituency in 2000. She served as a Cabinet Minister for the Province of Manitoba from 2016 to 2021, holding several key positions, including Deputy Premier, Minister of Justice, Attorney General, Minister of Health and Minister of Families.
Director Since: N/A	Ms. Stefanson began her public service career as a Special Assistant in the Office of the Prime Minister of Canada, Brian Mulroney and later worked in the Office of the Minister of Agriculture. She then joined the Manitoba provincial government as a Special Assistant to the Minister of Education.
Independent	Before her political career, Ms. Stefanson worked as an Investment Advisor at Midland Walwyn and Wellington West Capital. She also helped run her family business, McDonald Grain Company Ltd., where she served as Vice-President and Director.
	Ms. Stefanson is a member of the Board of Directors at WestJet. She holds a Bachelor of Arts degree in Political Science from the University of Western Ontario.
EXPERTISE:	CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:
Senior operational executive, board and corporate governance, people, environment and sustainability, and government, regulatory, legal and public policy.	None.
	OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:
	None.

Name

MICHAEL VELS

Age: 63

Residence: Toronto,

Ontario, Canada

Director Since: N/A

Independent



EXPERTISE:

Global business and international trade, senior operational executive, finance and financial accounting, board and corporate governance, food and agricultural industries, people, information systems and cybersecurity, commodity markets and risk management, environment and sustainability, business transformation and project management, government, regulatory, legal and public policy.

Principal Occupation and Biography

OCCUPATION: Corporate Director

BIOGRAPHY: Michael Vels is the former Executive Vice President, Chief Development Officer and Chief Financial Officer of Empire Company Limited and Sobeys Inc., also within Empire Company Limited, where he was responsible for leading Empire's real estate, technology, strategic sourcing, enterprise project management and mergers, and acquisitions activities. Before his tenure at Empire, Mr. Vels was the Chief Financial Officer at Hydro One from 2015 to 2017.

Prior to joining Hydro One, Mr. Vels held several progressive roles at Maple Leaf Foods from 1991 to 2014, including Executive Vice President and Chief Transition Officer, Executive Vice President of Finance, and Vice President of Finance. Before Canada Bread Company Ltd. was acquired by Grupo Bimbo S.A.B., Mr. Vels was its Chief Financial Officer.

Mr. Vels began his early career in various roles at KPMG and Ernst & Whinney Chartered Accountants (now Ernst & Young LLP).

He currently serves on the board of directors for Crombie Real Estate Investment Trust and has previously served on the boards of Country Style Food Services Inc. and Canada Bread Company Ltd.

Mr. Vels holds a Bachelor of Accounting degree from University of the Witwatersrand. He has also earned his ICD.D designation.

CURRENT PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEES:

Crombie Real Estate Investment Trust.

OTHER PUBLIC COMPANY DIRECTORSHIPS WITHIN THE PAST 5 YEARS:

None.

EXECUTIVE OFFICERS

Set out below is information regarding the proposed executive officers of Canada Packers immediately following completion of the Arrangement, other than Michael H. McCain and Dennis Organ whose information is included under “Directors and Executive Officers – Directors” in this *Schedule “G”*.

Name and Place of Residence	Office(s) held with Canada Packers	Principal Occupation (last 5 years)
Deepak Bhandari <i>Oakville, Ontario, Canada</i>	Chief Financial Officer	Chief Financial Officer, Pork Complex, Maple Leaf Foods (September 2024 to date); Interim Chief Financial Officer, Highliner Foods (January 2024 to September 2024); Vice President, FP&A, Highliner Foods (September 2020 to December 2023); and Director FP&A, Andrew Peller (November 2018 to September 2020)
Lance Mistelbacher <i>Prairie Grove, Manitoba, Canada</i>	Senior Vice President, Commodities and Risk Management	Vice President, Commodity Risk Management, Maple Leaf Foods (August 2003 to date)
Jonathan Sawatzky <i>Winnipeg, Manitoba, Canada</i>	Senior Vice President, Hog Production and Procurement	Vice President, Maple Leaf Agri-Farms, Maple Leaf Foods (August 2019 to date)
David Typer <i>Mississauga, Ontario, Canada</i>	Senior Vice President, Sales and Product Optimization	Vice President, Pork, Maple Leaf Foods (April 2017 to date)
Mauricio Alanis <i>Toronto, Ontario, Canada</i>	Vice President, Sustainability	Director, Sustainability, Strategy & Regen Ag. Lead, Maple Leaf Foods (April 2024 to date); Director, Sustainability Strategy & Partnerships, Maple Leaf Foods (February 2021 to April 2024); and Director Marketing, Maple Leaf Foods (November 2019 to February 2021)
LeeAnn Peters <i>Steinbach, Manitoba, Canada</i>	Vice President, Food Safety, Quality Assurance and Animal Care	Director, Technical Services, Maple Leaf Foods (March 2013 to date)
Dezi Singh <i>Waterdown, Ontario, Canada</i>	Vice President, People	Vice President, Labour Relations and Human Resources, Maple Leaf Foods (June 2019 to date); and Director, Labour Relations and HR, Maple Leaf Foods (May 2015 to June 2019)

SHARE OWNERSHIP

Prior to the Arrangement, the proposed directors and executive officers of Canada Packers do not own, or control or direct, directly or indirectly, any Newco Common Shares or Subco Common Shares. The directors and executive officers of Canada Packers are expected to beneficially own, or control or direct, directly or indirectly, approximately 9,833,351 Canada Packers Common Shares (subject to the Adjustment Provision) (approximately 33.32% of the issued and outstanding Canada Packers Common Shares immediately following the Arrangement), including approximately 9,789,758 Canada Packers Common Shares (subject to the Adjustment Provision) (approximately 33.17% of the issued and outstanding Canada Packers Common Shares immediately following the Arrangement) that will be held, directly or indirectly, by MCI, which Maple Leaf Foods understands is beneficially owned and controlled by Michael H. McCain, Executive Chair of Canada Packers. MCI is also reported to hold, directly or indirectly, 48,948,794 MLF Common Shares (approximately 39.49% of all issued MLF Common Shares), and Maple Leaf Foods will hold approximately 4,722,171 Canada Packers Common Shares (subject to the Adjustment Provision) (approximately 16.0% of the issued and outstanding Canada Packers Common Shares) immediately following the Arrangement. All references in this *Schedule "G"* to the number of Canada Packers Common Shares that will be held following completion of the Arrangement are subject to the Adjustment Provision and have been determined based off of the number of MLF Common Shares held by the shareholder in question as of April 22, 2025 and the number of MLF Common Shares issued and outstanding on that date.

PENALTIES OR SANCTIONS

None of the proposed directors or executive officers of Canada Packers, and to the best of Maple Leaf Foods' knowledge, no shareholder expected to hold a sufficient number of securities to affect materially the control of Canada Packers, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

INDIVIDUAL BANKRUPTCIES

None of the proposed directors or executive officers of Canada Packers, and to the best of Maple Leaf Foods' knowledge, no shareholder expected to hold a sufficient number of securities to affect materially the control of Canada Packers, has, within the 10 years prior to the date of this *Schedule "G"*, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

CORPORATE CEASE TRADE ORDERS AND BANKRUPTCIES

Except as disclosed below, none of the proposed directors or executive officers of Canada Packers, and to the best of Maple Leaf Foods' knowledge, no shareholder expected to hold a sufficient number of securities to affect materially the control of Canada Packers is, as of the date of this *Schedule "G"*, or has been within the 10 years before the date of this *Schedule "G"*, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; (b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Meghan Roach was previously an executive officer of RTS USA Corp. (f/k/a Roots USA Corporation) ("Roots"), a position she had held since January 2020. On April 29, 2020, Roots announced the liquidation of RTS USA Corp. pursuant to Chapter 7 of Title 11 of the United States Code. The filing resulted in the permanent closure of Roots

stores in Boston, Massachusetts, Washington, D.C. and Chicago, Illinois, as well as the pop-up location in Woodbury Commons, New York.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The directors and officers of Canada Packers will be covered by directors' and officers' liability insurance. Under this insurance coverage, Canada Packers will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of the directors and officers of Canada Packers, subject to a deductible for each loss, which will be paid by Canada Packers. Individual directors and officers of Canada Packers will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by Canada Packers. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

CONFLICTS OF INTEREST

The CBCA provides that in the event that a director or an officer is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of their interest and shall refrain from voting to approve such contract or transaction, unless otherwise provided under the CBCA. In addition, pursuant to the terms of the Canada Packers Governance Agreement, the Canada Packers Board will be required to maintain, at all times, a conflicts review committee composed entirely of Independent Directors (as defined in the Canada Packers Governance Agreement), as well as a policy for dealing with actual, potential or perceived conflicts of interest (the "Conflicts Policy"). To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the CBCA and the Conflicts Policy.

The Supply Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Canada Packers Governance Agreement, Tax Matters Agreement and Canada Packers' other arrangements with Maple Leaf Foods and MCI, as applicable, do not impose any duty on Maple Leaf Foods or MCI to act in the best interest of Canada Packers. Maple Leaf Foods is not prohibited from engaging in other business activities that may compete with those of Canada Packers.

As of the date hereof, other than as disclosed herein, Canada Packers is not aware of any existing or potential material conflicts of interest between Canada Packers and any director or executive officer of Canada Packers.

DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

To date, neither Newco nor Subco has not carried on any active business. No compensation has been paid by Canada Packers to its proposed executive officers or directors and none will be paid by Canada Packers until after the Arrangement is completed. Following completion of the Arrangement, it is anticipated that the directors and executive officers of Canada Packers will be paid compensation in an amount and format that is comparable to companies of similar size and character.

An annual retainer fee or attendance fee for the proposed directors of Canada Packers has not been established. However, a fee schedule providing for annual retainer fees (payable in cash and equity), an additional retainer for the lead director, and committee chair and member retainers is expected to be adopted by Canada Packers. In addition, it is expected that all reasonable expenses incurred by directors to attend meetings will be reimbursed by Canada Packers.

CORPORATE GOVERNANCE

THE BOARD OF DIRECTORS

Upon closing of the Arrangement, the Canada Packers Board will consist of nine directors. The directors will be elected by Canada Packers Shareholders, at each annual meeting of Canada Packers Shareholders, and all directors will hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed and will be eligible for re-election or re-appointment. The nominees for election by Canada Packers Shareholders as directors will be subject to the nomination rights of MCI and Maple Leaf Foods under the

Canada Packers Governance Agreement (described in the Circular under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”) and determined by the Canada Packers Corporate Governance Committee in accordance with the provisions of applicable corporate law and the charter of the Canada Packers Corporate Governance Committee. See “Corporate Governance – The Board of Directors – Selection of Directors” in this *Schedule “G”* for further details.

Mandate of the Canada Packers Board

Following completion of the Arrangement, the Canada Packers Board will have responsibility for overseeing the management of its business and affairs directly and through five standing committees: the Canada Packers Audit Committee, the Canada Packers Corporate Governance Committee, the Canada Packers Human Resources and Compensation Committee, the Canada Packers Safety and Sustainability Committee and the Canada Packers Conflicts Review Committee. The responsibilities of the Canada Packers Board and each Committee, respectively, will be set out in written charters, which will be reviewed and approved annually by the Canada Packers Board.

It is expected that the Canada Packers Board will be responsible for:

- overseeing the strategic planning process, providing strategic guidance to management, approving management’s strategic plan after consultation and discussion and investigating alternate strategies that could enhance shareholder value;
- adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account the opportunities and risks of the business;
- reviewing major strategic initiatives to determine whether management’s proposed actions accord with Canada Packers’ long-term corporate goals, strategic, business and capital plans;
- approving the appointment of Canada Packers’ officers, including the chief executive officer and chief financial officer, and ensuring that succession planning programs are in place, including programs to appoint, develop and monitor management;
- reviewing and approving the reports issued to Canada Packers Shareholders, including annual financial statements;
- approving and monitoring compliance with all significant policies and procedures by which Canada Packers is operated;
- overseeing the enterprise approach to sustainability (environmental, animal care and social) matters;
- reviewing and monitoring controls and procedures related to cybersecurity;
- overseeing management’s risk management processes and mitigation strategies, including receiving reports on key risks and mitigation strategies; and
- promoting effective corporate governance.

Independent Directors

Upon completion of the Arrangement, the Canada Packers Board will consist of nine directors, five of whom will be considered to be “independent” under applicable securities laws. Mr. Organ is not considered to be “independent” within the meaning of applicable securities laws as a result of his position as Chief Executive Officer. Mr. M.H. McCain is not considered to be “independent” within the meaning of applicable securities laws as a result of his position as Executive Chair of Maple Leaf Foods and Canada Packers, as well as his relationship with MCI. Mr. J. McCain is not considered to be “independent” within the meaning of applicable securities laws as a result of his relationship with MCI and Mr. M.H. McCain. Mr. Frank is not considered to be “independent” within the meaning of applicable securities laws as a result of his responsibility for the Pork Operations when they were part of Maple Leaf Foods.

Canada Packers will obtain information from its directors annually to determine their independence. The Canada Packers Board will determine which directors are considered to be independent based on the recommendation of the Canada Packers Corporate Governance Committee, which will evaluate director independence based on the guidelines set forth under applicable securities laws.

For the purposes of determining independence in accordance with the terms of the Canada Packers Governance Agreement, “Independent Directors” are directors that are (i) independent of, and do not have a material relationship with, management of Canada Packers or any Shareholder Party (as defined in the Canada Packers Governance Agreement) or any person acting jointly or in concert with any such persons; (ii) “independent” for the purposes of National Instrument 52-110 – *Audit Committees* (“NI 52-110”); and (iii) not a Shareholder Nominee (as defined in the Canada Packers Governance Agreement). None of Mr. M.H. McCain, Mr. J. McCain nor Mr. Frank is considered to be “independent” within the meaning of the Canada Packers Governance Agreement.

As discussed further under “Meetings” below, the independent directors will be expected to hold *in camera* sessions at each regularly scheduled meeting of the Canada Packers Board and the Canada Packers Committees (as defined herein), at which management and non-independent directors will not be present, and will have the opportunity, at their discretion, to hold ad hoc meetings that are not attended by management and non-independent directors.

Selection of Directors

Subject to the nomination rights of MCI and Maple Leaf Foods under the Canada Packers Governance Agreement (described in the Circular under the heading “The Arrangement – Transaction Agreements – Canada Packers Governance Agreement”), following completion of the Arrangement, the Canada Packers Corporate Governance Committee will be responsible for, annually or as required, recruiting and identifying, and recommending to the Canada Packers Board for nomination, individuals qualified to become new Canada Packers Board members, as well as recommending individual directors to serve on the various Canada Packers Committees. In making its recommendations, the Canada Packers Corporate Governance Committee will consider the competencies, skills and other qualities it considers to be necessary for the Canada Packers Board, as a whole, to possess, the competencies, skills and other qualities it considers each existing director to possess, and the competencies, skills and other qualities each new nominee will bring to the Canada Packers Board.

The Canada Packers Corporate Governance Committee will also consider the amount of time and resources that nominees have available to fulfill their duties as a Canada Packers Board member and will assess independence in accordance with the Canada Packers Governance Agreement and applicable securities laws.

Canada Packers Board Renewal

Following completion of the Arrangement, the Canada Packers Board is expected to place a strong emphasis on its own renewal processes, including reviewing its succession processes, director selection criteria, and is expected to retain a third-party expert to assist in recruitment efforts.

Led by the Chair of the Canada Packers Corporate Governance Committee, and supported by a third-party expert, the Canada Packers Board is expected to adopt a rigorous search to identify new director candidates that would have a mix of skills, talent and diversity.

Directors will be expected to possess the highest personal and professional ethics, integrity and values and be committed to representing the best interests of Canada Packers. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. Each director should also have outstanding ability in his or her individual fields of expertise and be able to devote necessary time to board matters.

Subject to the nomination rights of MCI and Maple Leaf Foods under the Canada Packers Governance Agreement, the Canada Packers Corporate Governance Committee will manage the process of recommending qualified directors for nomination to the Canada Packers Board. The Canada Packers Corporate Governance Committee will have responsibility for identifying and recommending qualified individuals as nominees to be directors of Canada Packers. The framework for director selection and board succession planning will seek to achieve the best mix of skills, experience, competencies, tenure and diversity.

The Canada Packers Corporate Governance Committee will be expected to review the competencies, skills and personal qualities of candidates to be considered for nomination to the Canada Packers Board. In fulfilling its responsibilities, the Canada Packers Corporate Governance Committee is expected to use a director skills matrix to help guide its search for potential new director nominees, solicit input from existing directors, maintain a list of potential candidates and engage an independent consultant to assist in developing a full skills profile and in identifying potential candidates. The Canada Packers Board will value diversity and it will adopt a written diversity policy which informs its approach to candidate selection. Diversity considerations are expected play a significant role in the director succession processes.

Annually, prior to each annual shareholder meeting, the Canada Packers Board will, acting on the advice of the Canada Packers Corporate Governance Committee and having received the names of nominees put forward under the Canada Packers Governance Agreement, approve the director nominees to be nominated for election.

In the event there is a vacancy prior to an annual meeting, the Canada Packers Corporate Governance Committee may make a recommendation to the Canada Packers Board with respect to a replacement nominee to fill the vacancy. Further, if appropriate, and subject to the Canada Packers Governance Agreement, the Canada Packers Corporate Governance Committee may recommend the appointment of additional directors between annual meetings of shareholders. In both cases, the recommendations are subject to compliance with the CBCA, the Canada Packers' constating documents and the Canada Packers Governance Agreement.

Independent Lead Director

The Independent Lead Director will provide leadership for the independent directors. The Canada Packers Board is expected, from time to time, to review the Independent Lead Director's responsibilities and accountabilities, which are expected to include:

- chairing *in camera* meetings of independent directors and contributing to stewardship of discussions and dialogue amongst independent directors within and outside meetings;
- consulting with the Executive Chair to contributing to the development of agendas and distribution of materials and information to directors;
- collaborating with the Executive Chair to ensure the effectiveness of the Canada Packers Board and individual directors, including engaging, as appropriate, in the annual assessment and evaluation processes, and engaging in one-on-one meetings with the directors and the Executive Chair;
- fostering an effective relationship between management and the Canada Packers Board;
- supporting Canada Packers Board succession planning and renewal processes; and
- contributing to the oversight of the Canada Packers' strategies, plans and policies.

Michael Vels is expected to serve as the initial Independent Lead Director.

Meetings

Upon completion of the Arrangement, the Canada Packers Board will hold regularly-scheduled meetings at least quarterly, as well as *ad hoc* meetings from time to time. An *in camera* meeting of the independent directors will be scheduled in connection with each Canada Packers Board meeting and additional *in camera* meetings may be scheduled outside of the regular Canada Packers Board meetings, as necessary or desirable. These sessions will be chaired by the Chair of the Canada Packers Board or by the Independent Lead Director if the Chair is not independent pursuant to NI 52-110.

The Canada Packers Board may invite to a meeting any officer or employee of Canada Packers, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. Meeting attendees who are not Canada Packers Board members will be excused for any agenda items which are reserved for discussion among directors only. If a director of Canada Packers holds an interest in a transaction or agreement under consideration at a Canada Packers Board meeting or a Committee meeting, that

director will not be present at the time the Canada Packers Board or Committee deliberates such transaction or agreement and will abstain from voting on the matter. See “Directors and Executive Officers – Conflicts of Interest” above for more information.

Director Orientation and Continuing Education

Upon completion of the Arrangement, it is expected that the Canada Packers Corporate Governance Committee will put in place an orientation program for new directors under which a new director will meet with the Chair and members of the executive management team of Canada Packers. Prior to the completion of the Arrangement, the Canada Packers Board, and following the Arrangement, any new directors, will be provided with comprehensive orientation and education as to the nature and operation of Canada Packers and its business, the role of the Canada Packers Board and the Canada Packers Committees, and the contribution that an individual director is expected to make. The Canada Packers Corporate Governance Committee will be responsible for coordinating development programs for continuing directors to enable the directors to maintain or enhance their skills and abilities as directors as well as ensuring that their knowledge and understanding of Canada Packers and its business remains current.

Assessment of Canada Packers Board, Canada Packers Committees and Individual Director Performance

The Canada Packers Corporate Governance Committee will oversee the periodic evaluation of the Canada Packers Board and the Canada Packers Committees. The objective of the assessments will be to ensure the continued effectiveness of the Canada Packers Board overall and directors individually in the execution of its responsibilities, and to contribute to a process of continuing improvement. The evaluation and effectiveness framework is expected to be reviewed annually and to consist of written questions, supplemented by one-on-one discussions between each director and one or both of Chair or Independent Lead Director (if the Chair is not independent) and the Chair of the Canada Packers Corporate Governance Committee by the members of the Canada Packers Board and will address, among other things, individual director independence, individual director and overall Canada Packers Board skills and individual director financial literacy.

The Canada Packers Corporate Governance Committee will also review, the composition of the Canada Packers Committees to ensure that Committee membership complies with the Canada Packers Governance Agreement and applicable securities laws, that the workload for independent directors is balanced, and that Committee positions are rotated as appropriate. In doing so, the Canada Packers Corporate Governance Committee will consult with the Chair and make recommendations to the Canada Packers Board, which will appoint Committee members.

Director Commitments and Interlocking Directorships

Upon completion of the Arrangement, the Canada Packers Corporate Governance Committee is expected to monitor the demands placed on each director’s time and attention outside of their service on the Canada Packers Board. This will include, among other things, reviewing the number of other public company boards that a director sits on to ensure that no director has excessive commitments to other public companies that may result in a reduced ability for the director to provide effective oversight as a Canada Packers Board member. The Canada Packers Corporate Governance Committee is also expected to monitor interlocking board and committee memberships among all directors. Board interlocks exist when two directors of one company sit on the board of another company and committee interlocks exist when two directors sit together on another board and are also members of the same board committee, in each case, other than its subsidiaries. Currently, it is expected that the only board interlocks will be Mr. M.H. McCain, Mr. J. McCain and Mr. Frank, all of whom sit on the Board.

Diversity

Recognizing that a range of perspectives, experiences, and expertise are beneficial to creating and maintaining an effective board of directors, it is expected that, following completion of the Arrangement, the Canada Packers Board will adopt a written diversity policy similar to the Maple Leaf Foods Policy, which sets a goal of maintaining at least 30% women on the Canada Packers Board and a commitment to increase representation from other designated groups over time.

COMMITTEES OF THE CANADA PACKERS BOARD

The Canada Packers Board is expected to formally appoint five standing committees: the Canada Packers Audit Committee, the Canada Packers Corporate Governance Committee, the Canada Packers Human Resources and

Compensation Committee, the Canada Packers Safety and Sustainability Committee and the Canada Packers Conflicts Review Committee, (collectively, the “Canada Packers Committees”). The composition of the Canada Packers Committees will be determined prior to the Effective Date. The Canada Packers Audit Committee, the Canada Packers Corporate Governance Committee, and the Canada Packers Human Resources and Compensation Committee will each be composed entirely of Independent Directors (as defined in the Canada Packers Governance Agreement), provided that a director that is a Shareholder Nominee (as defined in the Canada Packers Governance Agreement) shall not be disqualified for this purpose if such director is otherwise independent pursuant to NI 52-110; and the Canada Packers Conflicts Review Committee shall be comprised entirely of Independent Directors (as defined in the Canada Packers Governance Agreement). The responsibilities of each Committee will be set out in written charters, which will be reviewed and approved annually by the Canada Packers Board.

Canada Packers Audit Committee

All members of the Canada Packers Audit Committee must be independent under the Canada Packers Governance Agreement and under applicable securities laws. This means, among other things, that their directors’ fees must be and are the only compensation they receive, directly or indirectly, from Canada Packers. Further, all members disclose any form of association with a present or former auditor of Canada Packers to the Canada Packers Board for a determination as to whether this association affects the independent status of the director.

All members of the Canada Packers Audit Committee will be independent within the meaning of both the Canada Packers Governance Agreement and applicable securities laws, and financially literate within the meaning of NI 52-110. At least one member is expected to be a financial expert.

Each of the Canada Packers Audit Committee members must have an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. For additional details regarding the relevant education and experience of the expected members of the Canada Packers Audit Committee, see “Directors and Executive Officers — Directors” above.

The Canada Packers Audit Committee will adopt an Audit Committee charter, substantially in the form attached as Appendix “A” to this *Schedule “G”*. The Canada Packers Audit Committee’s primary responsibilities and functions are expected to be:

- (a) To assist the Canada Packers Board by reviewing the adequacy and effectiveness of financial and reporting processes including:
 - (i) systems of internal and financial controls;
 - (ii) selection of accounting policies and principles;
 - (iii) preparation and audit of financial reports;
 - (iv) review of financial risk management functions;
 - (v) oversight of the stewardship of Canada Packers’ pension plan funds; and
 - (vi) monitoring of certain other financial matters.
- (b) To oversee and monitor the appointment, independence and performance of the internal and external auditors.
- (c) To establish and monitor procedures for handling concerns and complaints related to financial matters.
- (d) To approve, on behalf of the Canada Packers Board, certain financial and other matters as delegated by the Canada Packers Board.

- (e) To review and make recommendations for approval of annual financial statements, management's discussion and analysis of the financial condition of Canada Packers and the results of its operations for release to Canada Packers Shareholders.
- (f) To review and approve the interim financial statements, management's discussion and analysis of the financial condition of Canada Packers and the results of its operations for release to Canada Packers Shareholders.
- (g) To conduct independent investigations into matters that may come under its scope of responsibilities and to oversee financial and reporting matters reported through Canada Packers' whistleblower arrangements.
- (h) To review the reporting of related party transactions.

The Canada Packers Audit Committee will meet regularly in private sessions with Canada Packers' auditors, without management present, to discuss and review specific issues as appropriate.

Canada Packers Corporate Governance Committee

All members of the Canada Packers Corporate Governance Committee will be independent within the meaning of both the Canada Packers Governance Agreement and applicable securities laws.

The Canada Packers Corporate Governance Committee will adopt a Corporate Governance Committee charter. The Canada Packers Corporate Governance Committee's primary responsibilities and functions are expected to be:

- (a) To assist the Canada Packers Board in matters pertaining to Canada Packers' approach to governance issues, the organization and staffing of the Canada Packers Board, the organization and conduct of Canada Packers Board meetings and the effectiveness of the Canada Packers Board in performing and fulfilling its responsibilities.
- (b) To assist the Canada Packers Board in matters pertaining to the delegation of responsibilities to the Canada Packers Committees by reviewing annually the terms of reference for the Canada Packers Committees and making recommendations to the Canada Packers Board for any amendments deemed necessary or advisable, including recommending directors for membership to each Committee.
- (c) To assess the independence of individuals nominated for election to the Canada Packers Board and the Canada Packers Committees and the financial literacy of members of the Canada Packers Audit Committee.
- (d) To assess the effectiveness of the Canada Packers Board, individual directors and Committee members.
- (e) To receive and review all declarations of interest by a director that may give rise to a related party transaction.

The Canada Packers Corporate Governance Committee will also be responsible for reviewing and reporting to the Canada Packers Board on succession planning and proposed senior management appointments, the job descriptions and annual objectives of senior executives. The Canada Packers Human Resources and Compensation Committee will review, at least once a year, the adequacy of the Committee's Charter and, as it deems appropriate, recommend changes to the Canada Packers Corporate Governance Committee.

Canada Packers Human Resources and Compensation Committee

All members of the Canada Packers Human Resources and Compensation Committee will be independent within the meaning of both the Canada Packers Governance Agreement and applicable securities laws.

The Canada Packers Human Resources and Compensation Committee will adopt a Human Resources and Compensation Committee charter. The Canada Packers Human Resources and Compensation Committee's primary responsibilities and functions are expected to be:

- (a) To review, develop and propose to the Canada Packers Board the necessary policies and procedures to ensure that all employees of Canada Packers will be fairly and competitively compensated. Special attention will be devoted to the executive group.
- (b) To evaluate annually the performance of the chief executive officer against predetermined goals and criteria and to recommend to the Canada Packers Board the amount of compensation to be paid to the chief executive officer.
- (c) To review annually the chief executive officer's evaluation of the performance of the other executive officers of Canada Packers and any material subsidiaries and the chief executive officer's recommendations with respect to the amount of compensation to be paid to the other executive officers.
- (d) To assist the Canada Packers Board in ensuring that appropriate human resource development, succession planning and performance evaluation programs are in place and operating effectively.
- (e) To review and report to the Canada Packers Board on the pension and retirement benefits of employees.
- (f) To oversee matters reported through Canada Packers' whistleblower ethics line related to non-financial matters.

It will further be the responsibility of the Canada Packers Human Resources and Compensation Committee to review and report to the Canada Packers Board on recommendations from management for major changes in the form and structure of executive compensation programs, to review significant human resources policies and plans, including equity compensation programs, and to review and approve any public disclosure regarding executive compensation.

The Canada Packers Corporate Governance Committee will review, at least once a year, the adequacy of the Committee's Charter and, as it deems appropriate, recommend changes to the Canada Packers Corporate Governance Committee.

Canada Packers Safety and Sustainability Committee

The Canada Packers Safety and Sustainability Committee will adopt a Safety and Sustainability Committee charter. The Canada Packers Safety and Sustainability Committee's primary responsibilities and functions are expected to be:

- (a) To review, on behalf of the Canada Packers Board, Canada Packers' progress in meeting its objective of being a sustainable company including the areas of:
 - (i) nutrition and health (including food safety);
 - (ii) people and communities (including employee health and safety and community involvement);
 - (iii) animal care; and
 - (iv) environmental performance and sustainability.

- (b) To assist the Canada Packers Board in ensuring that:
 - (i) Canada Packers has appropriate environmental, health and safety and animal care policies to meet or exceed legislative and regulatory requirements and industry standards in those areas as well as the sustainability objectives;
 - (ii) risks relating to matters outlined in the Committee's four key areas of responsibility receive oversight by being periodically assessed and addressed in the appropriate policies; and
 - (iii) Canada Packers has and maintains management systems to implement and monitor compliance with and performance against its policies and strategies.

Canada Packers Conflicts Review Committee

In accordance with the terms of the Canada Packers Governance Agreement, Canada Packers will establish the Canada Packers Conflicts Review Committee. The Canada Packers Conflicts Review Committee shall be comprised entirely of Independent Directors (as defined in the Canada Packers Governance Agreement).

The Canada Packers Conflicts Review Committee is expected to be responsible for overseeing any transactions with the McCain Holders and/or Maple Leaf Foods.

CODE OF BUSINESS CONDUCT AND ETHICS

The Canada Packers Board is expected to adopt a written code of business conduct and ethics (the "Canada Packers Code of Conduct") intended to encourage and promote a culture of ethical business conduct among directors, management, employees and consultants of Canada Packers. All directors, officers and employees of Canada Packers will be required to provide a written acknowledgment upon joining Canada Packers that they are familiar with and will comply with the Canada Packers Code of Conduct. All directors, officers and employees of Canada Packers will be required to provide this same acknowledgement annually. Following completion of the Arrangement, copies of the Canada Packers Code of Conduct will be posted on Canada Packers' website.

STOCK EXCHANGE LISTING

Maple Leaf Foods has applied to list on the TSX the Canada Packers Common Shares issuable pursuant to the Arrangement and the Canada Packers Common Shares issuable under the Canada Packers Option Plan. Maple Leaf Foods has also applied to list on the TSX the Newco Common Shares issuable pursuant to the Arrangement.

Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved such application and there is no assurance that the TSX will approve such application. It is a condition precedent to the completion of the Arrangement Agreement that Newco and Canada Packers receive the conditional approval of the TSX in respect of the above listing application, subject only to compliance with the usual requirements of the TSX. Canada Packers will not proceed with the Arrangement without receiving such approval. The trading symbol for the Canada Packers Common Shares will be "CPKR" on the TSX.

PROMOTER

Maple Leaf has taken the initiative in founding and organizing Newco and Subco, who upon completion of the Arrangement, will amalgamate to form Canada Packers and accordingly may be considered to be a promoter within the meaning of Canadian provincial securities legislation.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings outstanding, threatened or pending as of the date of this *Schedule "G"* by or against Newco or Subco or to which they are a party or of which the Pork Operations are the subject, which are, nor to the knowledge of the directors and officers of Maple Leaf Foods are any such legal proceedings contemplated which could become, material to Canada Packers' consolidated financial position or results of operations.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as discussed in this *Schedule “G”*, there are no material interests, direct or indirect, of any proposed director or executive officer of Canada Packers, any shareholder that will beneficially own, or control or direct (directly or indirectly), more than 10% of any class or series of Canada Packers’ outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect Canada Packers or any of its subsidiaries.

AUDITOR, TRANSFER AGENT AND REGISTRAR

KPMG LLP, the auditor of Subco, being a predecessor corporation of Canada Packers prior to the Amalgamation is independent of Subco within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. KPMG LLP is expected to be the auditor of Canada Packers following the Amalgamation. The offices of KPMG LLP are located at 333 Bay Street, Suite 4600, Toronto, Ontario, Canada, M5H 2S5.

The transfer agent and registrar for the Canada Packers Common Shares will be Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the only material contracts, other than the contracts entered into in the ordinary course of business, which have been entered into by Canada Packers since its formation or which are proposed to be entered into by Canada Packers:

- (a) the Arrangement Agreement;
- (b) the Separation Agreement;
- (c) the Supply Agreement; and
- (d) the Canada Packers Governance Agreement.

Copies of the foregoing documents will be available following completion of the Arrangement on SEDAR+ at sedarplus.com.

See “The Arrangement - Transaction Agreements” in the Circular for additional information.

FINANCIAL STATEMENTS DISCLOSURE

See *Schedule “H”* to this Circular for the Canada Packers Carve-Out Financial Statements and the Carve-Out MD&A.

See *Schedule “I”* to this Circular for the Canada Packers Pro Forma Financial Statements.

APPENDIX A — AUDIT COMMITTEE CHARTER

CHARTER OF THE AUDIT COMMITTEE (THE “COMMITTEE”)

OF THE BOARD OF DIRECTORS OF CANADA PACKERS INC. (THE “CORPORATION”)

A. NATURE AND SCOPE OF THE COMMITTEE

The Committee is a standing committee appointed by the Board of Directors of the Corporation (the “**Board**”), established to fulfill applicable public company obligations respecting audit committees and to assist the Board in fulfilling its oversight responsibilities in the following areas: (i) accounting policies and practices, (ii) the integrity of the Corporation’s financial statements, (iii) compliance with legal and regulatory requirements, (iv) the qualifications, independence, and performance of the external auditors, and (v) the performance of the internal audit function.

The Committee, its Chair and members are members of the Board, appointed to the Committee to provide broad oversight of the financial, financial reporting, risk and control related activities of the Corporation, and are specifically not accountable or responsible for the day to day operation or performance of such activities.

Management is responsible for the preparation, presentation and integrity of the financial statements and for maintaining appropriate accounting and financial reporting principles and policies, systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations.

The internal auditor is responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls.

The external auditors are responsible for planning and carrying out an audit of the annual consolidated financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with generally accepted accounting principles. The external auditors are accountable to the Committee and the Board as the representatives of the shareholders of the Corporation and the Committee shall so instruct the external auditors and the external auditors shall report directly to the Committee.

Except as set out below, the Committee does not have decision– making authority but rather conveys its findings and recommendations to the Board for consideration and decision by the Board.

B. PROCEDURES, POWERS AND DUTIES

In addition to the procedures and powers set out in any other policy of the Board or in any resolution of the Board relating to the Committee, the Committee shall have the following procedures, powers and duties:

1. *Composition* – The Committee shall be comprised of a minimum of three members. Each member of the Committee shall be both an “unrelated” director and “independent” director as such terms are defined from time to time under the requirements or guidelines for audit committee service under applicable securities laws and the rules of any stock exchange on which the Corporation’s securities are listed for trading.

All members of the Committee must be “financially literate” subject to any available exemption in applicable securities laws as that term is defined from time to time under the requirements or guidelines for Audit Committee service under securities laws and the rules of any stock exchange on which the Corporation’s securities are listed for trading or if it is not so defined as that term is interpreted by the Board in its business judgement.

2. *Meetings* – The Committee shall meet as often as the Committee considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter.

3. *In Camera Meetings* – At least annually, the Committee shall hold *in camera* meetings with each of the head of the internal audit function and the external auditors to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have unrestricted access to the Committee to bring forward matters requiring its attention.
4. *Professional Assistance* – The Committee may require the external auditors and internal auditors to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants and determine their compensation as the Committee may determine to be necessary to carry out the Committee's duties at the Corporation's expense and will inform the Chair of the Corporate Governance Committee of any such retainer.
5. *Reliance* – Absent actual knowledge or belief to the contrary which shall be promptly reported to the Board, each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by management and the external auditors as to any non-audit services provided by the external auditors to the Corporation and its subsidiaries.
6. *Reporting to the Board* – The Committee will report through the Committee Chair to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

The Committee will:

7. *Internal controls* – Review and discuss with management, the external auditors and the internal auditors as it deems necessary and exercise oversight with respect to:
 - (a) the adequacy and effectiveness of the system of internal accounting and financial controls; and the recommendations of management, the external auditors and the internal auditors for the improvement of accounting practices and internal controls;
 - (b) any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and
 - (c) management's compliance with the Corporation's processes, procedures and internal controls.
8. *Regulatory agency reviews* – Review the findings of any examination by regulatory agencies concerning financial matters of the Corporation and make recommendations to the Board related thereto.
9. *Appointment of external auditors* – With respect to the appointment and oversight of the external auditors:
 - (a) make recommendations to the Board on the external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services of the Corporation to be nominated in the Corporation's proxy circular for appointment or reappointment by shareholders;
 - (b) make a recommendation to the Board for the approval of compensation for the external auditors; and
 - (c) review, evaluate and approve the terms of engagement, performance, audit scope and approach to the conduct of the external auditors with respect to the annual audit.
10. *Independence of external auditors* – Review the independence of the external auditors and make recommendations to the Board on actions the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee:
 - (a) shall actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;

- (b) shall require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Corporation including its subsidiaries, and the external auditors including their affiliates;
 - (c) shall review and approve clear policies for hiring by the Corporation of partners, employees or former employees/partners of the current or former external auditors;
 - (d) may approve policies and procedures for the pre- approval by a Committee member of any non-audit services to be rendered by the external auditors which the external auditors are not otherwise prohibited from providing and which policies and procedures shall include reasonable detail with respect to the services covered, provided that the pre-approval of non-audit services by a Committee member with delegated authority must be presented to the full Committee at its next scheduled meeting. For greater certainty, all non-audit services to be provided to the Corporation or any of its affiliates by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee; and
 - (e) shall review and approve the disclosure in the annual information form and management proxy circular of the fees paid in the financial year to the external auditors by category.
11. *Internal auditors* – Review the organizational structure, independence and qualifications of the internal audit department and its resources, the internal audit plans and their implementation.
12. *Internal audit function* – Oversee and monitor the internal audit function including:
- (a) meeting periodically with the internal auditors to discuss the progress of their activities and any significant findings stemming from internal audits and any difficulties or disputes that arise with management and the adequacy of management's responses in correcting audit- related deficiencies; and
 - (b) reviewing summaries of reports to management prepared by the internal auditors and have available the full reports, communicate with the internal auditors with respect to their reports and recommendations as necessary with respect to the extent to which prior recommendations have been implemented, management's responses to such reports and any other matters that the internal auditor brings to the attention of the Committee.
13. *External audits* – Oversee and monitor external audits, including:
- (a) reviewing with the external auditors, the internal auditors and management the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon management and internal audit and general audit approach and scope of proposed audits of the financial statements, the overall audit plans, the responsibilities of management, the internal auditors and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits;
 - (b) discussing with the external auditors any difficulties or disputes that arose with management or the internal auditors during the course of the audit and the adequacy of management's responses in correcting audit-related deficiencies and resolve any outstanding disputes;
 - (c) taking such other reasonable steps as the Committee may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies; and
 - (d) reviewing and resolve any disagreements between management and the external auditors regarding financial reporting or the application of any accounting principles or practice.
14. *Accounting principles and policies* – Oversee, review and discuss, as the Committee deems necessary, with management, the external auditors and the internal auditors, the Corporation's accounting principles and policies, including:

- (a) *Selection* – the appropriateness and acceptability of the Corporation's accounting principles and practices used in its financial reporting, changes in the Corporation's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;
 - (b) *Significant financial reporting issues* – all significant financial reporting issues and judgments made in connection with the preparation of the financial statements and any "second opinions" sought by management from an independent auditor with respect to the accounting treatment of a particular item;
 - (c) *Disagreements* – reviewing all reportable events, including disagreements, unresolved issues and consultations with the Corporation's auditors, whether or not there is to be a change of auditors, and receive and review all reports prepared by the auditors;
 - (d) *Material change or proposed change* – any material change or proposed change to the Corporation's accounting principles and practices;
 - (e) *Changes in regulatory and accounting requirements* – the effect of changes in regulatory and accounting requirements;
 - (f) *Legal matters, claims and contingencies* – any legal matter, claim or contingency that could have a significant impact on the financial statements, the Corporation's compliance policies and any material reports, inquiries or other correspondence received from regulators or governmental agencies and the manner in which any such legal matter, claim or contingency has been disclosed in the financial statements;
 - (g) *"pro forma" or "adjusted" information* – the use of any "pro forma" or "adjusted" information not in accordance with generally accepted accounting principles; and
 - (h) *Goodwill impairment* – management's determination of goodwill impairment, if any, as required by applicable accounting standards.
15. *Interim financial results* – Prior to the release of any summary of interim financial results, including any associated press release, or the filing of such reports with the applicable regulators, review with the external auditors and management the interim consolidated financial statements, and related Management Discussion and Analysis ("MD&A") and associated press release and approve for release.
16. *Annual audited consolidated financial statements* – Review with the external auditors and management the annual audited consolidated financial statements, the auditors' report thereon, and related MD&A and associated press release, and report on the results of such review to the full Board prior to the approval and release to shareholders of such results by the Board.
17. *Prospectuses and information circulars* – Review with the external auditors and management, financial information contained in any prospectus or information circular of the Corporation, and any other publicly disseminated material financial disclosure, including, in accordance with the Corporation's Disclosure Policy, material financial outlook (e.g., earnings guidance) and forward– oriented financial information (e.g., forecasted financial statements) provided to rating agencies or otherwise publicly disseminated, and material non– GAAP financial measures, non– GAAP ratios, total of segments measures, capital management measures, and supplementary financial measures (each as defined in National Instrument 52– 112 – *Non– GAAP and Other Financial Measures Disclosure*), and make recommendations regarding approval to the Board. The Committee shall also periodically assess the adequacy of the procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from financial statements and MD&A.
18. *Communications between management, the internal and external auditors* – Provide an open avenue of communication between management, the internal auditors, the external auditors and the Board.

19. *Independent investigations* – Conduct independent investigations into any matters which come under its scope of responsibilities.
20. *Pension plans* – With respect to pension plans:
 - (a) *Investment objectives, policies and asset investment mix* – Receive the recommendation of a management committee on investment objectives, policies and asset investment mix and make recommendations to the Board.
 - (b) *Engage investment managers* – Receive the recommendation of a management committee and approve the engagement and termination of investment management suppliers.
 - (c) *Pension plan performance* – Receive reports from a management committee on pension fund performance and make reports to the Board.
 - (d) *SIP&P* – Receive the recommendation of a management committee and approve the filing of the SIP&P.
 - (e) *Management Committee* – Oversee management committee activities.
21. *Other reports of the external auditors* – Review and discuss all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors and any other reports which the Committee may require with the external auditors.
22. *Complaints regarding accounting, controls or audit matters* – Establish and monitor procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or audit matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management and the internal auditors these procedures and any significant complaints received.
23. *Financial risk exposures* – Meet periodically with management to review and discuss the Corporation's major financial risk exposures and the policy steps management has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.
24. *Audit committees of material subsidiaries* – Receive and review the minutes of meetings of the audit committee of material subsidiaries of the Corporation.
25. *Other delegated matters* – Review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial matters.

C. THE CHARTER

26. *Charter review* – The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Corporate Governance Committee.
27. *Committee performance* – Annually, the Committee shall evaluate its performance with reference to this Charter and the results of its evaluation shall be submitted to the Corporate Governance Committee.
28. *Disclosure of Charter* – The Committee shall ensure that this Charter is disclosed on the Corporation's website and that this Charter is disclosed in the annual information form of the Corporation in accordance with all applicable securities laws or regulatory requirements.

D. NO RIGHTS CREATED

29. This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Corporation. While it should be interpreted in the context of all applicable requirements, as well as in the context of the Corporation's Articles and By-laws, it is not intended to establish any legally binding obligations.

SCHEDULE H: AUDITED COMBINED CARVE-OUT FINANCIAL STATEMENTS AND MD&A FOR CANADA PACKERS

[See attached]

Combined Carve-Out Financial Statements of Canada Packers

As at and for the years ended December 31, 2024, December 31, 2023, and December 31, 2022

Combined Carve-Out Financial Statements – Table of Contents

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Independent Auditor's Report

To the Board of Directors of Maple Leaf Foods Inc.

Opinion

We have audited the combined carve-out financial statements of Maple Leaf Foods Inc.'s agricultural and hog production operations, primary pork processing, and sales and distribution of fresh and frozen product (or collectively the "Pork Operations"), which comprise:

- the combined carve-out balance sheets as at December 31, 2024, December 31, 2023, December 31, 2022, and January 1, 2022
- the combined carve-out statements of earnings (loss) for the three years ended December 31, 2024
- the combined carve-out statements of other comprehensive (loss) income for the three years ended December 31, 2024
- the combined carve-out statements of changes in net parent investment for the three years ended December 31, 2024
- the combined carve-out statements of cash flows for the three years ended December 31, 2024
- and notes to the combined carve-out financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the combined carve-out financial position of the Pork Operations as at December 31, 2024, December 31, 2023, December 31, 2022 and January 1, 2022 and its combined carve-out financial performance and its combined carve-out cash flows for the three years ended December 31, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Pork Operations in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3 to the financial statements which described the basis of preparation used in these financial statements and the purpose of the financial statements.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report

In preparing the financial statements, management is responsible for assessing the Pork Operation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Pork Operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Pork Operation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

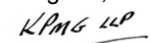
We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pork Operation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Pork Operation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Pork Operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this auditor's report is Elliot Marer.

Vaughan, Canada



May 1, 2025

Combined Carve-Out Balance Sheets

(In thousands of Canadian dollars)	Notes	As at December 31,			As at January 1,
		2024	2023	2022	2022
ASSETS					
Current assets					
Cash		\$ 18,777	\$ 9,511	\$ 18,649	\$ 20,002
Accounts receivable	5	82,141	76,365	50,796	52,467
Inventories	6	99,333	82,755	85,832	76,344
Biological assets	7	158,903	105,102	137,751	130,052
Prepaid expenses and other assets		11,557	5,208	4,293	5,217
		\$ 370,711	\$ 278,941	\$ 297,321	\$ 284,082
Property and equipment	8	317,406	330,460	329,417	312,562
Right-of-use assets	9	83,982	66,739	59,597	50,544
Investment property	10	6,900	—	—	—
Other long-term assets		4,971	5,174	4,593	3,209
Intangible assets		840	1,004	1,133	1,237
Total assets		\$ 784,810	\$ 682,318	\$ 692,061	\$ 651,634
LIABILITIES AND NET PARENT INVESTMENT					
Current liabilities					
Accounts payable and accruals		\$ 83,853	\$ 96,514	\$ 95,861	\$ 87,828
Current portion of lease obligations	12	20,844	19,514	19,034	18,000
Income taxes payable		1,358	1,049	1,404	1,312
Other current liabilities		6,568	949	1,425	1,262
		\$ 112,623	\$ 118,026	\$ 117,724	\$ 108,402
Long-term debt		900	—	—	—
Lease obligations	12	66,462	49,273	42,298	33,775
Deferred tax liability	13	41,758	29,263	33,321	27,328
Total liabilities		\$ 221,743	\$ 196,562	\$ 193,343	\$ 169,505
Net parent investment					
Net parent investment	15	\$ 565,664	\$ 486,162	\$ 499,235	\$ 482,012
Accumulated other comprehensive (loss) income		\$ (2,597)	(406)	(517)	117
Total net parent investment		\$ 563,067	\$ 485,756	\$ 498,718	\$ 482,129
Total liabilities and net parent investment		\$ 784,810	\$ 682,318	\$ 692,061	\$ 651,634

Commitments and contingencies (Note 18)

See accompanying Notes to the Combined Carve-Out Financial Statements.

On behalf of the Board of Directors of Maple Leaf Foods Inc.:



CURTIS FRANK



WILLIAM E. AZIZ

Combined Carve-Out Statements of Earnings (Loss)

Years ended December 31,
(In thousands of Canadian dollars)

	Notes	2024	2023	2022
Sales		\$ 1,658,528	\$ 1,649,032	\$ 1,639,174
Cost of goods sold		1,427,711	1,615,437	1,614,675
Gross profit		\$ 230,817	\$ 33,595	\$ 24,499
Selling, general and administrative expenses		65,574	62,221	60,202
Earnings (loss) before the following:		\$ 165,243	\$ (28,626)	\$ (35,703)
Other expense		12,218	3,924	2,670
Earnings (loss) before interest and income taxes		\$ 153,025	\$ (32,550)	\$ (38,373)
Interest expense	12	4,538	2,072	1,780
Earnings (loss) before income taxes		\$ 148,487	\$ (34,622)	\$ (40,153)
Income tax expense (recovery)	13	40,234	(7,533)	(8,897)
Earnings (loss)		\$ 108,253	\$ (27,089)	\$ (31,256)

See accompanying Notes to the Combined Carve-Out Financial Statements.

Combined Carve-Out Statements of Other Comprehensive (Loss) Income

Years ended December 31,
(In thousands of Canadian dollars)

	Notes	2024	2023	2022
Earnings (loss)		\$ 108,253	\$ (27,089)	\$ (31,256)
Other comprehensive (loss) income				
Items that are or may be reclassified subsequently to profit or loss:				
Change in accumulated foreign currency translation adjustment				
(Net of tax of \$0.0 million; 2023: \$0.0 million; 2022: \$0.0 million)		\$ (293)	\$ (583)	\$ (534)
Change in unrealized gains and (losses) on cash flow hedges				
(Net of tax of \$0.7 million; 2023: \$(0.2) million; 2022: \$0.0 million)	14	(1,898)	694	(100)
Total other comprehensive (loss) income		\$ (2,191)	\$ 111	\$ (634)
Comprehensive income (loss)		\$ 106,062	\$ (26,978)	\$ (31,890)

See accompanying Notes to the Combined Carve-Out Financial Statements.

Combined Carve-Out Statements of Changes in Net Parent Investment

		Accumulated other comprehensive income (loss)			
(In thousands of Canadian dollars)	Notes	Funding by Maple Leaf Foods	Accumulated foreign currency translation adjustment	Unrealized gains and losses on cash flow hedges	Total Net Parent Investment
Balance at December 31, 2023		\$ 486,162	(1,117)	711	\$ 485,756
Earnings		108,253	—	—	108,253
Other comprehensive income (loss) ⁽ⁱ⁾		—	(293)	(1,898)	(2,191)
Share-based compensation expense	16	3,980	—	—	3,980
Deferred taxes on share-based compensation		(120)	—	—	(120)
Net movement in funding		(32,611)	—	—	(32,611)
Balance at December 31, 2024		\$ 565,664	(1,410)	(1,187)	\$ 563,067

		Accumulated other comprehensive income (loss)			
(In thousands of Canadian dollars)	Notes	Funding by Maple Leaf Foods	Accumulated foreign currency translation adjustment	Unrealized gains and losses on cash flow hedges	Total Net Parent Investment
Balance at December 31, 2022		\$ 499,235	(534)	17	\$ 498,718
Loss		(27,089)	—	—	(27,089)
Other comprehensive income (loss) ⁽ⁱ⁾		—	(583)	694	111
Share-based compensation expense	16	1,895	—	—	1,895
Deferred taxes on share-based compensation		(50)	—	—	(50)
Net movement in funding		12,171	—	—	12,171
Balance at December 31, 2023		\$ 486,162	(1,117)	711	\$ 485,756

		Accumulated other comprehensive income (loss) ⁽ⁱ⁾			
(In thousands of Canadian dollars)	Notes	Funding by Maple Leaf Foods	Accumulated foreign currency translation adjustment	Unrealized gains and losses on cash flow hedges	Total Net Parent Investment
Balance at January 1, 2022		\$ 482,012	0	117	\$ 482,129
Loss		(31,256)	—	—	(31,256)
Other comprehensive income (loss) ⁽ⁱ⁾		—	(534)	(100)	(634)
Share-based compensation expense	16	3,367	—	—	3,367
Deferred taxes on share-based compensation		(200)	—	—	(200)
Net movement in funding		45,312	—	—	45,312
Balance at December 31, 2022		\$ 499,235	(534)	17	\$ 498,718

(i) Items that are or may be subsequently reclassified to profit or loss.

See accompanying Notes to the Combined Carve-Out Financial Statements.

Combined Carve-Out Statements of Cash Flows

Years ended December 31,
(In thousands of Canadian dollars)

	Notes	2024	2023	2022
CASH PROVIDED BY (USED IN):				
Operating activities				
Earnings (loss)		\$ 108,253	\$ (27,089)	\$ (31,256)
Add (deduct) items not affecting cash:				
Change in fair value of biological assets	7	(63,581)	22,480	12,184
Depreciation		49,739	48,320	46,639
Share-based compensation	16	3,980	1,895	3,367
Deferred income taxes	13	12,671	(4,400)	5,850
Income tax current	13	27,563	(3,133)	(14,747)
Interest expense		4,538	2,072	1,780
Loss (gain) on sale of property and equipment		545	(136)	395
Insurance settlement recognized in income		(1,809)	(2,487)	—
Change in fair value of non-designated derivatives		(1,192)	(806)	1,983
Change in value of long-term assets		4,993	—	—
Income taxes paid		(2,132)	(2,561)	(2,440)
Interest paid on lease obligations	12	(4,538)	(2,072)	(1,780)
Proceeds from insurance claims on operating items		1,547	—	—
Other		120	(948)	(2,129)
Change in non-cash operating working capital		(28,993)	(3,951)	(19,980)
Cash provided by (used in) operating activities		\$ 111,704	\$ 27,184	\$ (134)
Investing activities				
Additions to long-term assets		\$ (30,596)	\$ (35,348)	\$ (45,336)
Proceeds from sale of long-term assets		3,020	2,393	484
Proceeds from insurance claim on long-term assets		877	—	—
Cash used in investing activities		\$ (26,699)	\$ (32,955)	\$ (44,852)
Financing activities				
Net increase in long-term debt		\$ 900	\$ —	\$ —
Net transfers (to) from parent		(58,485)	15,682	61,910
Payment of lease obligations	12	(18,154)	(19,049)	(18,277)
Cash (used in) provided by financing activities		\$ (75,739)	\$ (3,367)	\$ 43,633
Increase (decrease) in cash and cash equivalents		9,266	(9,138)	(1,353)
Cash and cash equivalents, beginning of period		9,511	18,649	20,002
Cash and cash equivalents, end of period		\$ 18,777	\$ 9,511	\$ 18,649

See accompanying Notes to the Combined Carve-Out Financial Statements.

Notes to the Combined Carve-Out Financial Statements

(Tabular amounts in thousands of Canadian dollars unless otherwise indicated)
Years ended December 31, 2024, 2023, and 2022

1. THE BUSINESS

Canada Packers Inc. ("Subco") and 16923534 Canada Inc. ("Newco") were incorporated under the *Canada Business Corporations Act* (the "CBCA") on December 9, 2024 and April 17, 2025, respectively, in connection with Maple Leaf Foods Inc.'s ("Maple Leaf Foods" or the "Parent") proposed spin-off of the Pork Operations (as defined below) into an independent, publicly traded company, pursuant to an arrangement under section 192 of the CBCA (the "Spin-Off"). In connection with the Spin-Off, Subco and Newco will amalgamate under the CBCA to form an amalgamated entity to be named "Canada Packers Inc." ("Canada Packers" or "Amalco") whose registered office will be located at 6985 Financial Dr., Suite 201, Mississauga, Ontario, L5N 0A1, Canada. For the period from the date of its incorporation to December 31, 2024, Subco did not conduct any business activities other than those required for its formation.

The purpose of the Spin-Off is to separate Maple Leaf Foods into two independent, publicly listed companies: Maple Leaf Foods Inc. and Canada Packers Inc. Following the completion of the Spin-Off, the assets and liabilities of the Pork Operations will be held by Amalco, and Maple Leaf Foods shareholders ("MLF Shareholders") will hold, for each common share of Maple Leaf Foods (each, a "MLF Common Share") held before the Spin-Off, one MLF Common Share and 0.2 of a common share of Canada Packers ("Canada Packers Shares"), and Maple Leaf Foods will retain a 16.0% ownership interest in Canada Packers. The non-Canada Packers activities of Maple Leaf Foods are herein referred to as "Remaining Maple Leaf Foods." For additional information regarding the Spin-Off, please refer to the section entitled "The Arrangement" of the Circular to which these Financial Statements are attached.

Canada Packers' sole business consists of the pork operations currently operated by Maple Leaf Foods and its affiliates consisting of, among other things, agricultural and hog production operations, primary pork processing, and a national and global sales and distribution network for fresh and frozen pork products, and includes all the assets and liabilities pertaining thereto that are held, directly or indirectly, by Maple Leaf Foods and its affiliates immediately prior to the effective time of the Spin-Off (but excluding the ham boning operations at the Lagimodiere prepared meats facility) (the "Pork Operations") and forms the boundaries of the following combined carve-out financial statements.

The address of Maple Leaf Foods' registered office is 6897 Financial Dr., Mississauga, Ontario, L5N 0A8, Canada.

2. STATEMENT OF COMPLIANCE

Canada Packers combined carve-out financial statements ("Financial Statements") have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and are the first IFRS financial statements of Canada Packers. Maple Leaf Foods' management prepared these Financial Statements using IFRS 1, *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"). The accounting policies used for the preparation of these Financial Statements are based upon the application of IFRS 1.D16(a), which results in assets and liabilities being measured based on the amounts included in Maple Leaf Foods' consolidated financial statements; however, they differ in certain respects, primarily they do not reflect the effects of Maple Leaf Foods' historical business combinations in the Financial Statements. Since Canada Packers did not previously prepare financial statements and accordingly does not have any previous generally accepted accounting principles ("GAAP") for the purpose of the Financial Statements, Canada Packers is not required to present reconciliations per IFRS 1.

The Financial Statements have been approved by the Maple Leaf Foods Board of Directors on May 1, 2025.

3. BASIS OF PREPARATION

The Financial Statements present the historical Combined Carve-Out Balance Sheets and the Combined Carve-Out Statements of Changes in Net Parent Investment as at December 31, 2024, 2023, 2022 and January 1, 2022, the Combined Carve-Out Statements of Earnings (Loss), the Combined Carve-Out Statements of Other Comprehensive (Loss) Income, and the Combined Carve-Out Statements of Cash Flows for the years ended December 31, 2024, 2023, and 2022, and related explanatory notes.

Canada Packers historically has not been structured or operated as a stand-alone business within Maple Leaf Foods. The purpose of these Financial Statements is to provide general-purpose historical financial information of Canada Packers to assist in Maple Leaf Foods' proposed Spin-Off, and to demonstrate its historical results for the indicated period under Maple Leaf Foods' management. As a result, these Financial Statements may not be indicative of Canada Packers' future performance and do not necessarily reflect what its results of operations, financial position and cash flows would have been had Canada Packers operated as an independent company during the reporting periods presented.

Since IFRS does not provide specific guidance for the preparation of combined carve-out financial statements, management considered the guidance under IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8"). Accordingly, in the absence of IFRS guidance on a specific issue, IAS 8 requires management to use judgement in developing and applying accounting policies which produce information that is relevant to users, reliable and free from bias, and complete in all material respects. In addition, IAS 8 allows management to consider the latest pronouncements of other standard setters that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices when developing accounting policies, as long as they

are aligned with the IASB's Conceptual Framework. The accounting policies used to prepare the Financial Statements are disclosed in this note.

(a) Basis of Measurement

The Financial Statements have been prepared on a going concern basis under the historical cost method except for certain financial instruments, biological assets and investment property, which are stated at fair value.

(b) Functional and Presentation Currency

The Financial Statements are presented in Canadian dollars, which is Canada Packers' functional currency.

(c) Principles of Combination and Carve-Out Considerations

The Financial Statements have been derived from the accounting records of Maple Leaf Foods on a combined carve-out basis. They have been prepared from the Maple Leaf Foods consolidated financial statements using the historical results from operations, assets, liabilities, and cash flows attributable to Canada Packers. The preparation of the Financial Statements includes allocations of revenue, expense, assets, liabilities, and cash flows from Maple Leaf Foods to Canada Packers as it operated as part of certain operating units included in the Maple Leaf Foods consolidated financial statements. These allocations are further described below.

Intra-company balances, revenue, expenses and unrealized gains and losses arising from transactions between entities, legal or otherwise, included in Canada Packers have been eliminated when preparing the Financial Statements. Transactions between Canada Packers and Remaining Maple Leaf Foods have been disclosed as transactions with related parties.

The majority of assets and liabilities were specifically identifiable to Canada Packers. Shared assets including certain corporate assets such as employee benefit plans, securitization of accounts receivables, and leases that on a legal basis will reside in Remaining Maple Leaf Foods are not allocated to Canada Packers. The usage of these shared assets is reflected as an expense. No debt relating to Remaining Maple Leaf Foods' credit facilities was included in the Combined Carve-Out Financial Statements. Canada Packers has no legal obligation to repay Remaining Maple Leaf Foods' debt. No interest or other expenses relating to the debt have been allocated to Canada Packers as described in Note 20.

The Combined Carve-Out Statements of Earnings (Loss) reflect revenue and expense attributable to Canada Packers. During the years ended December 31, 2024, 2023 and 2022, Canada Packers received certain services and support functions from Maple Leaf Foods and was dependent on Maple Leaf Foods' ability to perform these functions. As a result, certain costs, including corporate administrative costs and information technology costs were allocated on a relative usage basis to Canada Packers for the purposes of these Financial Statements. Refer to Note 20 for details on related party transactions. Compensation costs including pension costs and share-based compensation costs related to participating employees that indirectly provide support to Canada Packers have been allocated based on time spent as described in Notes 11 and 16, respectively. The above allocated costs have been recorded in either cost of goods sold or selling, general and administrative expenses in the Combined Carve-Out Statements of Earnings (Loss).

Revenue from the sale of products to Remaining Maple Leaf Foods have been measured at historical exchange amounts.

These Financial Statements present changes in net parent investment rather than shareholders' equity as assets and operations are owned in more than one legal entity and represent only certain of the interests therein. Net parent investment includes the settlement of intercompany transactions with Remaining Maple Leaf Foods and the other carve-out effects. Included in net parent investment is a portion of goodwill that will be allocated from the parent's cash generating unit that includes the Pork Operation to Canada Packers. The amount allocated to Canada Packers will be determined at the time of the Spin-Off based on the relative values of the operations.

The significant accounting policies set out below have been applied consistently in the preparation of the Financial Statements for all periods presented. The Financial Statements have been prepared on a going concern basis and have been presented in Canadian dollars rounded to the nearest thousand unless otherwise indicated.

(d) Use of Estimates and Judgements

The preparation of the Financial Statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual amounts may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgements included in the Financial Statements are decisions made by management, based on analysis of relevant information available at the time the decision is made and are consistent with Canada Packers' accounting policies unless there is objective evidence those estimates are not in accordance with IFRS on a standalone basis. These judgements are reassessed as necessary when financial statements are prepared. Judgements include the application of accounting policies and decisions related to the measurement, recognition, and disclosure of financial information.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies, that have the most significant effects on the amounts recognized in the Financial Statements, are disclosed in Note 1 and 3(c) which include determination

of the boundaries of the business and carve-out allocations, and in the notes to the Financial Statements relating to items subject to significant estimate uncertainty and critical judgements.

Revaluation of investment properties

Canada Packers carries its investment properties at fair value, with changes in fair value being recognized in the Combined Carve-Out Statements of Earnings (Loss). Fair value is determined based on available market evidence. If the market evidence is not readily available in less active markets, Canada Packers uses alternative valuation methods such as recent transaction prices or anticipated cash flows. Canada Packers also engages an independent valuation specialist to assess fair value of the investment properties from time to time as required. The determination of fair value includes significant estimation and judgement in comparing market evidence to specific properties. To the extent that estimates differ from amounts realized earnings, comprehensive income, and investment property values will be affected in future periods.

Measurement of Fair Values

Certain of Canada Packers' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When the measurement of fair values cannot be determined based on quoted prices in active markets, fair value is measured using valuation techniques and models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about the inputs to these models could affect the reported fair value of Canada Packers' financial and non-financial assets and liabilities.

When measuring fair value of an asset or liability, Canada Packers uses market observable data to the extent that it is possible. To the extent that these estimates differ from those realized, the measured asset or liability, earnings, and/or comprehensive income will be affected in future periods.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Notes 7, 10, 14 and 16.

Valuation of Inventories

Management makes estimates of the future customer demand for products when establishing appropriate provisions for inventory. In making these estimates, management considers the product life of inventory and the profitability of recent sales of inventory. In many cases, product produced by Canada Packers turns quickly and inventory on-hand values are low, thus reducing the risk of inventory obsolescence. However, code or "best before" dates are very important in the determination of the net realizable value of inventory. Management ensures that systems are in place to highlight and properly value inventory that may be approaching code dates. To the extent that actual losses on inventory differ from those estimated, inventory, earnings, and comprehensive income will be affected in future periods.

Biological Assets

Biological assets consist of live hogs. For the purposes of valuation, these assets are categorized as either parent stock or commercial stock. Parent stock represents animals held and bred for the purpose of generating commercial stock and to replace parent stock nearing the end of its productive cycle. Commercial stock is held for the purposes of further processing or eventual sale, at which point it becomes inventory. The fair value of commercial stock is determined based on market prices of livestock of similar age, breed, and genetic merit, less costs to sell the assets, including estimated costs necessary to transport the assets to market. Where reliable market prices of parent stock are not available, they are valued at cost less accumulated depreciation and any accumulated impairment losses. No active market exists for parent stock as they are rarely sold. Hog parent stock is depreciated on a straight-line basis over two to three years after considering residual values.

Biological assets are transferred into inventory at fair value less costs to sell at the point of delivery.

Depreciation

Canada Packers' property and equipment are depreciated on a straight-line basis, considering the estimated useful lives of the assets and residual values. Right-of-use ("ROU") assets are depreciated on a straight-line basis, considering the shorter of the useful life of the underlying asset or the lease term. If it is reasonably certain at the commencement of the lease arrangement that Canada Packers will exercise a purchase option or otherwise obtain ownership of the underlying asset at the end of the lease term, the ROU asset is depreciated over the useful life of the underlying asset. Changes to these estimates may affect the carrying value of these assets, inventories, net earnings, and comprehensive income in future periods.

Leases

Canada Packers applies significant judgement in assessing whether a contract is, or contains a lease. Such judgements include the determination of whether an asset or assets are specifically or implicitly identified in the contract, if Canada Packers has the right to obtain substantially all the economic benefits from use of the asset or assets and whether Canada Packers has the right to direct the use of the asset or assets. These judgements are made at the inception of a contract and may change if there are material changes to the agreement.

Estimates are used to determine the incremental borrowing rate of a lease when the interest rate implicit in the lease is not readily available. All funding for Canada Packers is managed centrally by Maple Leaf Foods, and Maple Leaf Foods is contractually obligated to make the lease payments to the lessor. As such, Canada Packers applies Maple Leaf Foods' incremental borrowing rate, which is determined by using a model which incorporates Maple Leaf Foods' credit worthiness, the nature and quality of the underlying asset, geographic environments, and the duration of the lease. The inputs used in determining the incremental borrowing rate are reviewed and updated quarterly.

Canada Packers also applies significant judgement in determining whether it is reasonably certain to exercise lease extension options or purchase options in a contract by considering all relevant factors and circumstances that may create an economic incentive for Canada Packers to exercise the option considering such factors as past experience, the terms and conditions of the contract, and the importance of the underlying assets to Canada Packers' operations.

Shared Resources Allocation

Canada Packers is dependent upon certain shared support services performed by Maple Leaf Foods. Management applies significant judgment and assumptions in measuring the portion of the total service of which they were the recipient. Such judgments included the assessment of the volume of transactions, the percentage of time spent on an activity, and the relative usage of the service or underlying asset of Maple Leaf Foods, as well as what activities are the most appropriate to use to determine the cost allocation.

Income Taxes

Income tax expense is determined based on the assumption that the operating units in Canada Packers are separately taxable entities. This assumption implies that the current and deferred income taxes of the operations or companies within Canada Packers are determined separately, and the recoverability of any deferred tax assets is also assessed accordingly. Canada Packers is comprised primarily of unincorporated operating units of Maple Leaf Foods, and accordingly did not file separate tax returns. The respective current tax assets and liabilities, as well as the deferred tax assets and liabilities of Canada Packers, are deemed either contributed or distributed to Maple Leaf Foods as Parent and a corresponding effect in the net parent investment as of the end of the respective fiscal year. The taxes actually paid by Canada Packers have been presented in the Combined Carve-Out Statements of Cash Flows; the deemed contributions or distributions for current and deferred income taxes are not included in the Combined Carve-Out Statements of Cash Flows. Management considers the separate tax return approach to be reasonable.

4. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

(a) Fair Value Measurements

Canada Packers measures certain financial and non-financial assets and liabilities at fair value at each balance sheet date. In addition, fair value measurements are disclosed for certain financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or a liability, Canada Packers takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes is determined on such a basis, except for share-based payment transactions, and measurements that have some similarities to fair value but are not fair value, such as net realizable value or value in use.

Assets and liabilities, for which fair value is measured or disclosed in the Financial Statements, are classified using a three-level fair value hierarchy that reflects the significance and transparency of the inputs used in making the fair value measurements. Each level is based on the following:

Level 1 - inputs are unadjusted quoted prices of identical assets or liabilities in active markets

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - one or more significant inputs used in a valuation technique are unobservable in determining fair values of the asset or liability

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of an asset or liability in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

(b) Financial Instruments

The Canada Packers' financial assets, upon initial recognition, are measured at fair value and are classified as Fair Value through Profit or Loss ("FVTPL"), Fair Value through Other Comprehensive Income (Loss) ("FVTOCI"), or amortized cost. The classification is determined at initial recognition and is dependent on the business model in which a financial asset is managed and the characteristics

of the contractual cash flows. Subsequent reclassification may only occur on the first day of the reporting period following a change to the business model. The classification of Canada Packers' financial assets is disclosed in Note 14.

Canada Packers' financial liabilities, upon initial recognition, are measured at fair value and are classified as amortized cost or FVTPL. A financial liability is classified as amortized cost at initial recognition unless it is classified as held-for-trading, is a derivative instrument or is specifically designated as FVTPL. Financial liabilities classified as amortized cost are subsequently measured using the effective interest method while financial liabilities at FVTPL are subsequently measured at fair value with changes in fair value recognized in the Combined Carve-Out Statements of Earnings (Loss) in the period in which such changes arise.

Canada Packers records a loss allowance of expected credit losses for financial assets that are measured at amortized cost. At each reporting date, Canada Packers measures the loss allowance at an amount equal to the lifetime expected credit losses if the credit risk on its financial assets has increased significantly since initial recognition. If credit risk has not significantly increased since initial recognition, Canada Packers measures the loss allowance at an amount equal to the 12-month expected credit losses.

(c) Hedge Accounting

Canada Packers uses derivatives and other non-derivative financial instruments to manage its exposures to fluctuations in foreign exchange rates and commodity prices.

At the inception of a hedging relationship, Canada Packers designates and formally documents the relationship between the hedging instrument and the hedged item, the risk management objective, and its strategy for undertaking the hedge. The documentation identifies the specific asset, liability, or anticipated cash flows being hedged, the risk that is being hedged, the type of hedging instrument used, and how effectiveness will be assessed.

Canada Packers also formally assesses both at inception and at least quarterly thereafter, whether or not the derivatives that are used in hedging transactions are effective in offsetting the changes attributable to the hedged risks in the fair values or cash flows of the hedged items. If a hedging relationship becomes ineffective, it no longer qualifies for hedge accounting and any subsequent change in the fair value of the hedging instrument is recognized in the Combined Carve-Out Statements of Earnings (Loss).

When hedge accounting is permitted, the hedging relationship may be designated as a cash flow hedge or a fair value hedge. For most cash flow hedges, the change in fair value of the hedging instrument is recorded, to the extent it is effective, in other comprehensive income (loss) until the hedged item affects earnings. If the cash flow hedge is a forecast transaction that results in the recognition of a non-financial asset or liability, Canada Packers removes that amount from the cash flow hedge reserve and includes it directly in the initial cost or other carrying amount of the asset or the liability. In a fair value hedge, the change in fair value of the hedging derivative is offset in the Combined Carve-Out Statements of Earnings (Loss) by the change in fair value of the hedged item relating to the hedged risk.

Hedge ineffectiveness is measured and recorded in current period earnings in the Combined Carve-Out Statements of Earnings (Loss). When either a fair value hedge or cash flow hedge is discontinued, any cumulative adjustment to either the hedged item or other comprehensive income (loss) is recognized in earnings, as the hedged item affects earnings, or when the hedged item is derecognized. If a designated hedge is no longer effective, the associated derivative instrument is subsequently carried at fair value through earnings without any offset from the hedged item.

Derivatives that do not qualify for hedge accounting are carried at fair value on the Combined Carve-Out Balance Sheets, and subsequent changes in their fair value are recorded in the Combined Carve-Out Statements of Earnings (Loss).

(d) Inventories

Inventories are valued at the lower of cost and net realizable value, with cost being determined substantially on a first-in, first-out basis. The cost of inventory includes direct product costs, direct labour, and an allocation of variable and fixed manufacturing overhead, including depreciation. When circumstances that previously caused inventories to have a write-down below cost no longer exist, or when there is clear evidence of an increase in the net realizable value, the amount of a write-down previously recorded is reversed through cost of goods sold.

(e) Biological Assets

Biological assets consist of live hogs. For the purposes of valuation, these assets are categorized as either parent stock or commercial stock. Parent stock represents animals held and bred for the purpose of generating commercial stock and to replace parent stock nearing the end of its productive cycle. Commercial stock is held for the purposes of further processing or eventual sale, at which point it becomes inventory. The fair value of commercial stock is determined based on market prices of livestock of similar age, breed, and genetic merit, less costs to sell the assets, including estimated costs necessary to transport the assets to market. Where reliable market prices of parent stock are not available, they are valued at cost less accumulated depreciation and any accumulated impairment losses. No active market exists for parent stock as they are rarely sold. Hog parent stock is depreciated on a straight-line basis over two to three years after considering residual values.

Biological assets are transferred into inventory at fair value less costs to sell at the point of delivery.

(f) Impairment or Disposal of Long-Lived Assets

Canada Packers reviews long-lived assets or asset groups held and used, including property and equipment and intangible assets subject to amortization, for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Asset groups referred to as cash-generating units ("CGUs") include an allocation of corporate assets and are reviewed at their lowest level for which identifiable cash inflows are largely independent of cash inflows of other assets or groups of assets. The recoverable amount is the greater of its value in use and its fair value less cost to sell.

Value in use is based on estimates of discounted future cash flows expected to be recovered from a CGU, CGU group or asset through its use. Management develops its cash flow projections based on past performance and its expectations of future market and business developments. Once calculated, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Fair value less cost to sell is the amount obtainable from the sale of an asset, CGU or CGU group in an arm's-length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding financing costs and income tax expense.

An impairment loss is recognized in the Combined Carve-Out Statements of Earnings (Loss) when the carrying amount of any asset, CGU, or CGU group exceeds its estimated recoverable amount. Impairment losses recognized in respect of a CGU or a CGU group are allocated, first to reduce the carrying amount of any goodwill allocated to the CGU or CGU group, and then to reduce the net carrying amount of the other assets in the CGU or CGU group on a pro rata basis.

Impairment losses related to long-lived assets recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no previous impairment loss had been recognized.

(g) Property and Equipment

Property and equipment, with the exception of land, is recorded at cost less accumulated depreciation and any net accumulated impairment losses. Land is carried at cost and not depreciated. Construction-in-process assets are capitalized during construction and depreciation commences when the asset is available for use. Depreciation related to assets used in production is recorded in inventory and cost of goods sold. Depreciation related to non-production assets is recorded through selling, general, and administrative expenses. Depreciation is calculated on a straight-line basis, after taking into account residual values, over the following expected useful lives of the assets:

Buildings, including other components and barns	10-40 years
Machinery and equipment, including vehicles	3-20 years

When parts of an item of property and equipment have different useful lives, those components are accounted for as separate items of property and equipment.

(h) Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair value is determined based on available market evidence. If market evidence is not readily available in less active markets Canada Packers uses alternative valuation methods such as recent transaction prices or anticipated cash flows.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

Transfers are made to (or from) investment properties only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, Canada Packers accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. Gains or losses from the change in fair value at the time a property ceases to be owner-occupied are recorded through Other Comprehensive Income within Revaluation Surplus prior to the transfer.

(i) Right-of-use Assets and Lease Obligations

At the inception of a contract, Canada Packers assesses if the agreement is or contains a lease arrangement. A lease arrangement exists if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Canada Packers recognizes an ROU asset and lease obligation with respect to all lease arrangements with a lease term greater than 12 months. Leases with a term of 12 months or less and variable rent expenses are recognized as an expense in the Combined Carve-Out Statements of Earnings (Loss) when performance relating to those expenses has occurred.

Canada Packers measures its lease obligation as the present value of the outstanding lease payments, discounted using the interest rate implicit in the lease and the term of the contract adjusted for reasonably certain renewal or termination options. If the interest rate implicit in the lease is not readily available, the payments are discounted using Maple Leaf Foods' incremental borrowing rate. The lease obligation is subsequently measured by increasing the carrying amount for interest using the effective interest method. Lease payments are recognized as reductions to the carrying amount of the lease obligation.

An ROU asset is measured at the amount of the initial lease obligation and adjusted for any lease payments made at or before the commencement date of the lease less any incentives, initial direct costs, or the estimate of costs to restore the ROU asset at the conclusion of the lease term. ROU assets are depreciated on a straight-line basis over the shorter of the useful life of the underlying asset consistent with Canada Packers' depreciation policy for property and equipment as disclosed in Note 4(g), or the lease term. If it is reasonably certain at the commencement of the lease arrangement that Canada Packers will exercise its purchase option or otherwise obtain ownership of the underlying asset at the end of the lease term, the ROU asset is depreciated over the useful life of the underlying asset.

Canada Packers remeasures the lease obligation and ROU asset as a result of material modifications to a lease arrangement.

(j) Employee Benefit Plans

Substantially all employees of Canada Packers participate in either a defined contribution or defined benefit plan sponsored by Maple Leaf Foods. As the plans are sponsored by Maple Leaf Foods, the assets and obligations of the plans are the responsibility of Maple Leaf Foods, and have been excluded from the Combined Carve-Out Balance Sheets of Canada Packers.

Defined Benefit Plans

The cost of pensions and other post-retirement benefits earned by the direct and indirect employees of Canada Packers is recognized in the Combined Carve-Out Statements of Earnings (Loss). The cost is actuarially determined using the projected unit credit method prorated on service and management's best estimate of salary escalation, retirement ages of employees, mortality rates, inflation and expected health care costs. Changes in these assumptions could affect future pension expense. Interest cost and remeasurements are not allocated to Canada Packers because they relate to pension assets and obligations not allocated and are the responsibility of Maple Leaf Foods.

Defined Contribution Plans

Canada Packers' obligations for their respective employees' participation in the Maple Leaf Foods defined contribution plans are recognized in the Combined Carve-Out Statements of Earnings (Loss) in the periods during which services are rendered by employees.

Multi-Employer Plans

Canada Packers participates in multi-employer pension plans which are accounted for as defined contribution plans. Canada Packers does not administer these plans as the administration and the investment of these assets are controlled by a board of trustees consisting of union and employer representatives. Canada Packers' responsibility to make contributions to these plans is established pursuant to collective bargaining agreements. The contributions made by Canada Packers to the multi-employer plans are expensed when due.

(k) Share-Based Compensation

The share-based compensation expense relates to shares of Maple Leaf Foods as historically Canada Packers did not have its own share capital.

Certain employees of Canada Packers have been granted Maple Leaf Foods stock options, restricted share units ("RSUs") and performance share units ("PSUs"). Under the Maple Leaf Foods Share Option Plan in effect as at December 31, 2024, Maple Leaf Foods may grant options to its employees and employees of its subsidiaries, including Canada Packers, to purchase shares of common stock. Under the Maple Leaf Foods Restricted Share Unit Plan (adopted in 2006) (the "2006 Plan"), in effect as at December 31, 2024, Maple Leaf Foods may grant RSUs and PSUs to its employees and employees of its subsidiaries, including Canada Packers, entitling employees to receive common shares or cash at the option of Maple Leaf Foods.

Maple Leaf Foods applies the fair value method of accounting for share-based compensation. The fair value at grant date of stock options is estimated using the Black-Scholes option-pricing model. The fair value of RSUs are measured based on the fair value of the underlying shares on the grant date. The fair value of PSUs are measured based on the fair value of the underlying shares on the grant date and expected achievement of performance conditions. Compensation cost is recognized on a straight-line basis over the expected vesting period of the share-based compensation. Maple Leaf Foods estimates the number of units expected to vest at the grant date and revises the estimate as necessary if subsequent information indicates that the actual number of units vesting differs significantly from the original estimate. Each grant is accounted for based on the expected settlement method at the time of issue. The expectation

is re-evaluated at the end of each reporting period. Shared-based compensation expense for direct and indirect employees of Canada Packers is recognized in the Combined Carve-Out Statements of Earnings (Loss) and allocated based on services provided.

Options, RSUs, and PSUs are granted from time to time by the Human Resources and Compensation Committee of Maple Leaf Foods (the “MLF HRCC”) or by the board of directors of Maple Leaf Foods (the “MLF Board”) on the recommendation of the MLF HRCC. The vesting conditions for options, RSUs, and PSUs are specified by the MLF Board and may include the continued service of the employee with Maple Leaf Foods and/or other criteria based on measures of Maple Leaf Foods’ performance.

(l) Revenue Recognition

Canada Packers recognizes revenue for all sales at the fair value of the consideration received or receivable. For all transactions, revenue is recognized when control of the goods has transferred, being at the point the customer receives or accepts the product. The customer may receive product either through delivery or by pick-up. There are no significant financing components associated with Canada Packers’ payment terms.

Canada Packers generally does not accept returns of spoiled products from customers. For product that may not be returned, Canada Packers, in certain cases, provides customers with allowances to cover any damage or spoilage, and such allowances are deducted from sales at the time of revenue recognition.

The value of sales incentives provided to customers is estimated using historical trends and is recognized at the time of sale as a reduction of revenue. Sales incentives include rebate and promotional programs provided to Canada Packers’ customers. These rebates are based on achievement of specified volume or growth in volume levels and other agreed promotional activities. In subsequent periods, Canada Packers monitors the performance of customers against agreed upon obligations related to sales incentive programs and makes any adjustments to both revenue and sales incentive accruals as required.

(m) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the Combined Carve-Out Statements of Earnings (Loss), except to the extent that it relates to items recognized directly in other comprehensive income (loss).

Current tax expense represents the amount of income taxes payable, in respect of the taxable profit for the period, based on tax law that is enacted or substantially enacted at the reporting date, and is adjusted for changes in estimates of tax expense recognized in prior periods. A current tax liability or asset is recognized for income tax payable, or paid but recoverable in respect of all periods to date.

Canada Packers uses the asset and liability method of accounting for income taxes. Accordingly, deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years when those temporary differences are expected to be recovered or settled in the manner in which those temporary differences are expected to be recovered or settled through sale or continued use. In addition, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in both earnings and comprehensive income in the period in which the enactment or substantive enactment takes place.

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable income will be available to utilize such amounts. Deferred tax assets are reviewed at each reporting date and are adjusted to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and Canada Packers intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by Canada Packers and it is probable that the temporary difference will not reverse in the foreseeable future.

(n) Translation of Foreign Currencies

The accounts of Canada Packers are presented in Canadian dollars. Transactions in foreign currencies are translated at the actual rates of exchange. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the Canadian dollar at the exchange rate for that date. Foreign exchange differences arising on translation are recognized in earnings. Non-monetary assets and liabilities that are measured at historical cost are translated using the exchange rate at the date of the transaction.

(o) Government Incentives

Government incentives are not recognized until there is reasonable assurance that they will be received and that Canada Packers will be in compliance with any conditions associated with the incentives. Incentives that compensate Canada Packers for expenses or losses are recognized in earnings with the same classification as the related expense or loss in the same periods in which the expenses or losses are recognized.

Government incentives received with the primary condition that Canada Packers should purchase, construct, or otherwise acquire non-current assets are recognized as a deduction from the associated asset on the Combined Carve-Out Balance Sheets. The incentive is recognized in earnings over the useful life of the asset as a reduction of the related depreciation expense.

Government incentives that are receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to Canada Packers with no future related costs, are recognized in earnings in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government incentive and is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(p) Accounting Standards Adopted During the Period

During the years ended December 31, 2022, 2023, and 2024, Canada Packers adopted certain IFRS and amendments. As required by IAS 8, the nature and the effect of these changes are disclosed below:

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

Beginning on January 1, 2024, Canada Packers adopted the amendments to *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)*. These amendments require an entity to provide additional disclosures about its supplier finance arrangements. The adoption of the amendments did not have a material impact on the Financial Statements.

Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 1 Presentation of financial statements and IFRS Practice Statement 2 Making Materiality Judgements*. These amendments help companies provide useful accounting policy disclosures. Canada Packers has updated its material accounting policies disclosures accordingly in the Financial Statements.

Definition of Accounting Estimates (Amendments to IAS 8)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 8 Accounting policies, changes in accounting estimates and errors*. These amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarify how to distinguish changes in accounting policies from changes in accounting estimates. The adoption of the amendments did not have a material impact on the Financial Statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 12 Income taxes*. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The adoption of the amendments did not have a material impact on the Financial Statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 1 Presentation of financial statements*. The amendments address inconsistencies with how entities classify current and non-current liabilities. It serves to address whether debt and other liabilities with an uncertain settlement date should be classified as current or non-current in the Financial Statements. The adoption of the amendments did not have a material impact on the Financial Statements.

Non-Current Liabilities with Covenants (Amendments to IAS 1)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 1 Presentation of financial statements*. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The adoption of the amendments did not have a material impact on the Financial Statements.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

Beginning on January 1, 2023, Canada Packers adopted the amendments to IFRS 16 Leases. The amendments added subsequent measurement requirements for sale and leaseback transactions with variable payments. The adoption of the amendments did not have a material impact on the Financial Statements.

International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)

Beginning April 1, 2023, Canada Packers adopted amendments to IAS 12 Income Taxes. This introduced a temporary exception to the requirements to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and targeted disclosure requirements for affected entities. The adoption of the amendments did not have a material impact on the Financial Statements.

Onerous Contracts - Cost of Fulfilling a Contract

Beginning January 1, 2022, Canada Packers adopted the amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. The amendments specify that the “cost of fulfilling” a contract comprises the ‘costs that relate directly to the contract’. Costs that

relate directly to the contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling that contract. The adoption of the amendments did not have a material impact on the Financial Statements.

Annual Improvements to IFRS (2018-2020) Cycle

Beginning January 1, 2022, Canada Packers adopted the narrow-scope amendments to three standards as part of the IASB annual improvement process. Amendments were made to clarify which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability in accordance with IFRS 9 *Financial instruments*. The amendments also remove the requirement in IAS 41 *Agriculture* for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. Lastly, an amendment was made to IFRS 1 *First-time Adoption of International Financial Reporting Standards* for subsidiaries as a first-time adopter. The adoption of the amendments did not have a material impact on the Financial Statements.

(q) Accounting Pronouncements Issued But Not Yet Effective

Presentation and Disclosure in Financial Statements – IFRS 18

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1 unchanged and introduces significant changes to the structure of a company's income statement, more discipline and transparency in presentation of management's own performance measures (commonly referred to as 'non-GAAP measures') and less aggregation of items into large, single numbers. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027 with the requirement of retrospective restatement. Earlier application is permitted. Canada Packers has yet to assess the impact of adoption on the Financial Statements.

All other IFRSs and amendments issued but not yet effective have been assessed by Canada Packers and are not expected to have a material impact on the Financial Statements.

5. ACCOUNTS RECEIVABLE

	As at December 31,			As at January 1, 2022
	2024	2023	2022	
Trade receivables	\$ 59,333	\$ 57,851	\$ 39,264	\$ 45,207
Less: Allowance for doubtful accounts	(1,257)	(503)	(298)	(709)
Net trade receivables	\$ 58,076	\$ 57,348	\$ 38,966	\$ 44,498
Government receivable	3,000	81	90	84
Related party receivables ⁽ⁱ⁾	7,916	9,094	6,769	4,680
Other receivables	13,149	9,842	4,971	3,205
	\$ 82,141	\$ 76,365	\$ 50,796	\$ 52,467

(i) See Note 20.

The aging of trade receivables is as follows:

	As at December 31,			As at January 1, 2022
	2024	2023	2022	
Current	\$ 40,848	\$ 41,245	\$ 26,265	\$ 32,211
Past due 0-30 days	12,320	10,439	10,617	9,574
Past due 31-60 days	1,679	2,608	2,196	1,645
Past due > 60 days	4,486	3,559	186	1,777
	\$ 59,333	\$ 57,851	\$ 39,264	\$ 45,207

Trade receivables are considered impaired when their estimated future cash flows are less than their contractual cash flows. The amount of impairment takes into account the financial condition of the customers, delinquencies in payments, collaterals and credit insurance coverage on the trade receivables.

Maple Leaf Foods maintains a securitization program that requires the sale of trade receivables to be treated as a sale from an accounting perspective and as a result, trade receivables sold under this program are derecognized at Maple Leaf Foods (the "Securitization Facility"). The Securitization Facility provides cash funding with a proportion of the receivables being sold and provides competitively priced financing and further diversifies its funding sources. Under the Securitization Facility, certain trade accounts receivable are sold, with very limited recourse, to an unconsolidated third-party trust financed by an international financial institution with a long-term AA- debt rating as at December 31, 2024, for cash and short-term notes back to Maple Leaf Foods. The receivables are sold at a discount to face value based on prevailing money market rates. Maple Leaf Foods retains servicing responsibilities for these receivables.

A portion of the receivables under the Securitization Facility are directly attributable to Canada Packers. The proportionate share of cash due to Canada Packers is adjusted to zero through net parent investment. The proportionate share of notes receivable is recorded as a receivable from Remaining Maple Leaf Foods because Canada Packers does not have a legal right to the notes receivable. As at December 31, 2024, trade accounts receivable being serviced under this program attributable to Canada Packers amounted to \$11.0 million (December 31, 2023: \$6.5 million; December 31, 2022: \$11.1 million; January 1, 2022: \$8.8 million). In return for the sale of its trade receivables, Maple Leaf Foods will receive cash and non-interest bearing notes receivable. The notes receivable are settled on the settlement dates of the securitized accounts receivable.

Canada Packers' maximum exposure to loss due to its involvement with a structured entity is equal to the current carrying value of the interest in the notes receivable due from the structured entity. Canada Packers has not recognized any income or losses due to its interest in unconsolidated structured entities for the years ended December 31, 2024, 2023 and 2022.

6. INVENTORIES

	As at December 31,			As at January 1, 2022
	2024	2023	2022	
Raw materials	\$ 7,958	\$ 10,885	\$ 10,826	\$ 9,026
Work in process	7,032	4,335	5,320	4,055
Finished goods	73,468	57,493	60,843	55,521
Packaging	2,525	2,678	2,521	1,856
Spare parts	8,350	7,364	6,322	5,886
	\$ 99,333	\$ 82,755	\$ 85,832	\$ 76,344

For the year ended December 31, 2024, inventory in the amount of \$1,359.7 million (2023: \$1,491.7 million; 2022: \$1,498.2 million) was expensed through cost of goods sold.

For the year ended December 31, 2024, inventories have been reduced by \$3.0 million (2023: \$3.0 million; 2022: \$2.5 million) as a result of write-downs to net realizable value. The write-downs are included in the amount expensed through cost of goods sold.

7. BIOLOGICAL ASSETS

	Hog stock		Total
	Commercial	Parent	
Balance at December 31, 2023	\$ 69,048	36,054	\$ 105,102
Additions and purchases	433,760	8,620	442,380
Depreciation	—	(10,127)	(10,127)
Change in fair value realized	51,038	—	51,038
Change in fair value unrealized	12,543	—	12,543
Further processing and sales	(442,033)	—	(442,033)
Balance at December 31, 2024	\$ 124,356	34,547	\$ 158,903

	Hog stock		Total
	Commercial	Parent	
Balance at December 31, 2022	\$ 104,275	33,476	\$ 137,751
Additions and purchases	490,326	11,667	501,993
Depreciation	—	(9,089)	(9,089)
Change in fair value realized	28,558	—	28,558
Change in fair value unrealized	(51,038)	—	(51,038)
Further processing and sales	(503,073)	—	(503,073)
Balance at December 31, 2023	\$ 69,048	36,054	\$ 105,102

	Hog stock		Total
	Commercial	Parent	
Balance at January 1, 2022	\$ 103,527	26,525	\$ 130,052
Additions and purchases	484,367	13,750	498,117
Depreciation	—	(6,799)	(6,799)
Change in fair value realized	16,374	—	16,374
Change in fair value unrealized	(28,558)	—	(28,558)
Further processing and sales	(471,435)	—	(471,435)
Balance at December 31, 2022	\$ 104,275	33,476	\$ 137,751

Hog stock is comprised of approximately 0.9 million animals as at December 31, 2024 (2023: 0.9 million; 2022: 0.9 million; January 1, 2022: 0.9 million). During the years ended December 31, 2024, 2023, and 2022 substantially all hog stock was directly transferred to Canada Packers' primary processing operations.

The change in fair value of commercial hog stock was a gain of \$63.6 million for the year ended December 31, 2024 (2023: loss of \$22.5 million; 2022: loss of \$12.2 million) recorded in cost of goods sold.

The fair value measures of commercial hog stock have been categorized as a Level 3 fair value based on inputs to the valuation techniques used. There were no transfers between levels for the year ended December 31, 2024, 2023, and 2022.

Canada Packers uses the market comparison approach to determine the fair value of its commercial hog stock. The valuation model is based on the market price of hog stock of similar age, weight, breed, and genetic make-up. The model is based on the U.S. dollar market price per cut weight and adjusted for foreign exchange, conversion from pounds to kilograms, and specific significant unobservable inputs, including a quality index adjustment and a market conversion factor, as defined below.

The quality index adjustment is a value adjustment based on the relative quality of a processed hog based on the lean yield (being the ratio between muscle and fat content) and total weight. Quality adjustments during the year ranged from 6.7% to 7.1% (2023: 5.9% to 7.0%; 2022: 5.9% to 6.9%). A higher (lower) quality adjustment percentage will result in an increase (decrease) to the fair market value of the commercial hog stock.

The market conversion factor is a market adjustment used to discount the formula from a U.S. market price to a Canadian pricing model. The market conversion factor experiences minimal fluctuation. A higher (lower) market conversion factor will result in an increase (decrease) to the fair market value of the commercial hog stock.

Where reliable market prices of parent stock are not available, they are valued at cost less accumulated depreciation and any accumulated impairment losses. No active liquid market exists for parent stock as they are rarely sold.

Canada Packers' biological asset operations can be affected by outbreaks of disease among livestock. To mitigate this risk, Canada Packers monitors herd health status and has strict bio-security procedures and employee training programs throughout its livestock production operation.

8. PROPERTY AND EQUIPMENT

	Land	Buildings	Machinery and equipment	Under construction	Total
Cost	\$ 15,300	376,707	411,500	11,647	\$ 815,154
Accumulated depreciation	—	(171,516)	(326,232)	—	(497,748)
Net balance, December 31, 2024	\$ 15,300	205,191	85,268	11,647	\$ 317,406

	Land	Buildings	Machinery and equipment	Under construction	Total
Cost	\$ 16,568	375,966	395,904	15,918	\$ 804,356
Accumulated depreciation	—	(160,501)	(313,395)	—	(473,896)
Net balance, December 31, 2023	\$ 16,568	215,465	82,509	15,918	\$ 330,460

	Land	Buildings	Machinery and equipment	Under construction	Total
Cost	\$ 16,568	361,213	381,653	18,397	\$ 777,831
Accumulated depreciation	—	(149,209)	(299,205)	—	(448,414)
Net balance, December 31, 2022	\$ 16,568	212,004	82,448	18,397	\$ 329,417

	Land	Buildings	Machinery and equipment	Under construction	Total
Cost	\$ 14,983	324,640	361,771	33,321	\$ 734,715
Accumulated depreciation	—	(138,124)	(284,029)	—	(422,153)
Net balance, January 1, 2022	\$ 14,983	186,516	77,742	33,321	\$ 312,562

Changes in net carrying amounts of property and equipment and impairment during 2024, 2023, 2022 were as follows:

	Land	Buildings	Machinery and equipment	Under construction	Total
Net balance, December 31, 2023	\$ 16,568	215,465	82,509	15,918	\$ 330,460
Additions	—	—	—	30,596	30,596
Transfers from under construction	108	12,943	21,647	(34,698)	—
Depreciation	—	(12,239)	(17,761)	—	(30,000)
Transfers to investment property	(1,220)	(5,680)	—	—	(6,900)
Revaluation of land and building	(156)	(4,836)	—	—	(4,992)
Other ⁽ⁱ⁾	—	(462)	(1,127)	(169)	(1,758)
Net balance, December 31, 2024	\$ 15,300	205,191	85,268	11,647	\$ 317,406

		Land	Buildings	Machinery and equipment	Under construction	Total
Net balance, December 31, 2022	\$	16,568	212,004	82,448	18,397	\$ 329,417
Additions		—	—	—	35,348	35,348
Transfers from under construction		—	18,518	17,570	(36,088)	—
Depreciation		—	(12,103)	(16,691)	—	(28,794)
Other ⁽ⁱ⁾		—	(2,954)	(818)	(1,739)	(5,511)
Net balance, December 31, 2023	\$	16,568	215,465	82,509	15,918	\$ 330,460

		Land	Buildings	Machinery and equipment	Under construction	Total
Net balance, January 1, 2022	\$	14,983	186,516	77,742	33,321	\$ 312,562
Additions		—	—	—	45,300	45,300
Transfers from under construction		1,585	36,729	21,910	(60,224)	—
Depreciation		—	(11,125)	(16,440)	—	(27,565)
Other ⁽ⁱ⁾		—	(116)	(764)	—	(880)
Net balance, December 31, 2022	\$	16,568	212,004	82,448	18,397	\$ 329,417

(i) Includes disposals, reclassifications, foreign currency translation and other adjustments.

9. RIGHT-OF-USE ASSETS

Canada Packers enters into lease arrangements for land, buildings, barns, vehicles, machinery and equipment, and other assets as part of its daily operations.

Barn leases include the rental of hog barn facilities from farmers. These leases vary in length and typically do not exceed 13 years.

Land and building leases include the rental of office space, and warehouse facilities. These leases vary in length, are typically greater than 3 years and may include renewal options.

Vehicle leases primarily include leases of farm vehicles. Farm vehicle leases vary in duration and typically do not exceed 12 years. Employee vehicle leases have an initial term of 3 years. When leases of employee vehicles mature, a residual value guarantee is required to be paid to the lessor for the value of the leased vehicle at the end of the lease term. As at December 31, 2024, Canada Packers' residual value guarantees on employee vehicles totaled \$1.2 million (2023: \$1.2 million; 2022: \$0.7 million; January 1, 2022: \$0.7 million).

Machinery and equipment leases include the rental of trailers and barn equipment. These leases vary in duration and structure and typically do not exceed 10 years.

Right-of-use assets recorded in the Combined Carve-Out Balance Sheets comprise of:

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Cost	\$ 136,774	1,640	3,933	13	\$ 142,360
Accumulated depreciation	(55,159)	(1,413)	(1,797)	(9)	(58,378)
Net balance, December 31, 2024	\$ 81,615	227	2,136	4	\$ 83,982

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Cost	\$ 118,609	1,625	3,763	10	\$ 124,007
Accumulated depreciation	(55,172)	(1,093)	(996)	(7)	(57,268)
Net balance, December 31, 2023	\$ 63,437	532	2,767	3	\$ 66,739

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Cost	\$ 102,089	1,663	1,871	8	\$ 105,631
Accumulated depreciation	(43,938)	(788)	(1,303)	(5)	(46,034)
Net balance, December 31, 2022	\$ 58,151	875	568	3	\$ 59,597

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Cost	\$ 82,590	1,694	2,485	505	\$ 87,274
Accumulated depreciation	(34,541)	(490)	(1,486)	(213)	(36,730)
Net balance, January 1, 2022	\$ 48,049	1,204	999	292	\$ 50,544

Changes in the net balance of right-of-use assets during 2024, 2023, and 2022 were as follows:

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Net balance, December 31, 2023	\$ 63,437	532	2,767	3	\$ 66,739
Additions	39,489	48	737	4	40,278
Depreciation	(17,941)	(339)	(1,328)	(2)	(19,610)
Disposals and other adjustments	(3,370)	(14)	(40)	(1)	(3,425)
Net balance, December 31, 2024	\$ 81,615	227	2,136	4	\$ 83,982

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Net balance, December 31, 2022	\$ 58,151	875	568	3	\$ 59,597
Additions	24,901	51	2,985	2	27,939
Depreciation	(18,257)	(353)	(785)	(2)	(19,397)
Disposals and other adjustments	(1,358)	(41)	(1)	—	(1,400)
Net balance, December 31, 2023	\$ 63,437	532	2,767	3	\$ 66,739

	Barns	Land and Buildings	Vehicles	Machinery and Equipment	Total
Opening balance, January 1, 2022	\$ 48,049	1,204	999	292	\$ 50,544
Additions	37,390	28	276	—	37,694
Depreciation	(17,843)	(353)	(690)	(48)	(18,934)
Disposals and other adjustments	(9,445)	(4)	(17)	(241)	(9,707)
Net balance, December 31, 2022	\$ 58,151	875	568	3	\$ 59,597

Lease obligations associated with Canada Packers' right-of-use assets are disclosed in Note 12.

10. INVESTMENT PROPERTY

	Notes	As at December 31, 2024
Net balance, December 31, 2023		\$ —
Transfers from property and equipment	8	6,900
Net balance, December 31, 2024		\$ 6,900

During the year ended December 31, 2024, Canada Packers transferred one of its Manitoba processing facilities into an investment property. The property was accounted for as property and equipment up to the date of change in use and was remeasured to fair value prior to transfer to investment property.

As at December 31, 2024, the fair value of the property was based on information received from an accredited independent valuator, using a market comparison approach that reflects recent transaction prices for similar properties in the same geographical areas. In estimating the fair value of properties, the highest and best use is considered to be consistent with the current use. The fair value measurement of investment properties have been categorized as a Level 3 fair value based on inputs to the valuation techniques used. There have been no changes to the valuation techniques used during the year, and there have not been any transfers between levels.

Canada Packers' investment property did not earn a material amount of rental income, nor did it incur a material amount of expenses in the year.

11. EMPLOYEE BENEFITS

Maple Leaf Sponsored Plans

Maple Leaf Foods sponsors several defined benefit pension programs for Canadian employees which are either final salary plans, career salary plans, service-based plans, or a combination thereof. These defined benefit plans require contributions to be made to separately administered funds. Certain retired employees are covered under a post-retirement benefit plan, which reimburses certain medical costs and provides life insurance coverage. The plan is governed by the pension laws of Ontario.

Substantially all employees of Canada Packers participate in either a defined contribution or defined benefit plan sponsored by Maple Leaf Foods. As the plans are sponsored by Maple Leaf Foods, the assets and obligations of the defined benefit plans are the responsibility of Maple Leaf Foods and have been excluded from the Combined Carve-Out Balance Sheets of Canada Packers.

For the Financial Statements, only the current service cost for defined benefit plans has been allocated to Canada Packers. This includes the current service cost for employees of Canada Packers and a share of service cost allocated to participating employees that indirectly provide support to Canada Packers. The costs allocated to Canada Packers in the Maple Leaf Foods' pension plans recognized in Canada Packers' earnings are:

	2024	2023	2022
Current service cost - defined benefit	\$ 4,344	\$ 3,701	\$ 7,298
Current service cost - defined contribution and multi-employer plans	4,723	4,951	4,570
Net pension benefit expense	\$ 9,067	\$ 8,652	\$ 11,868

Measurement dates:

2024 expense	December 31, 2023
2023 expense	December 31, 2022
2022 expense	December 31, 2021

Contributions to be made on behalf of Canada Packers employees to the pension plans in 2025 is expected to be approximately \$9 million, inclusive of defined benefit plans, defined contribution plans and multi-employer plans.

Salary expenses excluding pension and other post-retirement benefits of the direct employees of Canada Packers for the year ended December 31, 2024 were \$255.7 million (2023: \$250.3 million; 2022: \$250.7 million). In addition, salary expenses excluding pension and other post-retirement benefits that has been allocated related to employees that indirectly provide support to Canada Packers were \$20.2 million (2023: \$21.3 million; 2022: \$19.2 million).

Multi-Employer Plan

Canada Packers participates in the Canadian Commercial Workers Industry Pension Plan which is a multi-employer defined benefit plan for employees who are members of the United Food and Commercial Workers Canada Union. This is a large-scale plan for union workers of multiple companies across Canada. Adequate information to account for these contributions as a defined benefit plan is not available due to the size and number of contributing employers in the plan. Included in Canada Packers' earnings is an expense of \$0.2 million (2023: \$0.5 million; 2022: \$0.5 million) related to Canada Packers' payments into this plan.

12. LEASE OBLIGATIONS

Changes in the balance of lease obligations during 2024, 2023, and 2022 were as follows:

	As at December 31,		
	2024	2023	2022
Total lease obligations, beginning of period	\$ 68,787	\$ 61,332	\$ 51,775
Payments	(22,754)	(21,121)	(20,057)
Interest	4,538	2,072	1,780
Additions	40,279	27,940	37,693
Disposals and other adjustments	(3,514)	(1,378)	(9,810)
Foreign currency translation	(30)	(58)	(49)
Total lease obligations, end of period	\$ 87,306	\$ 68,787	\$ 61,332
Current	\$ 20,844	\$ 19,514	\$ 19,034
Non-current	66,462	49,273	42,298
Total lease obligations, end of period	\$ 87,306	\$ 68,787	\$ 61,332

Total cash outflows arising from lease obligations are as follows:

	For the year ended December 31,		
	2024	2023	2022
Payment of lease obligations in Financing Activities	\$ 18,216	\$ 19,049	\$ 18,277
Payment of lease interest expense in Operating Activities	4,538	2,072	1,780
Total cash outflows of lease obligations	\$ 22,754	\$ 21,121	\$ 20,057

The maturity of contractual undiscounted lease obligation payments as at December 31, 2024 are as follows:

Due within 1 year	\$ 21,423
Due between 1 and 3 years	40,065
Due between 3 and 5 years	26,949
Due after 5 years	12,698
Total lease obligation payments	\$ 101,135

The following amounts were recognized in the Combined Carve-Out Statements of Earnings (Loss) pertaining to leases:

	For the year ended December 31,		
	2024	2023	2022
Variable rent expense ⁽ⁱ⁾	\$ 1,787	\$ 1,772	\$ 2,071
Short-term rent expense ⁽ⁱⁱ⁾	\$ 5,687	\$ 6,682	\$ 7,337

(i) Pertains to property taxes and common area maintenance on buildings which are calculated annually. These payments make up 7.9% (2023: 8.4%; 2022: 10.3%) of fixed payments made in the year.

(ii) Pertains primarily to leases of property, equipment, and vehicles with a contract term of less than one year or month-to-month.

Right-of-use assets associated with Canada Packers' lease obligations are disclosed in Note 9.

13. INCOME TAXES

The components of income tax expense were as follows:

	For the year ended December 31,		
	2024	2023	2022
Current tax expense (recovery)			
Current year	\$ 27,563	\$ (3,133)	\$ (14,747)
	\$ 27,563	\$ (3,133)	\$ (14,747)
Deferred tax expense (recovery)			
Origination and reversal of temporary differences	\$ 12,671	\$ (4,400)	\$ 5,850
	\$ 12,671	\$ (4,400)	\$ 5,850
Total income tax expense (recovery)	\$ 40,234	\$ (7,533)	\$ (8,897)

Reconciliation of Effective Tax Rate

Income tax expense varies from the amount that would be computed by applying the combined federal and provincial statutory income tax rates as a result of the following:

	For the year ended December 31,		
	2024	2023	2022
Income tax expense (recovery) according to combined statutory rate of 26.4% (2023: 26.4%; 2022: 26.4%)	\$ 39,230	\$ (9,147)	\$ (10,609)
Increase (decrease) in income tax resulting from:			
Tax rate differences in other jurisdictions	594	568	593
Manufacturing and processing credit	(537)	156	179
Share-based compensation	344	272	217
Non-deductible expenses and transactional costs	447	368	350
Other	156	250	373
Total income tax expense (recovery)	\$ 40,234	\$ (7,533)	\$ (8,897)

Income Tax Recognized in Other Comprehensive Income (Loss)

	For the year ended December 31,		
	2024	2023	2022
Derivative instruments	\$ 667	\$ (244)	\$ 35

Deferred Tax Assets and Liabilities

Recognized Deferred Tax Asset and Liabilities

Canada Packers has recognized deferred tax assets in the amount of approximately \$2.1 million (2023: \$15.1 million; 2022: \$9.8 million; January 1, 2022: \$6.9 million), relating primarily to future deductions for biological assets and employee benefits. These deferred tax assets are recorded based on Canada Packers' estimate that it will earn sufficient taxable profits to fully utilize the future deductions.

Canada Packers has recognized deferred tax liabilities in the amount of approximately \$43.8 million (2023: \$44.3 million; 2022: \$43.1 million; January 1, 2022: \$34.2 million), relating primarily to claims for tax depreciation in excess of accumulated book depreciation, and cash basis farming adjustments.

	As at December 31,			As at January 1,
	2024	2023	2022	2022
Deferred tax assets:				
Biological assets	\$ —	\$ 13,270	\$ 7,426	\$ 4,258
Employee benefits	828	516	1,032	1,324
Financial instruments	417	—	—	—
Other	817	1,292	1,293	1,307
	\$ 2,062	\$ 15,078	\$ 9,751	\$ 6,889
Deferred tax liabilities:				
Property and equipment	\$ 8,608	\$ 11,802	\$ 9,987	\$ 7,505
Cash basis farming	31,951	32,289	33,085	26,672
Biological assets	3,261	—	—	—
Financial instruments	—	250	—	40
	\$ 43,820	\$ 44,341	\$ 43,072	\$ 34,217
Classified in the financial statements as:				
Deferred tax liability	\$ 41,758	\$ 29,263	\$ 33,321	\$ 27,328

Unrecognized Deferred Tax Assets

Canada Packers has no unrecognized deferred tax assets as at December 31, 2024, 2023, and 2022.

Unrecognized Deferred Tax Liabilities

Deferred tax is not recognized on the unremitted earnings of subsidiaries and other investments as the Company is in a position to control the reversal of the temporary difference and is probable that such differences will not reverse in the foreseeable future. The unrecognized temporary difference at December 31, 2024 for the Company's subsidiary was \$7.6 million (2023: \$2.9 million; 2022: \$4.1 million).

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ACTIVITIES

Financial Instruments

Canada Packers' financial assets and liabilities are classified into the following categories:

Cash	FVTPL
Accounts receivable, including due to related parties	Amortized cost
Accounts payable and accruals, including due to related parties	Amortized cost
Long-term debt	Amortized cost
Derivative instruments ⁽ⁱ⁾	FVTPL

(i) These derivative instruments may be designated as cash flow hedges or fair value hedges as appropriate. Derivatives designated as cash flow hedges are classified as FVTOCI.

Canada Packers applies hedge accounting as appropriate and uses derivatives and other non-derivative financial instruments to manage its exposures to fluctuations in foreign exchange rates and commodity prices.

The fair values and notional amounts of derivative financial instruments are shown below:

(\$ thousands)	December 31, 2024			December 31, 2023		
	Notional amount ⁽ⁱ⁾	Fair value		Notional amount ⁽ⁱ⁾	Fair value	
		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾
Cash flow hedges						
Foreign exchange contracts	\$ 46,746	—	1,618	\$ 27,860	962	—
		\$ —	\$ 1,618		\$ 962	\$ —
Fair value hedges⁽ⁱⁱⁱ⁾						
Foreign exchange contracts	\$ 73,942	\$ 6	\$ 2,533	\$ 3,467	\$ 24	\$ 13
Commodity contracts	\$ 70,822	450	—	\$ 2,924	424	—
		\$ 456	\$ 2,533		\$ 448	\$ 13
Derivatives not designated in a formal hedging relationship						
Foreign exchange contracts	\$ 91,585	\$ 362	\$ 1,139	\$ 96,963	\$ 1,646	\$ 487
Commodity contracts	\$ 89,136	2,499	—	\$ 23,988	—	629
		\$ 2,861	\$ 1,139		\$ 1,646	\$ 1,116
Total fair value^{(ii)(iv)(v)}		\$ 3,317	\$ 5,290		\$ 3,056	\$ 1,129
	December 31, 2022			January 1, 2022		
	Notional amount ⁽ⁱ⁾	Fair value		Notional amount ⁽ⁱ⁾	Fair value	
		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾
Cash flow hedges						
Foreign exchange contracts	\$ 12,201	\$ 25	\$ 1	\$ 48,810	\$ 277	\$ 117
		\$ 25	\$ 1		\$ 277	\$ 117
Fair value hedges⁽ⁱⁱⁱ⁾						
Foreign exchange contracts	\$ 9,164	\$ 17	\$ 316	\$ 26,770	\$ 149	\$ 220
Commodity contracts	\$ 8,925	143	—	\$ 24,747	325	—
		\$ 160	\$ 316		\$ 474	\$ 220
Derivatives not designated in a formal hedging relationship						
Foreign exchange contracts	\$ 57,391	\$ 153	\$ 527	\$ 62,394	\$ 1,006	\$ 69
Commodity contracts	\$ 20,700	98	—	\$ 62,979	769	—
		\$ 251	\$ 527		\$ 1,775	\$ 69
Total fair value^{(ii)(iv)(v)}		\$ 436	\$ 844		\$ 2,526	\$ 406

- (i) Unless otherwise stated, notional amounts are stated at the contractual Canadian dollar equivalent.
- (ii) Derivative assets and liabilities are recorded in prepaid expenses and other assets and other current liabilities, respectively, in the Combined Carve-Out Balance Sheets.
- (iii) The carrying amount of the hedged items in the Combined Carve-Out Balance Sheets are recorded at the inverse of the associated hedging instruments and are equal to the accumulated fair value hedge adjustments less hedge ineffectiveness.
- (iv) Derivatives are short-term and will impact profit or loss at various dates within the next 12 months.
- (v) As at December 31, 2024, the above fair value of current assets increased by \$2.3 million (2023: increased by \$0.3 million; 2022: decreased by \$0.2 million), and the above fair value of current liabilities decreased by \$0.0 million (2023: decreased by \$0.6 million; 2022: increased by \$0.4 million) in the Combined Carve-Out Balance Sheets, representing the difference in the fair market value of exchange traded commodity contracts and the initial margin requirements. The difference in margin requirements and fair market value is net settled in cash each day with the futures exchange and is recorded within net parent investment.

Canada Packers' financial assets and liabilities include accounts receivable and accounts payable and accruals for which fair value approximates the carrying value due to their short-term nature.

Canada Packers' cash and derivative instruments are recorded at fair value. The fair value of cash approximates carrying value due to the short-term nature of the assets and has been classified as Level 1 in the fair value hierarchy. The fair values of Canada Packers' foreign exchange derivative instruments were estimated using current market measures for foreign exchange rates. Commodity futures and commodity options contracts are exchange-traded and over-the-counter. Fair value is determined based on exchange prices and other observable market data.

Net gains and losses on financial instruments recognized at fair value through profit or loss consist of realized and unrealized gains and losses on derivatives that were de-designated or were otherwise not in a formal hedging relationship.

For the year ended December 31, 2024, Canada Packers recorded a gain of \$8.5 million (2023: gain of \$4.2 million; 2022: gain of \$1.8 million) on financial instruments recognized at fair value through profit and loss.

The tables below set out fair value measurements of derivative financial instruments using the fair value hierarchy:

(\$ thousands)	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts	\$ —	368	—	\$ 368
Commodity contracts ⁽ⁱ⁾	2,949	—	—	2,949
	\$ 2,949	368	—	\$ 3,317
Liabilities:				
Foreign exchange contracts	\$ —	5,290	—	\$ 5,290
	\$ —	5,290	—	\$ 5,290

(\$ thousands)	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts	\$ —	2,632	—	\$ 2,632
	\$ —	2,632	—	\$ 2,632
Liabilities:				
Foreign exchange contracts	\$ —	500	—	\$ 500
Commodity contracts ⁽ⁱ⁾	205	—	—	205
	\$ 205	500	—	\$ 705

(\$ thousands)	As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts	\$ —	195	—	\$ 195
Commodity contracts ⁽ⁱ⁾	241	—	—	241
	\$ 241	195	—	\$ 436
Liabilities:				
Foreign exchange contracts	\$ —	844	—	\$ 844
	\$ —	844	—	\$ 844

(\$ thousands)	As at January 1, 2022			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts	\$ —	1,432	—	\$ 1,432
Commodity contracts ⁽ⁱ⁾	993	101	—	1,094
	\$ 993	1,533	—	\$ 2,526
Liabilities:				
Foreign exchange contracts	\$ —	406	—	\$ 406
	\$ —	406	—	\$ 406

(i) Level 1 Commodity Contracts are net settled and recorded as a net asset or liability in the Combined Carve-Out Balance Sheets.

There were no transfers between levels for the year ended December 31, 2024, December 31, 2023, and December 31, 2022. Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. For financial instruments that are recognized at fair value on a recurring basis, Canada Packers determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

Accumulated other comprehensive income (loss)

Canada Packers estimates that \$1.2 million, net of tax of \$0.4 million, of the unrealized loss included in accumulated other comprehensive income (loss) will be reclassified into earnings (loss) within the next 12 months. The actual amount of this reclassification will be impacted by future changes in the fair value of financial instruments designated as cash flow hedges. The actual amount reclassified could differ from this estimated amount.

During the year ended December 31, 2024, a gain of \$0.2 million, net of tax of \$0.1 million, was released to earnings from accumulated other comprehensive income (loss) and included in the net change for the year (2023: gain of \$0.3 million, net of tax of \$0.1 million; 2022: loss of \$0.0 million, net of tax of \$0.0 million).

The risks associated with Canada Packers' financial instruments and policies for managing these risks are detailed below.

Market Risk

Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

Canada Packers historically has only been exposed to interest rate risk through its leases because capital structure, including long-term debt and other sources of financing, were centrally managed. Canada Packers will set up policies to manage interest rate risk once it determines its capital structure as a standalone entity.

Foreign Exchange Risk

Foreign exchange risk refers to the risk that the value of financial instruments or cash flows will fluctuate due to changes in foreign exchange rates.

Canada Packers' foreign exchange risk arises primarily from transactions in currencies other than Canadian dollars. The primary currencies to which Canada Packers is exposed are the U.S. dollar and the Japanese yen.

Canada Packers uses foreign exchange forward contracts to manage foreign exchange transaction exposures. Canada Packers uses forward contracts which are accounted for as fair value hedges to minimize the price risk assumed under forward priced contracts with suppliers. Canada Packers also uses forward contracts which are accounted for as cash flow hedges as well as non-designated derivative instruments to minimize the price risk of anticipated transactions.

The critical terms of foreign exchange forward contracts and the associated hedged items are similar. A quantitative assessment of the effectiveness is completed each accounting period, and it is expected that the value of the forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Parent's own credit risk on the fair value of the foreign exchange contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. All contracts are entered into by the Parent entity as part of a central risk management strategy. Other sources of ineffectiveness include differences in the underlying terms of the foreign exchange contracts and the hedged items.

Canada Packers' designated foreign exchange forward contracts mature within one year. The average exchange rate of Canada Packers' designated U.S. dollar denominated contracts for the year ended December 31, 2024 is 1.39 Canadian dollars per U.S. dollar (2023: 1.37; 2022: 1.34).

The change in fair values of foreign exchange hedges used as the basis for recognizing ineffectiveness for the years ended December 31 were as follows:

	2024		2023		2022	
	Hedging Instruments	Hedged Items	Hedging instruments	Hedged items	Hedging instruments	Hedged items
Cash flow hedges	\$ (1,618)	\$ 1,602	\$ 962	\$ (962)	\$ 24	\$ (24)
Fair value hedges	\$ (2,527)	\$ 2,532	\$ 13	\$ (13)	\$ (299)	\$ 290

Amounts recognized in the Combined Carve-Out Statements of Other Comprehensive (Loss) Income for the years ended December 31 were as follows:

	2024	2023	2022
	Continuing Hedges		
Cash flow hedges			
Balance, beginning of year	\$ 962	\$ 24	\$ 160
Eligible change in fair value of foreign exchange contracts	(2,564)	938	(136)
Balance, end of year	\$ (1,602)	\$ 962	\$ 24

Gains (losses) related to Canada Packers' designated derivative financial instruments recorded in the Combined Carve-Out Statements of Earnings (Loss) for the years ended December 31 were as follows:

	2024		2023		2022	
	Effective portion ⁽ⁱ⁾⁽ⁱⁱ⁾	Ineffective portion ⁽ⁱ⁾	Effective portion ⁽ⁱ⁾⁽ⁱⁱ⁾	Ineffective portion ⁽ⁱ⁾	Effective portion ⁽ⁱ⁾⁽ⁱⁱ⁾	Ineffective portion ⁽ⁱ⁾
Cash flow hedges						
Foreign exchange contracts	\$ —	\$ (16)	\$ —	\$ —	\$ —	\$ —
Fair value hedges						
Foreign exchange contracts	\$ (2,539)	\$ 7	\$ 311	\$ 8	\$ (228)	\$ 13

(i) Gains (losses) are recorded in cost of goods sold in the Combined Carve-Out Statements of Earnings (Loss).

(ii) The effective portion in earnings for cash flow hedges represents the accumulated other comprehensive income (loss) released to the Combined Carve-Out Statements of Earnings (Loss) due to early termination of hedging relationships. The effective portion recognized in earnings for fair value hedges represents the change in fair value of hedging instruments; the change in the hedged items is recorded at the inverse of the associated hedging instruments within cost of goods sold in the Combined Carve-Out Statements of Earnings (Loss).

It is estimated that, all else constant, an adverse hypothetical 10.0% change in the value of the Canadian dollar against all relevant currencies would result in a decrease in the fair value of Canada Packers' foreign exchange forward contracts of \$19.4 million, with a decrease in earnings before taxes of \$14.6 million and a decrease in other comprehensive income (loss) of \$4.8 million based on foreign exchange forward contracts held as at December 31, 2024. The impact on earnings before taxes does not include the offsetting impact of the foreign exchange risk inherent in the transactions being hedged.

Commodity Price Risk

Canada Packers is exposed to price risk related to commodities such as live hogs, fuel, and purchases of certain other agricultural commodities used as raw materials, including feed grains. Canada Packers uses fixed price contracts with suppliers as well as exchange-traded and over-the-counter futures and options to manage its exposure to price fluctuations.

Canada Packers uses futures which are accounted for as fair value hedges as well as non-designated derivative instruments to minimize the price risk assumed under forward priced contracts with suppliers. Canada Packers also uses futures which are accounted for as cash flow hedges as well as non-designated derivative instruments to minimize the price risk of anticipated transactions.

The critical terms of the futures contracts and the associated hedged items are similar. Canada Packers performs a quantitative assessment of the effectiveness, and it is expected that the value of the futures contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying commodity prices. Hedge ineffectiveness in these hedging relationships is due to timing differences in the term of the futures contracts and the hedged items.

Canada Packers' designated commodity futures contracts mature within one year. The outstanding designated commodity futures contracts as at December 31 were as follows:

	2024		2023		2022	
	Average Price (USD)	Volume (000's)	Average Price (USD)	Volume (000's)	Average Price (USD)	Volume (000's)
Fair value hedges						
Hog contracts ⁽ⁱ⁾	\$ 90.28	546	\$ 82.40	27	\$ 91.09	72

(i) Hog contracts' unit of measure is cwt.

The change in fair values of commodity hedges used as the basis for recognizing ineffectiveness for the years ended December 31 were as follows:

	2024		2023		2022	
	Hedging instruments	Hedged items	Hedging instruments	Hedged items	Hedging instruments	Hedged items
Fair value hedges	\$ 450	\$ (450)	\$ 424	\$ (424)	\$ 143	\$ (143)

Gains (losses) related to Canada Packers' designated derivative financial instruments recorded in the Combined Carve-Out Statements of Earnings (Loss) for the years ended December 31 were as follows:

	2024		2023		2022	
	Effective portion ⁽ⁱ⁾⁽ⁱⁱ⁾	Ineffective portion ⁽ⁱ⁾	Effective portion ⁽ⁱ⁾⁽ⁱⁱ⁾	Ineffective portion ⁽ⁱ⁾	Effective portion ⁽ⁱ⁾⁽ⁱⁱ⁾	Ineffective portion ⁽ⁱ⁾
Fair value hedges						
Hog contracts	\$ 26	\$ —	\$ 281	\$ —	\$ (182)	\$ —

(i) Gains (losses) are recorded in cost of goods sold in the Combined Carve-Out Statements of Earnings (Loss).

(ii) The effective portion recognized in earnings for fair value hedges represents the change in fair value of hedging instruments; the change in the hedged items is recorded at the inverse of the associated hedging instruments within cost of goods sold in the Combined Carve-Out Statements of Earnings (Loss).

It is estimated that, all else constant, an adverse hypothetical 10.0% change in market prices of the underlying commodities would result in a decrease in the fair value of underlying outstanding derivative contracts of \$7.2 million, with a decrease in earnings before taxes of \$7.2 million and a decrease in other comprehensive income (loss) of \$0.0 million based on derivative contracts held as at December 31, 2024. The earnings before taxes excludes the offsetting impact of the commodity price risk inherent in the transactions being hedged.

Credit Risk

Credit risk refers to the risk of losses due to failure of Canada Packers' customers and counterparties to meet their payment obligations.

In the normal course of business, Canada Packers is exposed to credit risk from its customers, substantially all of which are in the retail, food service, and industrial channels or are other operating units of the Parent. The Parent, as part of its centralized policies and working capital management, performs ongoing credit evaluations of new and existing third-party customers' financial condition and reviews the collectability of its trade accounts receivable and other receivables in order to mitigate any possible credit losses as part of

its centralized processes. Canada Packers records a loss allowance of expected credit losses for financial assets that are measured at amortized cost. At each reporting date, Canada Packers measures the loss allowance at an amount equal to the lifetime expected credit losses if the credit risk on its financial assets has increased significantly since initial recognition. If credit risk has not significantly increased since initial recognition, Canada Packers measures the loss allowance at an amount equal to the 12-month expected credit losses. Average accounts receivable days sales outstanding for the year is consistent with historic trends.

Management believes concentrations of credit risk with respect to accounts receivable is limited due to the generally high credit quality of Canada Packers' major customers and the large number and geographic dispersion of smaller customers, and insurance policies entered into to reduce its risk. Canada Packers does, however, conduct a significant amount of business with a small number of large grocery retailers. Canada Packers' one largest non-related customer for the year ended December 31, 2024 comprises approximately 9.0% (2023: 8.4%; 2022: 10.3%) of total sales.

Canada Packers is also exposed to credit risk on its non-exchange-traded derivative contracts. Canada Packers mitigates this credit risk by transacting primarily with counterparties that are major international financial institutions with long-term debt ratings of A or higher. Canada Packers' maximum exposure to credit risk at the balance sheet date consisted primarily of the carrying value of non-derivative financial assets and non-exchange-traded derivatives with positive fair values.

Liquidity Risk

Liquidity risk is the risk that Canada Packers will encounter difficulty in meeting obligations associated with financial liabilities. The contractual undiscounted cash flows payable in respect of financial liabilities as at the Combined Carve-Out Balance Sheet date, were as follows:

December 31, 2024					
	Due within 1 year	Due between 1 and 3 years	Due between 3 and 5 years	Due after 5 years	Total
Financial liabilities					
Accounts payable and accruals	\$ 83,853	—	—	—	\$ 83,853
Foreign exchange contracts	5,290	—	—	—	5,290
Lease obligations	21,423	40,065	26,949	12,698	101,135
Other liabilities	1,278	—	—	—	1,278
Total	\$ 111,844	40,065	26,949	12,698	\$ 191,556

Maple Leaf Foods has historically provided liquidity to Canada Packers through its centralized bank accounts and credit facilities. Maple Leaf Foods manages liquidity risk by monitoring forecasted and actual cash flows, minimizing reliance on any single source of credit, maintaining sufficient undrawn committed credit facilities and managing the maturity profiles of financial assets and financial liabilities to minimize re-financing risk centrally. Canada Packers will establish its own policies as it becomes a standalone organization.

15. NET PARENT INVESTMENT

Canada Packers was not a stand-alone entity for consolidated financial statement reporting purposes. As such, there is no separate share capital, retained earnings, or most other components of equity.

Net parent investment represents Remaining Maple Leaf Foods' interest in the recorded net assets of Canada Packers in its capacity as the Parent entity as described in Note 3.

Canada Packers was part of Maple Leaf Foods and has not had its own capital management objectives and targets. The objectives for capital management are met in conjunction with the overall Maple Leaf Foods' capital management objectives.

16. SHARE-BASED PAYMENT

The following relate to the direct employees of Canada Packers who participate in the Maple Leaf Foods share-based compensation plans:

Stock Options

A summary of the status of the Maple Leaf Foods' outstanding stock options granted to the direct employees of Canada Packers as at December 31, and changes during these years are presented below:

	2024		2023		2022	
	Options outstanding	Weighted average exercise price	Options outstanding	Weighted average exercise price	Options outstanding	Weighted average exercise price
Outstanding, beginning of year	87,600	\$ 24.15	—	\$ —	39,300	\$ 25.10
Granted	82,050	\$ 22.95	87,600	\$ 24.15	21,750	\$ 28.20
Forfeited	—	\$ —	—	\$ —	(61,050)	\$ 26.20
Outstanding, end of year	169,650	\$ 23.57	87,600	\$ 24.15	—	\$ —
Options currently exercisable	29,200	\$ 24.15	—	\$ —	—	\$ —

All outstanding stock options vest and become exercisable over a period not exceeding five years (time vesting) from the date of grant. The outstanding options have a term of seven years.

The number of options outstanding as at December 31, 2024 is as follows:

Options outstanding				Options currently exercisable		Options subject to time vesting only	
Range of exercise prices	Number outstanding	Weighted average exercise price	Weighted average remaining term of options (in years)	Number exercisable	Weighted average exercise price	Number outstanding	Weighted average exercise price
\$ 20.28 to \$ 25.10	169,650	\$ 23.57	5.7	29,200	\$ 24.15	140,450	\$ 23.45

The number of options outstanding as at December 31, 2023 is as follows:

Options outstanding and subject to time vesting only			
Exercise price	Number outstanding	Weighted average exercise price	Weighted average remaining term of options (in years)
\$24.15	87,600	\$ 24.15	6.2

There were no options outstanding as at December 31, 2022.

At grant date, each option series is measured at fair value based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price volatility. The inputs used in this model for the options granted during the years ended December 31, are shown in the table below⁽ⁱ⁾:

	2024	2023	2022
Share price at grant date	\$22.99	\$24.33	\$29.91
Exercise price	\$22.95	\$24.15	\$28.20
Expected volatility	32.1 %	31.6 %	28.4 %
Option life (in years) ⁽ⁱⁱ⁾	4.5	4.5	4.5
Expected dividend yield	4.6 %	4.2 %	3.3 %
Risk-free interest rate ⁽ⁱⁱⁱ⁾	3.6 %	3.0 %	2.0 %

(i) Weighted average based on number of units granted.

(ii) Expected weighted average life.

(iii) Based on Government of Canada bonds.

The fair value of options granted to direct employees of Canada Packers during the year ended December 31, 2024 was \$0.4 million (2023: \$0.4 million; 2022: \$0.1 million). Expenses relating to current and prior year options granted to employees of Canada Packers were \$0.3 million (2023: \$0.2 million; 2022: \$0.0 million).

In addition, shared-based compensation expense relating to current and prior year options has been allocated to participating employees that indirectly provide support to Canada Packers based on time spent for the year ended December 31, 2024 in the amounts of \$1.0 million (2023: \$0.8 million; 2022: \$0.8 million).

Restricted Share Units and Performance Share Units

The awards granted to direct employees of Canada Packers under the Maple Leaf Foods' 2006 Plan are satisfied either by shares to be purchased on the open market by a trust established for that purpose, or cash at the option of Maple Leaf Foods at the time of vesting.

Under the 2006 Plan, one common share of Maple Leaf Foods may be distributed for each RSU, and these units vest strictly over time. The PSUs are subject to both time and performance vesting. The PSUs provide the holder with up to two RSUs based on the achievement of predetermined Maple Leaf Foods' performance targets. All outstanding RSUs and PSUs under the 2006 Plan vest over a period of approximately one to three years from the date of grant.

A summary of the status of the Maple Leaf Foods' RSUs (including PSUs) granted to employees of Canada Packers as at December 31, and changes during these periods is presented below:

	2024		2023		2022	
	Share units outstanding	Weighted average fair value at grant	Share units outstanding	Weighted average fair value at grant	Share units outstanding	Weighted average fair value at grant
Outstanding, beginning of year	139,464	\$ 23.16	111,238	\$ 23.07	113,380	\$ 23.64
Granted	154,344	\$ 19.90	72,980	\$ 21.51	50,230	\$ 26.15
Distributed	(13,758)	\$ 24.14	(35,664)	\$ 20.92	(33,958)	\$ 26.46
Forfeited	(20,342)	\$ 24.01	(9,090)	\$ 25.61	(18,414)	\$ 25.85
Outstanding, end of year	259,708	\$ 21.05	139,464	\$ 23.16	111,238	\$ 23.07

All of Maple Leaf Foods' outstanding RSUs granted to direct employees of Canada Packers are accounted for as equity-settled awards in the Financial Statements, as the obligation to settle the awards belongs to Maple Leaf Foods.

The fair value of RSUs and PSUs granted to employees of Canada Packers in 2024 was \$2.7 million (2023: \$1.4 million; 2022: \$1.1 million). Expenses for the year ended December 31, 2024 relating to current and prior year RSUs and PSUs granted to employees of Canada Packers, were \$1.0 million (2023: \$0.3 million; 2022: \$0.7 million). No RSUs or PSUs were cash settled in the year during the periods presented.

In addition, share-based compensation expense relating to current and prior year RSUs and PSUs has been allocated to participating employees that indirectly provide support to Canada Packers based on time spent during the year ended December 31, 2023 in the amounts of \$1.6 million (2023: \$0.5 million; 2022: \$1.8 million).

The key assumptions used in the valuation of fair value of RSUs granted during the year ended December 31 are shown in the table below⁽ⁱ⁾:

	2024	2023	2022
Expected RSU life (in years)	2.5	3.1	3.1
Forfeiture rate	12.0%	13.5%	15.3%
Risk-free discount rate	3.8%	3.3%	2.1%

(i) Weighted average based on number of units granted.

17. GEOGRAPHIC AND CUSTOMER PROFILE

Information About Geographic Areas

The following summarizes sales by country of origin:

	2024	2023	2022
Canada	\$ 762,135	\$ 743,526	\$ 792,691
Japan	388,585	364,457	385,692
U.S.	156,743	195,076	250,774
China	65,663	68,376	3,674
Other	285,402	277,597	206,343
Sales	\$ 1,658,528	\$ 1,649,032	\$ 1,639,174

Information About Major Customers

For the year ended December 31, 2024, Canada Packers reported sales to one non-related customer representing 9.0% (2023: 8.4%; 2022: 10.3%) of total sales. No other sales were made to any non-related customer that represented in excess of 10.0% of total sales.

For the year ended December 31, 2024, Canada Packers reported sales to Maple Leaf Foods representing 23.2% (2023: 22.1%, 2022: 26.8%) of total sales. The amount of related party customer sales is provided in Note 20.

18. COMMITMENTS AND CONTINGENCIES

Maple Leaf Foods, on behalf of Canada Packers, may be named as a defendant in legal actions and is subject to various risks and contingencies arising in the normal course of business. Management is of the opinion that the outcome of these uncertainties will not have a material adverse effect on Canada Packers' financial position.

In the normal course of its operations, Maple Leaf Foods, on behalf of Canada Packers, becomes involved in various legal and regulatory actions relating to its commercial activities and relationships, construction activities, employment matters, product liabilities, and other matters. Even if Canada Packers is not found liable for these claims, the cost of defending these actions may be material.

In the normal course of business, Maple Leaf Foods, on behalf of Canada Packers, enters into sales commitments with customers, and purchase commitments with suppliers. These commitments are for varying terms and can provide for fixed or variable prices. Canada Packers believes that these contracts serve to reduce risk, and does not anticipate that losses will be incurred on these contracts.

19. GOVERNMENT INCENTIVES

Canada Packers recognized the following government incentives:

	For the year ended December 31,		
	2024	2023	2022
Government incentives recognized as a:			
Reduction in the related expenses in earnings ⁽ⁱ⁾	\$ 3,348	\$ 3,097	\$ 53
Reduction to the cost of assets	119	—	—
Total government incentives recognized	\$ 3,467	\$ 3,097	\$ 53

(i) \$3.0 million (2023: \$3.0 million, 2022: \$0.0 million) of these incentives relate to ongoing agricultural business support from the Government of Canada.

20. RELATED PARTY TRANSACTIONS

Transactions with Remaining Maple Leaf Foods

General

These Financial Statements include transactions between Canada Packers and Remaining Maple Leaf Foods. Remaining Maple Leaf Foods is a related party, as Maple Leaf Foods is the ultimate parent company and currently controls Canada Packers. Sales between these companies have been recorded at their historical exchange amounts.

Canada Packers participates in the centralized cash management system of the Parent. Substantially all receipts and disbursements are processed through Maple Leaf Foods' centralized cash sweep accounts. The net result of processing all cash transactions through these cash sweep accounts is that cash is not allocated to Canada Packers. Instead, it is presented under net parent investment in the Combined Carve-Out Balance Sheets.

Balance Sheet Items

Accounts receivable from Remaining Maple Leaf Foods were recorded in accounts receivable on the Combined Carve-Out Balance Sheets. Related party receivables are settled monthly on a net basis.

Maple Leaf Foods maintains an accounts receivable securitization program whereby it sells certain trade receivables in exchange for cash and non-interest bearing notes receivable. A portion of the receivables sold into the facility relate to Canada Packers and as a result, receivables related to Canada Packers are derecognized, consistent with their treatment at Maple Leaf Foods. Maple Leaf Foods collects the cash and notes receivable, and Canada Packers records a related party receivable from Maple Leaf Foods. The securitization facility is described in Note 5 of the Financial Statements.

The following summarizes accounts receivable from Remaining Maple Leaf Foods:

	As at December 31,			As at January 1, 2022
	2024	2023	2022	
Accounts receivable from Remaining Maple Leaf Foods	\$ 7,916	\$ 9,094	\$ 6,769	\$ 4,680

Statement of Earnings Items

Sales

Sales to Remaining Maple Leaf Foods represents the sale of pork to Remaining Maple Leaf Foods' Prepared Foods operating unit at actual historical exchange amounts.

Allocated costs

During the years ended December 31, 2024, 2023 and 2022, Canada Packers received certain services and support functions from Maple Leaf Foods and was dependent on Maple Leaf Foods' ability to perform these functions. As a result, certain costs were included in Canada Packers' results of operations based on direct usage when identifiable or allocated based on a reasonable estimate of the utilization of services. These allocated costs may not be indicative of how Canada Packers would have operated had it been a standalone company. These allocated costs have been recorded in either cost of goods sold or selling, general and administrative expenses in the Combined Carve-Out Statements of Earnings (Loss).

Canada Packers received corporate administrative support including human resources, finance, legal, and other corporate costs. These have been allocated to Canada Packers primarily based on the relative level of support provided to Canada Packers and Remaining Maple Leaf Foods.

Information technology costs including Canada Packers' share of using Maple Leaf Foods' software intangible assets, have been allocated primarily on a relative usage or access basis.

Compensation costs including pension costs and share-based compensation costs related to participating employees that indirectly provide support to Canada Packers have been allocated based on time spent as described in Notes 11 and 16, respectively.

Summary table

The following summarizes the above-noted transactions with Remaining Maple Leaf Foods:

	For the year ended December 31,		
	2024	2023	2022
Sales to Remaining Maple Leaf Foods	\$ 384,321	\$ 363,891	\$ 439,894
Corporate administrative support costs	\$ 26,592	\$ 23,455	\$ 21,847
Information technology costs	\$ 15,568	\$ 17,916	\$ 16,631
Pension costs	\$ 9,067	\$ 8,652	\$ 11,868
Share-based compensation costs	\$ 3,980	\$ 1,894	\$ 3,367

Transactions with Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of Canada Packers directly or indirectly.

Remuneration of Key Management Personnel of Canada Packers comprises the following expenses allocated on a carve-out basis:

	2024	2023	2022
Short-term employee benefits			
Salaries, bonuses, and fees	\$ 3,725	\$ 3,716	\$ 2,997
Other benefits	140	145	277
Total short-term employee benefits	\$ 3,865	\$ 3,861	\$ 3,274
Severance benefits	256	578	529
Post-employment benefits	149	145	200
Share-based compensation	2,277	1,665	2,354
Total remuneration	\$ 6,547	\$ 6,249	\$ 6,357

Management's Discussion and Analysis of Canada Packers

As at and for the years ended December 31, 2024, December 31, 2023, and December 31, 2022

Management's Discussion and Analysis of Canada Packers

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Management's Discussion and Analysis

All dollar amounts are presented in Canadian dollars unless otherwise noted.

May 1, 2025

As used herein, the term "Canada Packers" refers to the Pork Operations (as defined below) prior to the completion of the Spin-Off (as defined below) and refers to Amalco (as defined below) after the completion of the Spin-Off. The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") for the years ended December 31, 2024, 2023 and 2022 should be read in conjunction with the audited combined carve-out financial statements of Canada Packers and related notes as at and for the years ended December 31, 2024, 2023 and 2022 included elsewhere in the Circular (the "Financial Statements") and the other financial information included elsewhere in this MD&A and in the Circular.

This MD&A contains forward-looking information, which is based on management's reasonable assumptions and beliefs in light of the information currently available and is made as of the date of this MD&A. However, management will not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws. Actual results and the timing of events may differ materially from those anticipated in the forward-looking information as a result of various factors, including those described in "Risk Factors" in the Circular and elsewhere in this MD&A.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts in this MD&A are expressed in Canadian dollars unless otherwise noted.

Additional information relating to Canada Packers (as defined herein) will be available on SEDAR + at www.sedarplus.ca following the completion of the Spin-Off.

1. COMPANY OVERVIEW

Canada Packers is a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. As a vertically integrated pork production and processing company, its diversified business mix and differentiated business strategy has demonstrated resiliency through market cycles. Canada Packers has established a track record of delivering margins that management believes compare favourably to many of Canada Packers' peers. Canada Packers is among North America's largest producers of Raised Without Antibiotic ("RWA") pork and is a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets. Canada Packers prides itself on industry leading best practices in sustainability, animal care and worker safety. Canada Packers' sole business consists of the pork operations currently operated by Maple Leaf Foods and its affiliates consisting of, among other things, agricultural and hog production operations, primary pork processing, and a national and global sales and distribution network for fresh and frozen pork products, and includes all the assets and liabilities pertaining thereto that are held, directly or indirectly, by Maple Leaf Foods and its affiliates immediately prior to the effective time of the Spin-Off (but excluding the ham boning operations at the Lagimodiere prepared meats facility) (the "Pork Operations").

Canada Packers' two processing facilities in Brandon and Lethbridge have the capacity to process 4.9 million hogs annually. Approximately 45% of the roughly 4 million hogs per year that Canada Packers processes at its two processing facilities will be raised by Canada Packers, and approximately 55% are sourced from third-party suppliers.

2. THE SPIN-OFF

Canada Packers Inc. ("Subco") and 16923534 Canada Inc. ("Newco") were incorporated under the *Canada Business Corporations Act* (the "CBCA") on December 9, 2024 and April 17, 2025, respectively, in connection with Maple Leaf Foods' proposed spin-off of the Pork Operations into an independent, publicly traded company, pursuant to an arrangement under section 192 of the CBCA (the "Spin-Off"). In connection with the Spin-Off, Subco and Newco will amalgamate under the CBCA to form an amalgamated entity to be named "Canada Packers Inc." ("Canada Packers" or "Amalco") whose registered office will be located at 6985 Financial Dr., Suite 201, Mississauga, Ontario, L5N 0A1, Canada. For the period from the date of its incorporation to December 31, 2024, Subco did not conduct any business activities other than those required for its formation.

The purpose of the Spin-Off is to separate Maple Leaf Foods into two independent, publicly listed companies: Maple Leaf Foods and Canada Packers. Following the completion of the Spin-Off, the assets and liabilities of the Pork Operations will be held by Amalco, and Maple Leaf Foods shareholders ("MLF Shareholders") will hold, for each common share of Maple Leaf Foods (each, a "MLF Common Share") held before the Spin-Off, one MLF Common Share and 0.2 of a common share of Canada Packers ("Canada Packers Shares"), with Maple Leaf Foods retaining a 16.0% ownership interest in Canada Packers. The non-Canada Packers activities of Maple Leaf Foods are herein referred to as "Remaining Maple Leaf Foods". For additional information regarding the Spin-Off, please refer to the section entitled "The Arrangement" of the Circular to which this MD&A is attached.

3. KEY INDICATORS OF PERFORMANCE

To evaluate Canada Packers' performance, a number of key indicators are monitored, which are described below.

Sales

Canada Packers recognizes revenue from the sale of fresh pork primarily within Canada, the United States, and Asia. Canada Packers' sales are to Remaining Maple Leaf Foods' prepared foods business, and also to arm's-length third parties through retail, foodservice and industrial channels. Sales are primarily impacted by commodity prices, hog volumes processed, mix of demand in different channels and geographies and foreign exchange. Upon the completion of the Spin-Off, it is anticipated that Canada Packers' sales channels will largely continue to be consistent with those described herein.

Gross profit

Gross profit refers to sales less cost of goods sold. Cost of goods sold primarily consists of costs associated with the raising, purchasing, and processing of hogs and is primarily impacted by feed input costs, hog prices and the costs of labour and overhead in processing facilities. Unrealized mark-to-market changes in valuations of biological assets and derivatives associated with hog costs are also included in gross profit. Upon the completion of the Spin-Off, it is anticipated that cost of goods sold will also include tolling fees paid to Maple Leaf Foods for co-manufacturing activities for certain products.

Selling, general and administrative expenses

Selling, general and administrative expenses ("SG&A") primarily consist of costs required to run the business that are not involved with the direct production of goods, such as selling, marketing, administrative, advertising, and promotional expenses. It also includes functional costs that are directly incurred, and costs indirectly allocated from the Parent for support functions such as information services, finance, and human resources. These expenses are primarily impacted by inflation, variable compensation, and the timing of project and consulting spend. Upon the completion of the Spin-Off, it is anticipated that Canada Packers will additionally incur brokerage fees payable to Maple Leaf Foods in respect of sales to some North American customers, licensing fees payable to Maple Leaf Foods in respect of trademarks and other intellectual property, and incremental costs associated with being a standalone public company that were not previously incurred. The shared SG&A allocated to Canada Packers from Maple Leaf Foods will, however, cease, with the exception of costs under a short-term transitional services agreement for certain administrative services, and a long-term information services support agreement. Costs under the short-term transitional services agreement will be at the approximate cost of the service based upon current cost incurred by Maple Leaf Foods in servicing Canada Packers. Costs under the long term information services support agreement will be at the approximate cost based upon the current cost incurred by Maple Leaf Foods to support Canada Packers, and an incremental overhead fee. For more information, see the sections in the Circular under the headings "The Arrangement – Transaction Agreements – Long-Term Services Agreement" and "The Arrangement - Transition Agreements - Transition Services Agreement."

Interest expense

Interest expense consists of interest on leases attributable directly to Canada Packers and is primarily impacted by interest rates and capacity decisions regarding the number of barn spaces leased. Upon the completion of the Spin-Off, it is anticipated that interest expense will also include interest payable on credit facilities expected to be entered into by Subco for the purpose of funding the purchase of assets from Maple Leaf Foods and for the purpose of general liquidity. For more information, see the section in the Circular under the heading "Certain Credit Facility Matters – New Credit Facilities – New Canada Packers Credit Facilities." This additional interest expense will be impacted by changes in interest rates, as well as the amount of borrowings required to fund future investment decisions made by Canada Packers management. Historically all debt and related financing costs, other than those associated with lease obligations used directly in the operations of Canada Packers, have been incurred corporately by Maple Leaf Foods and have not been recorded or allocated to Canada Packers. As a result, interest expense and financing costs presented in the Financial Statements are expected to differ significantly from the interest expense and financing costs Canada Packers might have incurred if it had operated as an independent group during the reporting periods presented.

Income tax expense (recovery)

Canada Packers' income tax expense (recovery) is primarily a function of its earnings before taxes, which is expected to continue to be the case after the Spin-Off.

Adjusted Operating Earnings, Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") and Adjusted Earnings Before Taxes ("Adjusted EBT")

Management uses Adjusted Operating Earnings, Adjusted EBITDA and Adjusted EBT to monitor Canada Packers' overall performance, as it believes these measures more accurately reflect the structural performance of the business. These metrics exclude fair value adjustments on items that will be realized in future periods, as well as items not considered representative of ongoing operations. See the section titled "Non-IFRS Financial Measures" in this MD&A for reconciliations and definitions of these measures.

4. FACTORS AFFECTING RESULTS OF OPERATIONS

Impact of Currency

The following table outlines the changes in currency rates that have affected the business and financial results of Canada Packers:

(Unaudited)	As at December	Annual Averages					
	31, 2024	2024	2023	2022	2021	2020	2019
Canadian dollars per U.S. dollar ⁽ⁱ⁾	\$ 1.44	\$ 1.37	\$ 1.35	\$ 1.30	\$ 1.25	\$ 1.34	\$ 1.33
Japanese yen per Canadian dollar ⁽ⁱ⁾	¥ 109.38	¥110.58	¥104.20	¥100.94	¥ 87.65	¥ 79.68	¥ 82.18

(i) Source: Bloomberg.

The U.S. dollar, on average, strengthened relative to the Canadian dollar versus the prior year by 1.5%, 3.7% and 3.8% in 2024, 2023 and 2022, respectively. In general, a stronger U.S. dollar increases the value of Canada Packers' U.S. dollar denominated sales and the sales prices achieved by Canada Packers' primary pork processing.

During 2024, 2023, and 2022 the Japanese yen, on average, weakened relative to the Canadian dollar versus the prior year by 5.8%, 3.1%, and 13.2% respectively. In general, a weaker Japanese yen reduces margins on exports to Japan for Canada Packers' fresh pork operations.

Canada Packers manages currency fluctuations through pricing, cost reductions, investment in value-added products as well as hedging instruments.

Market Influences for Pork Value Chain

The following table outlines the change in key commodity prices that affected the business and financial results of Canada Packers:

(Unaudited)	As at December	Annual Averages									
	31, 2024	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Pork cutout (USD per cwt) ⁽ⁱ⁾⁽ⁱⁱ⁾	\$ 90.30	\$95.75	\$89.74	\$103.71	\$104.23	\$77.02	\$77.04	\$75.21	\$84.13	\$78.66	\$79.13
Hog market price per cwt (USD per cwt) ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ 81.30	\$84.95	\$81.49	\$98.14	\$92.88	\$60.22	\$67.33	\$65.12	\$71.42	\$65.09	\$70.59
Hog market price per cwt (CAD per cwt) ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ 116.93	\$116.38	\$109.97	\$127.76	\$116.44	\$80.75	\$89.34	\$84.40	\$92.72	\$86.23	\$90.28
Corn (USD per bushel) ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ 4.59	\$ 4.24	\$ 5.65	\$ 6.95	\$ 5.77	\$ 3.65	\$ 3.83	\$ 3.68	\$ 3.59	\$ 3.58	\$ 3.81

(i) As at December 31, 2024, rate based on spot prices for the week ended December 31, 2024 (Sources: CME and USDA).

(ii) Annual averages based on five-day averages (Sources: CME and USDA).

(iii) Daily close prices of first nearby future (Sources: Bloomberg and CME).

The pork cutout significantly impacts the market selling price of pork products, which Canada Packers sells directly to customers. The hog market price is the main driver of the cost that the business pays for its externally sourced hogs, which account for approximately 55% of Canada Packers' hog supply. Corn costs are a key factor into the cost of feed and therefore are a significant input cost to hogs raised by Canada Packers.

In aggregate for 2024, the impact of market pricing for hog and pork cutout prices was favourable compared to the prior year driven primarily by lower feed costs and higher cutout values. Pork market spreads, while still below the pre-pandemic five-year average, are nearing normal market conditions. Management believes a comparison to the five year average from 2015 to 2019 is more reflective of normal pork market conditions and a better benchmark of performance. Canada Packers uses derivatives and other non-derivative financial instruments to manage its exposures to fluctuations in commodity prices.

Animal Disease

Canada Packers' operations and the demand for Canada Packers' products can be significantly affected by outbreaks of disease among livestock, whether they occur within Canada Packers' production operations or in the operations of third parties. Canada Packers monitors herd health status and has strict bio-security procedures and employee training programs throughout its operations and ensures the animals receive veterinary medications as required. During 2022 and 2023, Canada Packers experienced higher than usual outbreaks in its hogs of Porcine epidemic diarrhea (PEDv), a viral disease, and *Streptococcus equi* subsp. *zooepidemicus* (Strep

Zoo), a bacterial infection. These diseases cause symptoms such as diarrhea, vomiting and fever in hogs and is especially fatal for young hogs. This increased the cost of preventative measures (biosecurity) and also resulted in a loss of hogs.

Seasonality

Canada Packers is sufficiently large, with a diversified and balanced business mix, that seasonal factors across the parts of its operations tend to offset each other; therefore, in isolation, they do not have a material impact on Canada Packers' consolidated earnings. For example, in general, margins on fresh pork products tend to be higher in the last half of the year when hog prices historically decline which in turn depresses earnings from raising hogs, maintaining balance within Canada Packers. Exceptions do occur when unplanned events such as animal disease or disruptions to global supply have short term impacts on the business.

5. BASIS OF PRESENTATION

Canada Packers historically has not been structured or operated as a stand-alone business within Maple Leaf Foods. As a result, the financial information included in this MD&A and in the Financial Statements does not necessarily reflect what its results of operations, financial position and cash flows would have been had Canada Packers operated as an independent company during the reporting periods presented. The information included in this MD&A and in the Financial Statements also may not be indicative of Canada Packers' future performance. The basis of presentation is described in detail in the notes to the Financial Statements, including the quantification of allocated costs included in Note 20 of the Financial Statements.

6. RESULTS OF OPERATIONS

Results for the year ended December 31, 2024 compared to the year ended December 31, 2023.

The following table sets out selected financial data of Canada Packers for the periods presented:

Years ended December 31, (in millions) ⁽ⁱ⁾	2024	2023
Sales	\$ 1,658.5	\$ 1,649.0
Cost of goods sold	1,427.7	1,615.4
Gross profit	\$ 230.8	\$ 33.6
Selling, general and administrative expenses	65.6	62.2
Earnings (loss) before the following:	\$ 165.2	\$ (28.6)
Other expense	12.2	3.9
Earnings (loss) before interest and income taxes	\$ 153.0	\$ (32.6)
Interest expense	4.5	2.1
Earnings (loss) before income taxes	\$ 148.5	\$ (34.6)
Income tax expense (recovery)	40.2	(7.5)
Earnings (loss)	\$ 108.3	\$ (27.1)
Adjusted Operating Earnings ⁽ⁱⁱ⁾	\$ 98.8	\$ (6.1)
Adjusted EBITDA ⁽ⁱⁱⁱ⁾	\$ 146.1	\$ 40.8
Adjusted EBITDA Margin ^(iv)	8.8 %	2.5 %
Adjusted EBT ^(v)	\$ 91.9	\$ (9.6)

(i) Totals may not add due to rounding.

(ii) Adjusted Operating Earnings is a non-IFRS measure. For more information, see "Non-IFRS Measures" elsewhere in this MD&A.

(iii) Adjusted EBITDA is a non-IFRS measure. For more information, see "Non-IFRS Measures" elsewhere in this MD&A.

(iv) Defined as Adjusted EBITDA divided by Sales.

(v) Adjusted EBT is a non-IFRS measure. For more information, see "Non-IFRS Measures" elsewhere in this MD&A.

Sales for 2024 were \$1,658.5 million compared to \$1,649.0 million in 2023, an increase of 0.6%. Sales growth was driven by favourable market pricing, increased value added sales to Japan, and favourable U.S exchange rates, partly offset by lower volume of resale activity (which refers to products that are bought and resold to third parties with no transformation by Canada Packers).

Gross profit for 2024 was \$230.8 million (gross margin⁽ⁱ⁾ of 13.9%) compared to \$33.6 million (gross margin⁽ⁱ⁾ of 2.0%) in 2023. Improved market conditions driven by higher meat values and lower feed costs contributed to improvements in gross profit, partially offset by margin compression in Asia. Gross profit was also positively impacted by the non-cash fair value changes in biological assets by \$63.6 million in 2024 compared to a negative impact of \$22.5 million in the prior year, which is excluded in the calculation of Adjusted Operating Earnings, Adjusted EBITDA and Adjusted EBT below.

SG&A for 2024 was \$65.6 million (4.0% of sales), compared to \$62.2 million (3.8% of sales) in 2023. The year over year increase in SG&A is primarily from an increase in variable compensation tied to business performance.

Interest expense for 2024 was \$4.5 million, compared to \$2.1 million in 2023, as a result of interest on lease obligations.

Canada Packers' income tax recovery for 2024 resulted in an effective tax rate of 27.1%. The effective tax rate in 2024 differs from the Canadian statutory tax rate of 26.4% primarily due to non-deductible expenses. In 2023, Canada Packers' income tax recovery resulted in an effective tax recovery of 21.7%. The effective tax rate differs from the Canadian statutory tax rate of 26.4% primarily due to non-deductible expenses.

Earnings for 2024 were \$108.3 million compared to a loss of \$27.1 million in 2023. The improvement was due to the factors discussed above.

Adjusted Operating Earnings for 2024 were earnings of \$98.8 million compared to a loss of \$6.1 million in 2023 due to the factors discussed above, excluding the impact of the non-cash fair value changes in biological assets and commodity derivatives.

Adjusted EBITDA for 2024 was \$146.1 million compared to \$40.8 million in 2023. The factors impacting Adjusted EBITDA in 2024 are similar to the factors impacting earnings in 2024, as discussed above, excluding the impact of the non-cash fair value changes in biological assets and commodity derivatives.

Adjusted EBITDA margin for 2024 was 8.8% compared to 2.5% in 2023. The increase in margin is consistent with the factors noted above.

Adjusted EBT for 2024 was \$91.9 million compared to a loss of \$9.6 million in 2023. The factors impacting Adjusted EBT in 2024 are similar to the factors impacting earnings in 2024, as discussed above, excluding the impact of the non-cash fair value changes in biological assets and commodity derivatives.

⁽ⁱ⁾ Gross margin is defined as gross profit divided by sales.

Results for the year ended December 31, 2023 compared to the year ended December 31, 2022.

The following table sets out selected financial data of Canada Packers for the periods presented:

Years ended December 31, (in millions) ⁽ⁱ⁾	2023		2022	
Sales	\$	1,649.0	\$	1,639.2
Cost of goods sold		1,615.4		1,614.7
Gross profit	\$	33.6	\$	24.5
Selling, general and administrative expenses		62.2		60.2
(Loss) before the following:	\$	(28.6)	\$	(35.7)
Other expense		3.9		2.7
(Loss) before interest and income taxes	\$	(32.6)	\$	(38.4)
Interest expense		2.1		1.8
(Loss) before income taxes	\$	(34.6)	\$	(40.2)
Income tax recovery		(7.5)		(8.9)
(Loss)	\$	(27.1)	\$	(31.3)
Adjusted Operating Earnings ⁽ⁱⁱ⁾	\$	(6.1)	\$	(23.0)
Adjusted EBITDA ⁽ⁱⁱⁱ⁾	\$	40.8	\$	21.6
Adjusted EBITDA Margin ^(iv)		2.5 %		1.3 %
Adjusted EBT ^(v)	\$	(9.6)	\$	(26.8)

- (i) Totals may not add due to rounding.
- (ii) Adjusted Operating Earnings is a non-IFRS measure. For more information, see "Non-IFRS Measures" elsewhere in this MD&A.
- (iii) Adjusted EBITDA is a non-IFRS measure. For more information, see "Non-IFRS Measures" elsewhere in this MD&A.
- (iv) Defined as Adjusted EBITDA divided by Sales.
- (v) Adjusted EBT is a non-IFRS measure. For more information, see "Non-IFRS Measures" elsewhere in this MD&A.

Sales for 2023 were \$1,649.0 million compared to \$1,639.2 million in 2022, an increase of 0.6%. Sales growth was driven by higher volumes and favourable foreign exchange rates, improved sales to value added markets such as Asia, and RWA sales in North America. Sales to Asia were aided by the resumption of access to China for Canadian pork. Partially offsetting this progress was a decrease in pork cutout prices.

Gross profit for 2023 was \$33.6 million (gross margin of 2.0%) compared to \$24.5 million (gross margin of 1.5%) in 2022. Improved market conditions driven by lower feed costs, increased sales volume, and margin expansion in Asia all contributed to the improvement in gross profit. This was partially offset by continuing higher feed cost and animal disease impacts early in the year. Gross profit was also negatively impacted by the non-cash fair value changes in biological assets of \$22.5 million in 2023 compared to \$12.2 million in the prior year, which was excluded in the calculation of Adjusted Operating Earnings, Adjusted EBITDA and Adjusted EBT below.

SG&A for 2023 was \$62.2 million (3.8% of sales), which was relatively consistent with 2022 of \$60.2 million (3.7% of sales).

Interest expense for 2023 was \$2.1 million, compared to \$1.8 million in 2022, as a result of increased interest on lease obligations.

In 2023, Canada Packers' income tax recovery resulted in an effective tax recovery of 21.7%. The effective tax rate differs from the Canadian statutory tax rate of 26.4% primarily due to non-deductible expenses. In 2022, Canada Packers' income tax recovery resulted in an effective tax recovery of 22.2%. The effective tax rate differs from the Canadian statutory rate of 26.4% primarily due to non-deductible expenses.

Loss for 2023 was \$27.1 million compared to a loss of \$31.3 million in 2022. The improvement is due to the factors mentioned above.

Adjusted Operating Earnings for 2023 were a loss of \$6.1 million compared to a loss of \$23.0 million in 2022 due to similar factors as noted above, excluding the impact of non-cash fair value changes in biological assets and commodity derivatives.

Adjusted EBITDA for 2023 was \$40.8 million compared to \$21.6 million in 2022. The factors impacting Adjusted EBITDA in 2023 are similar to the factors impacting Loss in 2023 as noted above, excluding the impact of the non-cash fair value changes in biological assets and commodity derivatives.

Adjusted EBITDA margin for 2023 was 2.5% compared to 1.3% in 2022. The increase in margin is consistent with the factors noted above.

Adjusted EBT for 2023 was a loss of \$9.6 million compared to a loss of \$26.8 million in 2022. The factors impacting Adjusted EBT in 2023 are similar to the factors impacting Loss in 2023 as noted above, excluding the impact of non-cash fair value changes in biological assets and commodity derivatives.

⁽ⁱ⁾ Gross margin is defined as gross profit divided by sales.

7. CAPITAL RESOURCES AND LIQUIDITY

Canada Packers has historically relied on Maple Leaf Foods to manage its liquidity requirements at the corporate level, including working capital and cash management, and funding operations, as required. As such, Canada Packers has not had access to standalone credit facilities nor raised capital of its own. Upon the completion of the Spin-Off, it is expected that Canada Packers will have its own syndicated credit facility. For more information, see the section in the Circular under the heading "The Arrangement – Certain Credit Facility Matters – New Credit Facilities – New Canada Packers Credit Facilities".

Canada Packers has historically participated in the centralized cash management system of the Parent. Substantially all receipts and disbursements except those of foreign subsidiaries are processed through Maple Leaf Foods' centralized cash sweep accounts. The net result of processing all cash transactions through these cash sweep accounts is that cash is not allocated to Canada Packers, as it was historically held centrally. Cash shown on the Financial Statements represent balances held by foreign subsidiaries that are not part of this centralized program. Upon the completion of the Spin-Off, it is expected that Canada Packers will generate strong operating cash flow, based upon robust sales volume, operating margins and high turnover of fresh meat inventory. Accounts receivable and inventories are readily convertible into cash. These operating cash flows provide a base of underlying liquidity.

Cash on the Combined Carve-Out Balance Sheet was \$18.8 million at the end of 2024, compared to \$9.5 million at the end of 2023, \$18.6 million at the end of 2022, and \$20.0 million as at January 1, 2022. These balances are comprised of cash held in foreign jurisdictions and are not representative of the cash levels expected to be maintained by Canada Packers once it is a standalone entity. Fluctuations in cash were attributable to sales volumes and pricing in foreign subsidiaries and the timing of dividend payments. Upon completion of the Spin-Off, it is expected that cash and working capital requirements will be higher, reflecting the standalone business requirements of Canada Packers, including cash balances related to its sales and disbursements, which have historically been managed through Maple Leaf Foods' centralized cash sweep accounts and are therefore not included in the cash amounts reflected in the Financial Statements.

Cash flows for the year ended December 31, 2024, 2023 and 2022*Operating Activities*

Cash provided by operations for 2024 was \$111.7 million compared to \$27.2 million in 2023. The increase was primarily driven by higher earnings, and higher investment in working capital. Cash provided by operations for 2023 was \$27.2 million compared to \$0.1 million in 2022. The increase was primarily driven by lower investment in working capital. Working capital, other than inventory, was historically managed primarily by the Parent including collection and accounts payable policies and participation in the Parent's accounts receivable securitization facility. These policies may differ significantly from those that will be employed by Canada Packers as a standalone entity.

Financing Activities

Cash used in financing activities for 2024 was \$75.7 million compared to \$3.4 million in 2023. Cash used in financing activities for 2023 was \$3.4 million compared to cash provided of \$43.6 million in 2022. Financing cash flows mainly consist of payments of lease obligations, which were relatively flat year over year, and net cash transfers with the Parent as a result of centralized cash and working capital management. As a result of the foregoing, Canada Packers' historical financing cash flows are not indicative of the anticipated financing cash flows of Canada Packers after it becomes a standalone entity.

Investing Activities

Cash used in investing activities was \$26.7 million for 2024 compared to \$33.0 million in 2023. The decrease was primarily due to lower investment in property and equipment as discussed below under Section 8 - Capital Expenditures.

Cash used in investing activities was \$33.0 million for 2023 compared to \$44.9 million in 2022. The decrease was primarily due to lower investment in property and equipment as discussed below under Section 8 - Capital Expenditures.

8. CAPITAL EXPENDITURES

Capital expenditures (which are a component of cash used in investing activities and identified as "additions to long-term assets" in the Financial Statements) for 2024 were \$30.6 million compared to \$35.3 million in 2023. The decrease in spending from 2023 was primarily related to reduced spending across capital maintenance projects.

Capital expenditures for 2023 were \$35.3 million compared to \$45.3 million in 2022. The decrease in spending from 2022 was primarily related to the completion of expanded capacity investment in raised without antibiotics hog barns.

9. CONTRACTUAL OBLIGATIONS

The following table provides information about certain of Canada Packers' significant contractual obligations as at December 31, 2024. This table presents the undiscounted cash flows payable in respect of existing financial liabilities and commitments prior to the Spin-Off. Contractual obligations are expected to increase significantly upon the completion of the Spin-Off as Canada Packers is expected to enter into a committed revolving line of credit and a secured committed term facility. For more information, see the section in the Circular under the heading "The Arrangement – Certain Credit Facility Matters – New Credit Facilities – New Canada Packers Credit Facilities."

Payments due by fiscal year:

(\$ thousands)	Due within 1 year	Due between 1 and 3 years	Due between 3 and 5 years	Due after 5 years	Total
Financial liabilities					
Accounts payable and accruals	\$ 83,853	—	—	—	\$ 83,853
Lease obligations	21,423	40,065	26,949	12,698	101,135
Foreign exchange contracts	5,290	—	—	—	5,290
Other liabilities	1,278	—	—	—	1,278
Total	\$ 111,844	40,065	26,949	12,698	\$ 191,556

10. OFF-BALANCE SHEET ARRANGEMENTS

Canada Packers has no material off-balance sheet arrangements.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ACTIVITIES

Through the normal course of business, Canada Packers is exposed to financial and market risks that have the potential to affect its operating results. In order to manage these risks, Canada Packers has historically operated under the risk management policies of

Maple Leaf Foods including guidelines which govern the hedging of price and market risk in the foreign exchange and commodity markets, as well as funding and investing activities.

Canada Packers, through its Parent, engages in hedging to manage price and market risk associated with core operating exposures and does not engage in significant trading activity of a speculative nature.

The Maple Leaf Foods Risk Management Committee meets frequently to discuss current market conditions, review current hedging programs and trading activity, and approve any new hedging or trading strategies including those related to Canada Packers.

Upon the completion of the Spin-Off, it is expected that Canada Packers will establish its own Risk Management Committee and related policies and procedures, which are expected to follow the risk management approach currently in place at Maple Leaf Foods.

Financial Instruments

Canada Packers' financial assets and liabilities are classified into the following categories:

Cash	FVTPL
Accounts receivable, including due to related parties	Amortized cost
Accounts payable and accruals, including due to related parties	Amortized cost
Long-term debt	Amortized cost
Derivative instruments ⁽ⁱ⁾	FVTPL

(i) These derivative instruments may be designated as cash flow hedges or fair value hedges as appropriate. Derivatives designated as cash flow hedges are classified as FVTOCI.

Canada Packers applies hedge accounting as appropriate and uses derivatives and other non-derivative financial instruments to manage its exposures to fluctuations in foreign exchange rates and commodity prices.

The fair values and notional amounts of derivative financial instruments are shown below:

(\$ thousands)	December 31, 2024			December 31, 2023		
	Notional amount ⁽ⁱ⁾	Fair value		Notional amount ⁽ⁱ⁾	Fair value	
		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾
Cash flow hedges						
Foreign exchange contracts	\$ 46,746	\$ —	\$ 1,618	\$ 27,860	\$ 962	\$ —
		\$ —	\$ 1,618		\$ 962	\$ —
Fair value hedges⁽ⁱⁱⁱ⁾						
Foreign exchange contracts	\$ 73,942	\$ 6	\$ 2,533	\$ 3,467	\$ 24	\$ 13
Commodity contracts	\$ 70,822	450	—	\$ 2,924	424	—
		\$ 456	\$ 2,533		\$ 448	\$ 13
Derivatives not designated in a formal hedging relationship						
Foreign exchange contracts	\$ 91,585	\$ 362	\$ 1,139	\$ 96,963	\$ 1,646	\$ 487
Commodity contracts	\$ 89,136	2,499	—	\$ 23,988	—	629
		\$ 2,861	\$ 1,139		\$ 1,646	\$ 1,116
Total fair value^{(ii)(iv)(v)}		\$ 3,317	\$ 5,290		\$ 3,056	\$ 1,129

(\$ thousands)	December 31, 2022			January 1, 2022		
	Notional amount ⁽ⁱ⁾	Fair value		Notional amount ⁽ⁱ⁾	Fair value	
		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾		Asset ⁽ⁱⁱ⁾	Liability ⁽ⁱⁱ⁾
Cash flow hedges						
Foreign exchange contracts	\$ 12,201	\$ 25	\$ 1	\$ 48,810	\$ 277	\$ 117
Commodity contracts	\$ —	—	—	\$ —	—	—
		\$ 25	\$ 1		\$ 277	\$ 117
Fair value hedges ⁽ⁱⁱⁱ⁾						
Foreign exchange contracts	\$ 9,164	\$ 17	\$ 316	\$ 26,770	\$ 149	\$ 220
Commodity contracts	\$ 8,925	143	—	\$ 24,747	325	—
		\$ 160	\$ 316		\$ 474	\$ 220
Derivatives not designated in a formal hedging relationship						
Foreign exchange contracts	\$ 57,391	\$ 153	\$ 527	\$ 62,394	\$ 1,006	\$ 69
Commodity contracts	\$ 20,700	98	—	\$ 62,979	769	—
		\$ 251	\$ 527		\$ 1,775	\$ 69
Total fair value ^{(ii)(iv)(v)}		\$ 436	\$ 844		\$ 2,526	\$ 406

(i) Unless otherwise stated, notional amounts are stated at the contractual Canadian dollar equivalent.

(ii) Derivative assets and liabilities are recorded in prepaid expenses and other assets and other current liabilities, respectively, in the Financial Statements.

(iii) The carrying amount of the hedged items in the Financial Statements are recorded at the inverse of the associated hedging instruments and are equal to the accumulated fair value hedge adjustments less hedge ineffectiveness.

(iv) Derivatives are short-term and will impact profit or loss at various dates within the next 12 months.

(v) As at December 31, 2024, the above fair value of current assets increased by \$2.3 million (2023: increased by \$0.3 million; 2022: decreased by \$0.2 million), and the above fair value of current liabilities decreased by \$0.0 million (2023: decreased by \$0.6 million; 2022: increased by \$0.4 million) in the Financial Statements, representing the difference in the fair market value of exchange traded commodity contracts and the initial margin requirements. The difference in margin requirements and fair market value is net settled in cash each day with the futures exchange and is recorded within net parent investment.

Canada Packers' financial assets and liabilities include accounts receivable and accounts payable and accruals for which fair value approximates the carrying value due to their short-term nature.

Canada Packers' cash and derivative instruments are recorded at fair value. The fair value of cash approximates carrying value due to the short-term nature of the assets and has been classified as Level 1 in the fair value hierarchy. The fair values of Canada Packers' foreign exchange derivative instruments were estimated using current market measures for foreign exchange rates. Commodity futures and commodity options contracts are exchange-traded and over-the-counter. Fair value is determined based on exchange prices and other observable market data.

Net gains and losses on financial instruments recognized at fair value through profit or loss consist of realized and unrealized gains and losses on derivatives that were de-designated or were otherwise not in a formal hedging relationship.

For the year ended December 31, 2024, Canada Packers recorded a gain of \$8.5 million (2023: gain of \$4.2 million; 2022: gain of \$1.8 million) on financial instruments recognized at fair value through profit and loss.

The tables below set out fair value measurements of derivative financial instruments using the fair value hierarchy:

		As at December 31, 2024			
(\$ thousands)		Level 1	Level 2	Level 3	Total
Assets:					
Foreign exchange contracts		\$ —	368	—	\$ 368
Commodity contracts ⁽ⁱ⁾		2,949	—	—	2,949
		\$ 2,949	368	—	\$ 3,317
Liabilities:					
Foreign exchange contracts		\$ —	5,290	—	\$ 5,290
		\$ —	5,290	—	\$ 5,290
		As at December 31, 2023			
(\$ thousands)		Level 1	Level 2	Level 3	Total
Assets:					
Foreign exchange contracts		\$ —	2,632	—	\$ 2,632
		\$ —	2,632	—	\$ 2,632
Liabilities:					
Foreign exchange contracts		\$ —	500	—	\$ 500
Commodity contracts ⁽ⁱ⁾		205	—	—	205
		\$ 205	500	—	\$ 705
		As at December 31, 2022			
(\$ thousands)		Level 1	Level 2	Level 3	Total
Assets:					
Foreign exchange contracts		\$ —	195	—	\$ 195
Commodity contracts ⁽ⁱ⁾		241	—	—	241
		\$ 241	195	—	\$ 436
Liabilities:					
Foreign exchange contracts		\$ —	844	—	\$ 844
		\$ —	844	—	\$ 844
		As at January 1, 2022			
(\$ thousands)		Level 1	Level 2	Level 3	Total
Assets:					
Foreign exchange contracts		\$ —	1,432	—	\$ 1,432
Commodity contracts ⁽ⁱ⁾		993	101	—	1,094
		\$ 993	1,533	—	\$ 2,526
Liabilities:					
Foreign exchange contracts		\$ —	406	—	\$ 406
		\$ —	406	—	\$ 406

(i) Level 1 Commodity Contracts are net settled and recorded as a net asset or liability in the Financial Statements.

There were no transfers between levels for the year ended December 31, 2024, December 31, 2023, and December 31, 2022. Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. For financial instruments that are recognized at fair value on a recurring basis, Canada Packers determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

Credit Risk

Credit risk refers to the risk of losses due to failure of Canada Packers' customers and counterparties to meet their payment obligations. In the normal course of business, Canada Packers is exposed to credit risk from its customers, substantially all of which are in the retail, food service, and industrial channels or are other operating units of the Parent. The Parent, as part of its centralized policies and working capital management performs ongoing credit evaluations of new and existing third-party customers' financial condition and reviews the collectability of its trade accounts receivable and other receivables in order to mitigate any possible credit losses as part of its centralized processes. Canada Packers records a loss allowance of expected credit losses for financial assets that are measured at amortized cost. At each reporting date, Canada Packers measures the loss allowance at an amount equal to the lifetime expected credit losses if the credit risk on its financial assets has increased significantly since initial recognition. If credit risk has not significantly increased since initial recognition, Canada Packers measures the loss allowance at an amount equal to the 12-month expected credit losses. Average accounts receivable days sales outstanding for the year is consistent with historic trends.

Management believes concentrations of credit risk with respect to accounts receivable is limited due to the generally high credit quality of Canada Packers' major customers and the large number and geographic dispersion of smaller customers, and insurance policies entered into to reduce its risk. Canada Packers does, however, conduct a significant amount of business with a small number of large grocery retailers. Canada Packers' largest non-related customer for the year ended December 31, 2024 comprises approximately 9.0% (2023: 8.4%; 2022: 10.3%) of total sales.

Canada Packers is also exposed to credit risk on its non-exchange-traded derivative contracts. Canada Packers mitigates this credit risk by transacting primarily with counterparties that are major international financial institutions with long-term debt ratings of A or higher. Canada Packers' maximum exposure to credit risk at the balance sheet date consisted primarily of the carrying value of non-derivative financial assets and non-exchange-traded derivatives with positive fair values.

Liquidity Risk

Liquidity risk is the risk that Canada Packers will encounter difficulty in meeting obligations associated with financial liabilities.

Maple Leaf Foods provides liquidity to Canada Packers through its centralized bank accounts and credit facilities. Maple Leaf Foods manages liquidity risk by monitoring forecasted and actual cash flows, minimizing reliance on any single source of credit, maintaining sufficient undrawn committed credit facilities and managing the maturity profiles of financial assets and financial liabilities to minimize re-financing risk centrally. Canada Packers will establish its own policies as it becomes a standalone organization.

Market Risk

Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

Canada Packers historically has only been exposed to interest rate risk through its leases because capital structure, including long-term debt and other sources of financing, were centrally managed. Canada Packers will set up policies to manage interest rate risk once it determines its capital structure as a standalone entity.

Foreign Exchange Risk

Foreign exchange risk refers to the risk that the value of financial instruments or cash flows will fluctuate due to changes in foreign exchange rates.

Canada Packers' foreign exchange risk arises primarily from transactions in currencies other than Canadian dollars. The primary currencies to which Canada Packers is exposed are the U.S. dollar and the Japanese yen.

Canada Packers uses foreign exchange forward contracts to manage foreign exchange transaction exposures.

Commodity Price Risk

Canada Packers is exposed to price risk related to commodities such as live hogs, fuel, and purchases of certain other agricultural commodities used as raw materials, including feed grains. Canada Packers uses fixed price contracts with suppliers as well as exchange-traded and over-the-counter futures and options to manage its exposure to price fluctuations.

Derivatives designated as a hedge of an anticipated or forecasted transaction are accounted for either as cash flow or fair value hedges and are managed within Canada Packers' hedge accounting portfolio.

Canada Packers applies the "own use exception" classification to certain contracts that are entered into for the purpose of procuring commodities to be used in production and are not recognized on the balance sheet until delivery.

For a comprehensive discussion on Canada Packers' risk management practices and derivative exposures, please refer to Note 14 of the Financial Statements.

12. TRANSACTIONS WITH RELATED PARTIES

Transactions with Remaining Maple Leaf Foods

General

The Financial Statements include transactions between Canada Packers and Remaining Maple Leaf Foods. Remaining Maple Leaf Foods is a related party, as Maple Leaf Foods is the ultimate parent company and currently controls Canada Packers. Sales between these companies have been recorded at their historical exchange amounts.

Canada Packers participates in the centralized cash management system of the Parent. Substantially all receipts and disbursements are processed through Maple Leaf Foods' centralized cash sweep accounts. The net result of processing all cash transactions through these cash sweep accounts is that cash is not allocated to Canada Packers. Instead, it is presented under net parent investment in the Financial Statements.

Historically all debt has been held by Maple Leaf Foods in arrangements with third parties and has not been recorded for each respective operating unit within Maple Leaf Foods. For the purpose of the Financial Statements, no debt or related interest expense is allocated as the debt is not deemed to pertain specifically to Canada Packers and Canada Packers will not assume the debt of Maple Leaf Foods in connection with the Spin-Off. In addition, Maple Leaf Foods enters into certain interest rate swaps to hedge the variability in interest rate risk. As these swaps are directly associated with the interest expense of Maple Leaf Foods, which has not been allocated, neither these derivatives nor the related gains or losses have been allocated to Canada Packers. As a result, interest expense and financing costs may differ significantly from the interest expense and financing costs Canada Packers might have incurred if it had operated as an independent group during the reporting periods presented.

Balance Sheet Items

Accounts receivable from Remaining Maple Leaf Foods were recorded in accounts receivable in the Financial Statements. Related party receivables are settled monthly on a net basis.

Maple Leaf Foods maintains an accounts receivable securitization program whereby it sells certain trade receivables in exchange for cash and non-interest bearing notes receivable. A portion of the receivables sold into the facility relate to Canada Packers and as a result, receivables related to Canada Packers are derecognized, consistent with their treatment at Maple Leaf Foods. Maple Leaf Foods collects the cash and notes receivable, and Canada Packers records a related party receivable from Maple Leaf Foods. The securitization facility is described in Note 5 of the Financial Statements.

The following summarizes accounts receivable from Remaining Maple Leaf Foods:

	As at December 31,			As at January 1, 2022
	2024	2023	2022	
Accounts receivable from Remaining Maple Leaf Foods	\$ 7,916	\$ 9,094	\$ 6,769	\$ 4,680

Statement of Earnings Items

Sales

Sales to Remaining Maple Leaf Foods represents the sale of pork to Remaining Maple Leaf Foods' Prepared Foods operating unit at actual historical exchange amounts.

Allocated costs

During the years ended December 31, 2024, 2023 and 2022, Canada Packers received certain services and support functions from Maple Leaf Foods and was dependent on Maple Leaf Foods' ability to perform these functions. As a result, certain costs were included in Canada Packers' results of operations based on direct usage when identifiable, or allocated based on a reasonable estimate of the utilization of services. These allocated costs may not be indicative of how Canada Packers would have operated had it been a standalone company. These allocated costs have been recorded in either cost of goods sold or selling, general and administrative expenses in the Combined Carve-Out Statements of Earnings (Loss) in the Financial Statements.

Canada Packers received corporate administrative support including human resources, finance, legal and other corporate services. These have been allocated to Canada Packers primarily based on the relative level of support provided to Canada Packers and Remaining Maple Leaf Foods.

Information technology costs including the share of using Maple Leaf Foods' software intangible assets, have been allocated primarily on a relative usage or access basis.

Compensation costs including pension costs and share-based compensation costs related to participating employees that indirectly provide support to Canada Packers have been allocated based on time spent as described in Notes 11 and 16, respectively of the Financial Statements.

Summary table

The following summarizes the above-noted transactions with Remaining Maple Leaf Foods:

	For the year ended December 31,		
	2024	2023	2022
Sales to Remaining Maple Leaf Foods	\$ 384,321	\$ 363,891	\$ 439,894
Corporate administrative support costs	\$ 26,592	\$ 23,455	\$ 21,847
Information technology costs	\$ 15,568	\$ 17,916	\$ 16,631
Pension costs	\$ 9,067	\$ 8,652	\$ 11,868
Share-based compensation costs	\$ 3,980	\$ 1,894	\$ 3,367

Transactions with Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of Canada Packers directly or indirectly.

Remuneration of Key Management Personnel of Canada Packers comprises the following expenses allocated on a carve-out basis:

	2024	2023	2022
Short-term employee benefits			
Salaries, bonuses, and fees	\$ 3,725	\$ 3,716	\$ 2,997
Other benefits	140	145	277
Total short-term employee benefits	\$ 3,865	\$ 3,861	\$ 3,274
Severance benefits	256	578	529
Post-employment benefits	149	145	200
Share-based compensation	2,277	1,665	2,354
Total remuneration	\$ 6,547	\$ 6,249	\$ 6,357

13. SUMMARY OF QUARTERLY RESULTS

The following is a summary of unaudited quarterly financial information for each quarter in the last two fiscal years:

(\$ millions)	2024			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Sales	\$ 423.9	\$ 420.2	\$ 420.5	\$ 393.9
Gross profit	\$ 94.3	\$ 47.6	\$ (11.8)	\$ 100.7
Earnings (Loss)	\$ 50.7	\$ 19.4	\$ (22.9)	\$ 61.1
Adjusted Operating Earnings ⁽ⁱ⁾	\$ 34.7	\$ 28.1	\$ 21.8	\$ 14.2
Adjusted EBITDA ⁽ⁱⁱ⁾	\$ 45.2	\$ 41.5	\$ 33.2	\$ 26.3
Adjusted EBITDA Margin ⁽ⁱⁱⁱ⁾	10.7%	9.9%	7.9 %	6.7 %
Adjusted EBT ⁽ⁱⁱⁱ⁾	\$ 31.6	\$ 27.8	\$ 19.5	\$ 13.0

(\$ millions)	2023			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Sales	\$ 394.5	\$ 426.7	\$ 411.7	\$ 416.1
Gross profit	\$ 33.9	\$ 28.4	\$ (23.4)	\$ (5.3)
Earnings (Loss)	\$ 12.0	\$ 9.0	\$ (30.4)	\$ (17.7)
Adjusted Operating Earnings ⁽ⁱ⁾	\$ 7.6	\$ 14.4	\$ (12.1)	\$ (16.0)
Adjusted EBITDA ⁽ⁱⁱ⁾	\$ 20.9	\$ 25.8	\$ (1.1)	\$ (4.8)
Adjusted EBITDA Margin ⁽ⁱⁱⁱ⁾	5.3%	6.0%	(0.3%)	(1.2%)
Adjusted EBT ⁽ⁱⁱⁱ⁾	\$ 8.0	\$ 13.1	\$ (13.5)	\$ (17.2)

- (i) Adjusted Operating Earnings is a non-IFRS measure. For more information, see "Non-IFRS Financial Measures" elsewhere in this MD&A.
(ii) Adjusted EBITDA and Adjusted EBITDA Margin are non-IFRS measures. For more information, see "Non-IFRS Financial Measures" elsewhere in this MD&A.
(iii) Adjusted EBT is a non-IFRS measure. For more information, see "Non-IFRS Financial Measures" elsewhere in this MD&A.

Fluctuations in quarterly sales can be attributed to changes in pricing, volume, sales mix, and foreign exchange.

Fluctuations in quarterly earnings (loss) can be attributed to similar factors as noted above, including, pork industry processing margins, operating efficiencies, changes in the fair value of derivative and non-derivative financial instruments and biological assets, provision estimate adjustments, gains/losses on disposal of assets and changes in tax rates and regulations.

14. CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual amounts may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgements included in the Financial Statements are decisions made by management, based on analysis of relevant information available at the time the decision is made and are consistent with Canada Packers' accounting policies unless there is objective evidence those estimates are not in accordance with IFRS on a standalone basis. These judgements are reassessed as necessary when the Financial Statements are prepared. Judgements include the application of accounting policies and decisions related to the measurement, recognition, and disclosure of financial information.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies, that have the most significant effects on the amounts recognized in the Financial Statements, are disclosed in Note 3(d) and 4 of the Financial Statements which include determination of the boundaries of the business and carve-out allocations, and in the notes to the Financial Statements relating to items subject to significant estimate uncertainty and critical judgements.

Revaluation of investment properties

Canada Packers carries its investment properties at fair value, with changes in fair value being recognized in the Combined Carve-Out Statements of Earnings (Loss) in the Financial Statements. Fair value is determined based on available market evidence. If the market

evidence is not readily available in less active markets, Canada Packers uses alternative valuation methods such as recent transaction prices or anticipated cash flows. Canada Packers also engages an independent valuation specialist to assess fair value of the investment properties from time to time as required. The determination of fair value includes significant estimation and judgement in comparing market evidence to specific properties. To the extent that estimates differ from amounts realized earnings, comprehensive income, and investment property values will be affected in future periods.

Measurement of Fair Values

Certain of Canada Packers' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When the measurement of fair values cannot be determined based on quoted prices in active markets, fair value is measured using valuation techniques and models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about the inputs to these models could affect the reported fair value of Canada Packers' financial and non-financial assets and liabilities.

When measuring fair value of an asset or liability, Canada Packers uses market observable data to the extent that it is possible. To the extent that these estimates differ from those realized, the measured asset or liability, earnings, and/or comprehensive income will be affected in future periods.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Notes 7, 10, 14 and 16 of the Financial Statements.

Valuation of Inventories

Management makes estimates of the future customer demand for products when establishing appropriate provisions for inventory. In making these estimates, management considers the product life of inventory and the profitability of recent sales of inventory. In many cases, product produced by Canada Packers turns quickly and inventory on-hand values are low, thus reducing the risk of inventory obsolescence. However, code or "best before" dates are very important in the determination of the net realizable value of inventory. Management ensures that systems are in place to highlight and properly value inventory that may be approaching code dates. To the extent that actual losses on inventory differ from those estimated, inventory, earnings, and comprehensive income will be affected in future periods.

Biological Assets

Biological assets consist of live hogs. For the purposes of valuation, these assets are categorized as either parent stock or commercial stock. Parent stock represents animals held and bred for the purpose of generating commercial stock and to replace parent stock nearing the end of its productive cycle. Commercial stock is held for the purposes of further processing or eventual sale, at which point it becomes inventory. The fair value of commercial stock is determined based on market prices of livestock of similar age, breed, and genetic merit, less costs to sell the assets, including estimated costs necessary to transport the assets to market. Where reliable market prices of parent stock are not available, they are valued at cost less accumulated depreciation and any accumulated impairment losses. No active market exists for parent stock as they are rarely sold. Hog parent stock is depreciated on a straight-line basis over two to three years after considering residual values.

Biological assets are transferred into inventory at fair value less costs to sell at the point of delivery.

Depreciation

Canada Packers' property and equipment are depreciated on a straight-line basis, considering the estimated useful lives of the assets and residual values. Right-of-use ("ROU") assets are depreciated on a straight-line basis, considering the shorter of the useful life of the underlying asset or the lease term. If it is reasonably certain at the commencement of the lease arrangement that Canada Packers will exercise a purchase option or otherwise obtain ownership of the underlying asset at the end of the lease term, the ROU asset is depreciated over the useful life of the underlying asset. Changes to these estimates may affect the carrying value of these assets, inventories, net earnings, and comprehensive income in future periods.

Leases

Canada Packers applies significant judgement in assessing whether a contract is, or contains a lease. Such judgements include the determination of whether an asset or assets are specifically or implicitly identified in the contract, if Canada Packers has the right to obtain substantially all the economic benefits from use of the asset or assets and whether Canada Packers has the right to direct the use of the asset or assets. These judgements are made at the inception of a contract and may change if there are material changes to the agreement.

Estimates are used to determine the incremental borrowing rate of a lease when the interest rate implicit in the lease is not readily available. All funding for Canada Packers is managed centrally by Maple Leaf Foods, and Maple Leaf Foods is contractually obligated to make the lease payments to the lessor. As such, Canada Packers applies Maple Leaf Foods' incremental borrowing rate, which is determined by using a model which incorporates Maple Leaf Foods' credit worthiness, the nature and quality of the underlying asset, geographic environments, and the duration of the lease. The inputs used in determining the incremental borrowing rate are reviewed and updated quarterly.

Canada Packers also applies significant judgement in determining whether it is reasonably certain to exercise lease extension options or purchase options in a contract by considering all relevant factors and circumstances that may create an economic incentive for Canada Packers to exercise the option considering such factors as past experience, the terms and conditions of the contract, and the importance of the underlying assets to Canada Packers' operations.

Shared Resources Allocation

Canada Packers is dependent upon certain shared support services performed by Maple Leaf Foods. Management applies significant judgment and assumptions in measuring the portion of the total service of which they were the recipient. Such judgments included the assessment of the volume of transactions, the percentage of time spent on an activity, and the relative usage of the service or underlying asset of Maple Leaf Foods, as well as what activities are the most appropriate to use to determine the cost allocation.

Income Taxes

Income tax expense is determined based on the assumption that the operating units in Canada Packers are separately taxable entities. This assumption implies that the current and deferred income taxes of the operations or companies within Canada Packers are determined separately, and the recoverability of any deferred tax assets is also assessed accordingly. Canada Packers is comprised primarily of unincorporated operating units of Maple Leaf Foods, and accordingly did not file separate tax returns. The respective current tax assets and liabilities, as well as the deferred tax assets and liabilities of Canada Packers, are deemed either contributed or distributed to Maple Leaf Foods as Parent and a corresponding effect in the net parent investment as of the end of the respective fiscal year. The taxes actually paid by Canada Packers have been presented in the Combined Carve-Out Statements of Cash Flows; the deemed contributions or distributions for current and deferred income taxes are not included in the Combined Carve-Out Statements of Cash Flows. Management considers the separate tax return approach to be reasonable, but not necessarily indicative of the tax income or expense that would have been incurred if the operations of the Canada Packers entities.

15. MATERIAL ACCOUNTING POLICIES

(a) Accounting Standards Adopted During the Period

During the years ended December 31, 2022, 2023, and 2024, Canada Packers adopted certain IFRS and amendments. As required by International Accounting Standard ("IAS") 8, *Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8"), the nature and the effect of these changes are disclosed below:

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

Beginning on January 1, 2024, Canada Packers adopted the amendments to *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)*. These amendments require an entity to provide additional disclosures about its supplier finance arrangements. The adoption of the amendments did not have a material impact on the Financial Statements.

Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 1 Presentation of financial statements and IFRS Practice Statement 2 Making Materiality Judgements*. These amendments help companies provide useful accounting policy disclosures. Canada Packers has updated its material accounting policies disclosures accordingly in the Financial Statements.

Definition of Accounting Estimates (Amendments to IAS 8)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 8 Accounting policies, changes in accounting estimates and errors*. These amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarify how to distinguish changes in accounting policies from changes in accounting estimates. The adoption of the amendments did not have a material impact on the Financial Statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 12 Income taxes*. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The adoption of the amendments did not have a material impact on the Financial Statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 1 Presentation of financial statements*. The amendments address inconsistencies with how entities classify current and non-current liabilities. It serves to address whether debt and other liabilities with an uncertain settlement date should be classified as current or non-current in the Financial Statements. The adoption of the amendments did not have a material impact on the Financial Statements.

Non-Current Liabilities with Covenants (Amendments to IAS 1)

Beginning on January 1, 2023, Canada Packers adopted the amendments to *IAS 1 Presentation of financial statements*. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The adoption of the amendments did not have a material impact on the Financial Statements.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

Beginning on January 1, 2023, Canada Packers adopted the amendments to IFRS 16 Leases. The amendments added subsequent measurement requirements for sale and leaseback transactions with variable payments. The adoption of the amendments did not have a material impact on the Financial Statements.

International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)

Beginning April 1, 2023, Canada Packers adopted amendments to IAS 12 Income Taxes. This introduced a temporary exception to the requirements to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and targeted disclosure requirements for affected entities. The adoption of the amendments did not have a material impact on the Financial Statements.

Onerous Contracts - Cost of Fulfilling a Contract

Beginning January 1, 2022, Canada Packers adopted the amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. The amendments specify that the "cost of fulfilling" a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to the contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling that contract. The adoption of the amendments did not have a material impact on the Financial Statements.

Annual Improvements to IFRS (2018-2020) Cycle

Beginning January 1, 2022, Canada Packers adopted the narrow-scope amendments to three standards as part of the IASB annual improvement process. Amendments were made to clarify which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability in accordance with IFRS 9 *Financial instruments*. The amendments also remove the requirement in IAS 41 *Agriculture* for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. Lastly, an amendment was made to IFRS 1 *First-time Adoption of International Financial Reporting Standards* for subsidiaries as a first-time adopter. The adoption of the amendments did not have a material impact on the Financial Statements.

(b) Accounting Pronouncements Issued But Not Yet Effective*Presentation and Disclosure in Financial Statements – IFRS 18*

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1 unchanged and introduces significant changes to the structure of a company's income statement, more discipline and transparency in presentation of management's own performance measures (commonly referred to as "non-GAAP measures") and less aggregation of items into large, single numbers. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027 with the requirement of retrospective restatement. Earlier application is permitted. Canada Packers has yet to assess the impact of adoption on the Financial Statements.

All other IFRSs and amendments issued but not yet effective have been assessed by Canada Packers and are not expected to have a material impact on the Financial Statements.

16. NON-IFRS FINANCIAL MEASURES

Canada Packers uses the following non-IFRS measures: Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted EBT. Management believes that these non-IFRS measures provide useful information to investors in measuring the financial performance of Canada Packers for the reasons outlined below. These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS.

Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EBT

Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted EBT are non-IFRS measures used by management to evaluate financial operating results. Adjusted Operating Earnings is defined as earnings before income taxes adjusted for items that are not considered representative of ongoing operational activities of the business and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred. Adjusted EBITDA is defined as Adjusted Operating Earnings plus depreciation and amortization, adjusted for items included in other expense that are not considered representative of ongoing operational activities of the business. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Sales. Adjusted EBT is used annually by Canada Packers to evaluate its performance and is a component of calculating bonus entitlements under the Company's short term incentive plan. It is defined as Adjusted EBITDA less depreciation and amortization and interest expense.

The table below provides a reconciliation of earnings (loss) before income taxes as reported under IFRS in the Financial Statements to Adjusted Operating Earnings, Adjusted EBITDA and Adjusted EBT for the years ended, as indicated below. Management believes that these non-IFRS measures are useful in assessing the performance of Canada Packers' ongoing operations and its ability to generate cash flows to fund its cash requirements, including Canada Packers capital investment program.

(\$ millions) ⁽ⁱ⁾	Years ended December 31,		
	2024	2023	2022
Earnings (loss) before income taxes	\$ 148.5	\$ (34.6)	\$ (40.2)
Interest expense	4.5	2.1	1.8
Other expense ⁽ⁱⁱ⁾	12.2	3.9	2.7
Earnings (loss) from operations	\$ 165.2	\$ (28.6)	\$ (35.7)
Change in fair value of biological assets ⁽ⁱⁱⁱ⁾	(63.6)	22.5	12.2
Unrealized (gain) loss on derivative contracts ^(iv)	(2.8)	—	0.5
Adjusted Operating Earnings	\$ 98.8	\$ (6.1)	\$ (23.0)
Depreciation and amortization	49.7	48.3	46.6
Items included in other expense representative of ongoing operations ^(v)	(2.4)	(1.4)	(2.0)
Adjusted EBITDA	\$ 146.1	\$ 40.8	\$ 21.6
Adjusted EBITDA margin^(vi)	8.8%	2.5%	1.3%
Interest expense	(4.5)	(2.1)	(1.8)
Depreciation and amortization	(49.7)	(48.3)	(46.6)
Adjusted EBT	\$ 91.9	\$ (9.6)	\$ (26.8)

(i) Totals may not add due to rounding.

(ii) Other expense primarily consists of Spin-Off costs allocated to Canada Packers, certain costs associated with sustainability projects, and changes in the fair value of investment properties.

(iii) Refer to Note 7 of the Financial Statements for further details regarding biological assets.

(iv) Unrealized gains/losses on derivative contracts are reported within cost of goods sold in the Financial Statements.

(v) These items primarily consist of activities that management believes to be representative of the ongoing operations of Canada Packers such as gains and losses on the sales of fixed assets or lease modifications as well as certain costs associated with sustainability projects.

(vi) Defined as Adjusted EBITDA divided by sales.

SCHEDULE I: UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS AND NON-IFRS MEASURES OF CANADA PACKERS

[See attached]

Unaudited Pro Forma Consolidated Financial Statements of Canada Packers

As at and for the Year Ended December 31, 2024,
and for the three months ended March 31, 2024, June 30, 2024, September 30, 2024, and December 31, 2024

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Cautionary Note

The historical carve-out and pro forma financial information for Canada Packers included in this Circular has been prepared for illustrative purposes only and may not be indicative of the operating results or financial condition that would have been achieved if the Arrangement (as defined below) had been completed on the date or for the periods noted therein, nor do they purport to project the results of operations or financial position for any future period or as of any future date. See *Risk Factors – Risks Relating to Carve-Out Financial Statements* in *Schedule “G”* of this Circular.

Carve-Out Financial Statements for Canada Packers

Upon completion of the Arrangement, Canada Packers will be a separate public entity from Maple Leaf Foods. Included as *Schedule “H”* of this Circular are the Audited Carve-Out Financial Statements and the Carve-Out MD&A related to Canada Packers as at and for the years ending December 31, 2022, 2023 and 2024, in each case without giving effect to the Arrangement or the transactions expected to be completed in connection therewith or to any anticipated consequences thereof.

Pro Forma Consolidated Statements of Earnings (Loss)

Year ended December 31, 2024 (In thousands of Canadian dollars, except share amounts) (Unaudited)	(A) Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 1,658,528		\$ —	\$ 1,658,528	4(b)	\$ (43,845)	\$ 1,614,683
Cost of sales	1,427,711	4(a)	(21)	1,427,690	4(b)	(49,551)	1,378,139
Gross profit	\$ 230,817		\$ 21	\$ 230,838		\$ 5,706	\$ 236,544
Selling, general and administrative expenses	65,574	4(a)	(31,235)	34,339	4(c)	50,407	84,746
Operating earnings (loss)	\$ 165,243		\$ 31,256	\$ 196,499		\$ (44,701)	\$ 151,798
Other expense (income)	12,218	4(a)	(4,827)	7,391		—	7,391
Earnings before interest and income taxes	\$ 153,025		\$ 36,083	\$ 189,108		\$ (44,701)	\$ 144,407
Interest expense	4,538		—	4,538	4(d)	32,163	36,701
Earnings (loss) before income taxes	\$ 148,487		\$ 36,083	\$ 184,570		\$ (76,864)	\$ 107,706
Income tax expense (recovery)	40,234	4(a)	9,092	49,326	4(e)	(19,985)	29,341
Earnings (loss)	\$ 108,253		\$ 26,991	\$ 135,244		\$ (56,879)	\$ 78,365
Earnings per share attributable to common shareholders:							
Basic earnings per share						\$	2.68
Weighted average number of shares (millions)							
Basic ⁽ⁱⁱ⁾							29.3

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 0.2:1; actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended March 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q1 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 393,865		\$ —	\$ 393,865	4(b)	\$ (9,126)	\$ 384,739
Cost of sales	293,134	4(a)	(5)	293,129	4(b)	(10,371)	282,758
Gross profit	\$ 100,731		\$ 5	\$ 100,736		\$ 1,245	\$ 101,981
Selling, general and administrative expenses	16,357	4(a)	(7,789)	8,568	4(c)	12,485	21,053
Operating earnings	\$ 84,374		\$ 7,794	\$ 92,168		\$ (11,240)	\$ 80,928
Other expense (income)	503	4(a)	(191)	312		—	312
Earnings (loss) before interest and income taxes	\$ 83,871		\$ 7,985	\$ 91,856		\$ (11,240)	\$ 80,616
Interest expense	884		—	884	4(d)	8,041	8,925
Earnings (loss) before income taxes	\$ 82,987		\$ 7,985	\$ 90,972		\$ (19,281)	\$ 71,691
Income tax expense (recovery)	21,875	4(a)	2,065	23,940	4(e)	(5,013)	18,927
Earnings (loss)	\$ 61,112		\$ 5,920	\$ 67,032		\$ (14,268)	\$ 52,764

Earnings per share attributable to common shareholders:

Basic earnings per share	\$	1.80
Weighted average number of shares (millions)		
Basic ⁽ⁱⁱ⁾		29.3

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 0.2:1; actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended June 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q2 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 420,497		\$ —	\$ 420,497	4(b)	\$ (11,847)	\$ 408,650
Cost of sales	432,270	4(a)	(5)	432,265	4(b)	(12,008)	420,257
Gross profit	\$ (11,773)		\$ 5	\$ (11,768)		\$ 161	\$ (11,607)
Selling, general and administrative expenses	16,208	4(a)	(7,622)	8,586	4(c)	12,860	21,446
Operating (loss) earnings	\$ (27,981)		\$ 7,627	\$ (20,354)		\$ (12,699)	\$ (33,053)
Other expense (income)	1,508	4(a)	(425)	1,083		—	1,083
(Loss) earnings before interest and income taxes	\$ (29,489)		\$ 8,052	\$ (21,437)		\$ (12,699)	\$ (34,136)
Interest expense	1,209		—	1,209	4(d)	8,041	9,250
Earnings (loss) before income taxes	\$ (30,698)		\$ 8,052	\$ (22,646)		\$ (20,740)	\$ (43,386)
Income tax (recovery) expense	(7,835)	4(a)	2,068	(5,767)	4(e)	(5,392)	(11,159)
Earnings (loss)	\$ (22,863)		\$ 5,984	\$ (16,879)		\$ (15,348)	\$ (32,227)

Earnings per share attributable to common shareholders:

Basic earnings per share	\$	1.10
Weighted average number of shares (millions)		
Basic ⁽ⁱⁱ⁾		29.3

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 0.2:1; actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended September 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q3 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 420,158		\$ —	\$ 420,158	4(b)	\$ (11,772)	\$ 408,386
Cost of sales	372,588	4(a)	(5)	372,583	4(b)	(14,268)	358,315
Gross profit	\$ 47,570		\$ 5	\$ 47,575		\$ 2,496	\$ 50,071
Selling, general and administrative expenses	18,421	4(a)	(10,405)	8,016	4(c)	12,635	20,651
Operating earnings (loss)	\$ 29,149		\$ 10,410	\$ 39,559		\$ (10,139)	\$ 29,420
Other expense (income)	442	4(a)	(1,299)	(857)		—	(857)
Earnings before interest and income taxes	\$ 28,707		\$ 11,709	\$ 40,416		\$ (10,139)	\$ 30,277
Interest expense	1,184		—	1,184	4(d)	8,041	9,225
Earnings (loss) before income taxes	\$ 27,523		\$ 11,709	\$ 39,232		\$ (18,180)	\$ 21,052
Income tax expense (recovery)	8,094	4(a)	2,967	11,061	4(e)	(4,727)	6,334
Earnings (loss)	\$ 19,429		\$ 8,742	\$ 28,171		\$ (13,453)	\$ 14,718

Earnings per share attributable to common shareholders:

Basic earnings per share	\$	0.50
Weighted average number of shares (millions)		
Basic ⁽ⁱⁱ⁾		29.3

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 0.2:1; actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended December 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q4 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 423,908		\$ —	\$ 423,908	4(b)	\$ (11,101)	\$ 412,807
Cost of sales	329,718	4(a)	(5)	329,713	4(b)	(12,904)	316,809
Gross profit	\$ 94,190		\$ 5	\$ 94,195		\$ 1,803	\$ 95,998
Selling, general and administrative expenses	14,588	4(a)	(5,418)	9,170	4(c)	12,428	21,598
Operating earnings (loss)	\$ 79,602		\$ 5,423	\$ 85,025		\$ (10,625)	\$ 74,400
Other expense (income)	9,765	4(a)	(2,912)	6,853		—	6,853
Earnings (loss) before interest and income taxes	\$ 69,837		\$ 8,335	\$ 78,172		\$ (10,625)	\$ 67,547
Interest expense	1,260		—	1,260	4(d)	8,041	9,301
Earnings (loss) before income taxes	\$ 68,577		\$ 8,335	\$ 76,912		\$ (18,666)	\$ 58,246
Income tax expense (recovery)	18,099	4(a)	1,993	20,092	4(e)	(4,853)	15,239
Earnings (loss)	\$ 50,478		\$ 6,342	\$ 56,820		\$ (13,813)	\$ 43,007

Earnings per share attributable to common shareholders:

Basic earnings per share	\$	1.47
Weighted average number of shares (millions)		
Basic ⁽ⁱⁱ⁾		29.3

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 0.2:1; actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Balance Sheet

As at December 31, 2024

(In thousands of Canadian dollars)
(Unaudited)

Canada Packers Audited 2024
Carve-Out Financial Statements

		Notes	Pro Forma Adjustments	Pro Forma Canada Packers
ASSETS				
Cash and cash equivalents	\$	5(a), 5(d), 5(e)	11,223 \$	30,000
Accounts receivable		5(e)	(7,916)	74,225
Inventories			—	99,333
Biological assets			—	158,903
Prepaid expenses and other assets			—	11,557
Total current assets	\$		3,307 \$	374,018
Property and equipment			—	317,406
Investment property			—	6,900
Right-of-use assets			—	83,982
Other assets			—	4,971
Intangible assets			—	840
Goodwill		5(b)	103,862	103,862
Total long-term assets	\$		103,862 \$	517,961
Total assets	\$		107,169 \$	891,979
LIABILITIES AND EQUITY				
Accounts payable and accruals	\$		—	83,853
Current portion of lease obligations			—	20,844
Income taxes payable			—	1,358
Other current liabilities			—	6,568
Total current liabilities	\$		—	112,623
Long-term debt		5(d)	415,000	415,900
Lease obligations			—	66,462
Deferred tax liability			—	41,758
Total long-term liabilities	\$		415,000 \$	524,120
Total liabilities	\$		415,000 \$	636,743
Shareholders' equity				
Share capital	\$	5(c), 5(e)	257,833 \$	257,833
Contributed surplus		5(c)	(13,420)	—
Net parent investment		5(c)	(552,244)	—
Accumulated other comprehensive loss			—	(2,597)
Total shareholders' equity	\$		(307,831) \$	255,236
Total liabilities and equity	\$		107,169 \$	891,979

Notes to Pro Forma Consolidated Financial Statements

1. DESCRIPTION OF BUSINESS

On July 9, 2024, Maple Leaf Foods Inc. ("Maple Leaf Foods" or the "Parent") announced its intention to split into two separate public companies with a Spin-Off of its Pork Operations by way of a plan of arrangement (the "Transaction" or "Arrangement") and on October 10, 2024, Maple Leaf Foods communicated that the name of the new Pork Operations is Canada Packers Inc. ("Canada Packers" or the "Company"). In addition to Maple Leaf Foods shareholder ("Shareholder") and court approvals, the Transaction is subject to receipt of necessary regulatory approvals and satisfaction of other customary closing conditions. Maple Leaf Foods expects that the Transaction will be completed in the second half of 2025.

Under the Transaction, Shareholders will retain their current ownership in Maple Leaf Foods and receive a pro-rata allocation of common shares in Canada Packers ("Canada Packers Common Shares"). The Transaction is described in greater detail in the body of this Circular.

Canada Packers is a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. As a vertically integrated pork production and processing company, its diversified business mix and differentiated business strategy has demonstrated resiliency through market cycles. Canada Packers has established a track record of delivering margins that management believes compare favourably to many of Canada Packers' peers. Canada Packers is among North America's largest producers of Raised Without Antibiotic ("RWA") pork and is a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets. Canada Packers prides itself on industry leading best practices in sustainability, animal care and worker safety.

2. DESCRIPTION OF THE TRANSACTION

The purpose of the Arrangement and the related transactions is to separate Maple Leaf Foods into two independent public companies, each primed for growth and positioned to be a leader in its field. Maple Leaf Foods will be a focused, purpose-driven and protein-centric consumer packaged goods company, uniquely positioned to meet the world's growing demand for sustainable protein. Canada Packers will be a global leader in sustainably produced, premium quality, value-added pork products, and will be well positioned to unlock the significant growth potential of its business by investing in low-risk, high return opportunities, including increasing volumes, optimizing operations and efficiencies, and building on its favourable sales mix and margins.

The Arrangement effects a series of transactions resulting in the transfer of the assets and liabilities comprising the Pork Operations from Maple Leaf Foods to Canada Packers and the pro-rata distribution to Shareholders of the Canada Packers Common Shares, subject to Maple Leaf Foods retaining a 16% ownership position in Canada Packers. Shareholders as of the Distribution Record Date, as defined in the Glossary of this Circular, will receive, in exchange for each Maple Leaf Foods common share (a "MLF Common Share"), one new MLF Common Share and 0.2 of a Canada Packers Common Share. Accordingly, immediately after giving effect to the Arrangement, Shareholders as of the Distribution Record Date will hold all of the outstanding new MLF Common Shares and 84% of the Canada Packers Common Shares.

3. BASIS OF PRESENTATION

The Unaudited Pro Forma Consolidated Financial Statements of Canada Packers have been prepared for inclusion in this Circular. They have been derived from, and should be read in conjunction with, the Consolidated Financial Statements of Maple Leaf Foods for the year ended December 31, 2024 as filed on SEDAR+ at www.sedarplus.ca and the Combined Carve-Out Financial Statements of Canada Packers for the year ended December 31, 2024, which are included in *Schedule "H"* of this Circular.

The Unaudited Pro Forma Consolidated Financial Statements are prepared to give effect to and reflect the Arrangement and related transactions as described in Note 2 as if:

- the Arrangement and such related transactions occurred on December 31, 2023 for the purposes of the unaudited pro forma consolidated statements of income for (i) the year ended December 31, 2024, and (ii) for each of the three month periods ended March 31, 2024, June 30, 2024, September 30, 2024 and December 31, 2024; and
- the Arrangement and such related transactions occurred on December 31, 2024 for the purpose of the unaudited pro forma consolidated balance sheet.

The Unaudited Pro Forma Consolidated Financial Statements follow the same accounting policies and methods of application as those used in the Audited Combined Carve-Out Financial Statements of Canada Packers for the year ended December 31, 2024, except as described in Notes 4, 5, and 6. The Unaudited Pro Forma Consolidated Financial Statements are based on estimates, accounting judgments and currently available information and assumptions that management believes are reasonable. The Unaudited Pro Forma Consolidated Financial Statements are prepared for informational purposes only and do not include, among other things, the transfer of certain employee benefit and compensation related additional assets and liabilities that are expected to be specified in the Separation Agreement, certain costs related to the separation and transitional

Notes to Pro Forma Consolidated Financial Statements

support agreement fees payable in connection with the separation. This pro forma information presented is not necessarily indicative of what Canada Packers' actual financial position and results of operations would have been had the Arrangement been completed on the dates indicated, nor does it purport to project Canada Packers' future financial position or results of operations for any future period or as of any future date. Readers are urged to consider these factors carefully in evaluating the Unaudited Pro Forma Consolidated Financial Statements and are cautioned not to place undue reliance on them.

All dollar amounts are presented Canadian dollars unless otherwise specified.

4. ADJUSTMENTS TO THE UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

- (a). Represents management's estimate of the difference between (i) certain functional and overhead costs that were incurred by Maple Leaf Foods, and allocated to Canada Packers on an activity basis in the Canada Packers Carve-Out Financial Statements, and (ii) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers for the periods presented. An equal amount is removed from the Unaudited Pro Forma Financial Statements of Maple Leaf Foods as contained in Schedule "K" of this Circular. These amounts are prior to the application of the Supply Agreement and related transactions and before any incremental costs of being a public company. This includes the removal of certain information systems related costs that were allocated in the Carve-Out Financial Statements of Canada Packers. The income tax expense includes the estimated impact of income taxes on these differences.
- (b). Represents management's estimate of the impact on sales and cost of sales if the Supply Agreement (including the provisions thereof relating to the supply of hogs to Maple Leaf Foods), had been in effect for the period presented.
- (c). Represents management's estimate of costs incurred by Canada Packers, as described in the Transaction Agreements (as defined in the Circular) of the Arrangement, in relation to: the Long Term Services Agreement with Maple Leaf Foods; broker fees associated with the supply of hogs expected to be paid to Maple Leaf Foods for support of Canada Packers' North American sales, and fees expected to be paid to Maple Leaf Foods in respect of intellectual property as detailed in the Supply Agreement, as if these agreements had been in effect for the period presented, as well as the incremental costs of a stand alone public company.
- (d). Represents management's estimate of interest that would have been paid by Canada Packers if it had incurred the amount of debt shown on the Unaudited Pro Forma Balance Sheet as at December 31, 2023 as is contemplated in connection with the Arrangement, for the purpose of funding in part the acquisition of the Pork Operations from Maple Leaf Foods and providing cash for working capital purposes. This assumes no repayments during the year. This assumes an interest rate similar to Maple Leaf Foods' interest rate. The debt estimates used are further described in Note 5.
- (e). Represents management's estimate of the income tax impact of the pro forma adjustments described in Note 4 (b) - (d) above.

5. ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED BALANCE SHEET

In connection with the Arrangement, it is expected that Canada Packers' will obtain debt financing from a syndicate of third-party lenders in an amount, that for the purposes of these Unaudited Pro Forma Financial Statements, is assumed to be \$415 million. These pro forma statements further assume that Canada Packers' will retain \$30 million of these borrowings for general corporate purposes, and will use \$385 million to fund, in part, the acquisition of the Pork Operations from Maple Leaf Foods, in addition to issuing shares to fund the balance of such acquisition. These assumptions form the basis for the pro forma adjustments noted below, and in the calculation of pro forma interest expense described in Note 4(d). Readers should note that the actual terms of the debt financing obtained by Canada Packers may vary from these assumptions. For more information see "The Arrangement – Certain Credit Facilities Matters – New Credit Facilities – New Canada Packers Credit Facilities" in the Circular.

Assets acquired and liabilities assumed by Canada Packers in connection with the Arrangement are transferred at their accounting book value at the time of the transaction.

- (a). Represents an adjustment to reflect a reduction of \$385 million of cash estimated to be paid by Canada Packers to Maple Leaf Foods for the purchase of its Pork Operations in connection with the Arrangement.
- (b). Represents management's estimate of the amount of goodwill that will be transferred to Canada Packers, in connection with the Arrangement, using information as described in Note 14, and the accounting judgements, estimates and policies described in Notes 2 and 3 of Maple Leaf Foods' Consolidated Financial Statements for the year ended December 31, 2024 as filed on SEDAR+ at www.sedarplus.ca. The final amount transferred will be determined at the time of the Spin-Off based on the relative values of the Pork Operations and remaining Maple Leaf Foods operations.

Notes to Pro Forma Consolidated Financial Statements

- (c). Represents the removal of Net Parent Investment and contributed surplus as presented in the Audited Combined Carve-Out Financial Statements of Canada Packers, and recording \$258 million of the book value of share capital created by the portion of the acquisition of Maple Leaf Foods' Pork Operations that is estimated to be funded by share capital.
- (d). Represents adjustments to reflect an increase of \$415 million of cash and an increase of \$415 million of long term debt as a result of third-party debt financing to be obtained by Canada Packers as described above.
- (e). Represents adjustments to reflect the impact of dividends to be paid from Maple Leaf Foods (Japan) Inc., a fully owned subsidiary that is part of Maple Leaf Foods' Pork Operations, to Maple Leaf Foods based on the current cash balance at the balance sheet date of \$18 million prior to the Arrangement, and the settlement of related party receivables of \$7 million reflected in the Carve-Out Combined Financial Statements of Canada Packers immediately prior to the Arrangement.

6. OTHER CONTRACTUAL MATTERS AND COSTS

The Separation Agreement will set forth the agreement between Maple Leaf Foods and Canada Packers Inc. (as predecessor to Canada Packers) ("Subco") with respect to the transfer from Maple Leaf Foods to Subco of the assets related to the Pork Operations and the assumption of certain liabilities and obligations related to the Pork Operations by Subco, including responsibility and liability for certain legal actions.

Maple Leaf Foods is expected to transfer employees to Canada Packers and to transfer certain employee benefit plan assets and liabilities to plans established by Canada Packers. Canada Packers expects to establish benefit plans and arrangements similar to Maple Leaf Foods' plans for the transferred employees.

No pro forma adjustments have been made to the Pro Forma Consolidated Balance Sheet to reflect the transfer of these additional assets and liabilities not included in the Audited Combined Carve-Out Financial Statements of the Pork Operations, including employee benefit plan assets and liabilities, other compensation liabilities and any shared corporate assets because the Separation Agreement and other agreements have not yet been finalized, and amounts are not objectively determinable. Management's best estimate of the expense of employee benefits transferring to Canada Packers has been included in the Pro Forma Consolidated Income Statements, on the basis of Maple Leaf Foods' plans that were in effect during 2024. This does not reflect any estimate or expectation of future performance of these plans and arrangements.

Effective upon completion of the Arrangement, Canada Packers will assume responsibility for all its corporate functions and related costs which have historically been performed by Maple Leaf Foods. Managements' estimate of the costs incurred by Canada Packers as a stand alone entity have been included in the adjustments described in Note 4. However, following the Arrangement, certain of these activities may continue to be performed by Maple Leaf Foods under a transition services agreement for a limited period of time. Any incremental costs of this short-term agreement have not been reflected in the Unaudited Pro Forma Consolidated Financial Statements as the agreement is not yet finalized and costs are not objectively determinable.

7. COMMON SHARES

Canada Packers will be authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. Prior to the Arrangement, Canada Packers had no shareholders or shares outstanding. Upon completion of the Arrangement, it is expected that (assuming no MLF Common Shares are issued prior to completion of the Arrangement and subject to the Adjustment Provision (as defined in the Circular)) approximately 29,513,569 Canada Packers Common Shares will be issued and outstanding and that no preferred shares will be issued and outstanding.

Non-IFRS Measures of Canada Packers

As at and for the Year Ended December 31, 2024,
and for the three months ended March 31, 2024, June 30, 2024, September 30, 2024, and December 31, 2024

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Non-IFRS Measures

Canada Packers uses the following pro forma non-IFRS measures: Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, Normalized Adjusted EBITDA, Normalized Adjusted EBITDA Margin, Adjusted EBT Margin, Adjusted Earnings per Share, Free Cash Flow and Net Debt to Adjusted EBITDA. Management believes that these pro forma non-IFRS measures provide useful information to investors in measuring the financial performance of Canada Packers. These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS. The tables below reconcile IFRS Earnings (Loss) to the indicated non-IFRS measure.

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings, Adjusted EBITDA, and Normalized Adjusted EBITDA:

Year ended December 31, 2024	(A) Canada Packers 2024 Carve-Out MD&A		(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾		Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments		Other Pro Forma Adjustments		Pro Forma Canada Packers
(In thousands of Canadian dollars, except share amounts) (Unaudited)	Notes	Notes	Notes	Notes	Notes	Notes	Notes	Notes	
Sales	\$ 1,658,528	\$ —	\$ —	\$ 1,658,528	(v)	\$ (43,845)	\$ —	\$ 1,614,683	
IFRS Earnings	\$ 108,253	(ii)	\$ 26,991	\$ 135,244	(vi)	\$ (56,879)	\$ —	\$ 78,365	
Interest expense	4,538		—	4,538	(vi)	32,163	—	36,701	
Income taxes	40,234	(iii)	9,092	49,326	(vii)	(19,980)	—	29,346	
Investment property	4,993		—	4,993		—	—	4,993	
(Gains) losses on fair value of biological assets	(63,581)		—	(63,581)		—	—	(63,581)	
(Increase) decrease in derivatives	(2,833)		—	(2,833)		—	—	(2,833)	
Other income	12,218	(iv)	(4,827)	7,391		—	—	7,391	
Adjusted Operating Earnings	\$ 103,822		\$ 31,256	\$ 135,078		\$ (44,696)	\$ —	\$ 90,382	
Other items representative of ongoing operations	(7,392)		—	(7,392)		—	—	(7,392)	
Depreciation	49,739		—	49,739		—	—	49,739	
Adjusted EBITDA	\$ 146,169		\$ 31,256	\$ 177,425		\$ (44,696)	\$ —	\$ 132,729	
Adjusted EBITDA margin	8.8%							8.2%	
Estimate of potential market normalization impact								(viii) ~ 45,000 - 50,000	
Normalized Adjusted EBITDA								(ix) ~185,000	
Normalized Adjusted EBITDA margin								(x) 11.5%	

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iii) Represents management's estimate of the impact to income taxes of the adjustments in Note (i).

(iv) Represents costs associated with the transaction that are included in the Combined Carve-Out Financial Statements of Canada Packers and are representative of the ongoing Canada Packers business.

(v) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement if they had been in place beginning December 31, 2023. Further details are provided in Note 4.

(vi) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(vii) Represents management's estimate of the impact to income taxes on the adjustments in Note (vi).

Non-IFRS Measures

- (viii) Presented for illustrative purposes only, based on management estimates and assumptions, to indicate what the potential impact on Adjusted EBITDA may have been if market conditions during the period presented had reflected normal market conditions, defined as the 5-year pre-pandemic (2015 – 2019) average ("Normal Market Conditions"). Actual market conditions during the period presented were materially different from Normal Market Conditions, and there can be no assurance that actual Adjusted EBITDA would have been impacted in the manner shown if Normal Market Conditions had existed during the period presented, or that actual future market conditions will reflect Normal Market Conditions. This metric is not intended to be indicative of potential financial results for any future period.
- (ix) Defined as Adjusted EBITDA, as described above, plus management's preliminary estimate of the potential impact if market conditions during the period presented had reflected Normal Market Conditions, subject to the qualifications described in Note (viii) above. This metric is presented for illustrative purposes only and is not intended to be indicative of potential financial results for any future period.
- (x) Defined as Normalized Adjusted EBITDA, as described in Note (ix) above, divided by Sales. This metric is presented for illustrative purposes only. This metric is subject to change and is expected to be refined prior to the separation in the same manner as the metrics from which this metric is derived, as noted above. Actual market conditions during the period presented were materially different from Normal Market Conditions, and there can be no assurance that actual Adjusted EBITDA Margin would have been impacted in the manner shown if Normal Market Conditions had existed during the period presented, or that actual future market conditions will reflect Normal Market Conditions. This metric is not intended to be indicative of potential financial results for any future period.

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Year ended December 31, 2024	(A) Canada Packers 2024 Carve-Out MD&A	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Adjusted EBITDA⁽ⁱⁱ⁾	\$ 146,169	\$ 31,256	\$ 177,425		\$ (44,696)	\$ 132,729
Less: depreciation and amortization	(49,739)	—	(49,739)		—	(49,739)
Less: interest expense	(4,538)	—	(4,538)	(iii)	(32,163)	(36,701)
Adjusted EBT	\$ 91,892	\$ 31,256	\$ 123,148		\$ (76,859)	\$ 46,289
Adjusted EBT margin	5.5%					2.9%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.
- (ii) Represents management's estimate of Adjusted EBITDA as reconciled above.
- (iii) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended March 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q1 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 393,865		\$ —	\$ 393,865	(v)	\$ (9,126)	\$ 384,739
IFRS Earnings	\$ 61,112	(ii)	\$ 5,920	\$ 67,032	(vi)	\$ (14,268)	\$ 52,764
Interest expense	884		—	884	(vi)	8,041	8,925
Income tax expense (recovery)	21,875	(iii)	2,065	23,940	(vii)	(5,013)	18,927
Gain on fair value of biological assets	(69,143)		—	(69,143)		—	(69,143)
Unrealized gain on derivative contracts	(1,026)		—	(1,026)		—	(1,026)
Other income	503	(iv)	(191)	312		—	312
Adjusted Operating Earnings	\$ 14,205		\$ 7,794	\$ 21,999		\$ (11,240)	\$ 10,759
Other items representative of ongoing operations	(312)		—	(312)		—	(312)
Depreciation	12,389		—	12,389		—	12,389
Adjusted EBITDA	\$ 26,282		\$ 7,794	\$ 34,076		\$ (11,240)	\$ 22,836
Adjusted EBITDA margin	6.7%						5.9%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.
- (ii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.
- (iii) Represents management's estimate of the impact to income taxes of the adjustments in Note (i).
- (iv) Represents costs associated with the transaction that are included in the Combined Carve-Out Financial Statements of Canada Packers and are representative of the ongoing Canada Packers business.
- (v) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement if they had been in place beginning December 31, 2023. Further details are provided in Note 4.
- (vi) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.
- (vii) Represents management's estimate of the impact to income taxes on the adjustments in Note (vi).

Non-IFRS Measures

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended March 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q1 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Adjusted EBITDA ⁽ⁱⁱ⁾	\$ 26,282		\$ 7,794	\$ 34,076		\$ (11,240)	\$ 22,836
Less: depreciation and amortization	(12,389)		—	(12,389)		—	(12,389)
Less: interest expense	(884)		—	(884)	(iii)	(8,041)	(8,925)
Adjusted EBT	\$ 13,009		\$ 7,794	\$ 20,803		\$ (19,281)	\$ 1,522
Adjusted EBT margin	3.3%						0.4%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Represents management's estimate of Adjusted EBITDA as reconciled above.

(iii) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended June 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q2 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 420,497		\$ —	\$ 420,497	(iv)	\$ (11,847)	\$ 408,650
IFRS Earnings	\$ (22,863)	(ii)	\$ 5,984	\$ (16,879)	(vi)	\$ (15,348)	\$ (32,227)
Interest expense	1,209		—	1,209	(vi)	8,041	9,250
Income tax expense (recovery)	(7,835)	(iii)	2,068	(5,767)	(vii)	(5,391)	(11,158)
Loss on fair value of biological assets	52,488		—	52,488		—	52,488
Unrealized loss on derivative contracts	(2,692)		—	(2,692)		—	(2,692)
Other income	1,508	(iv)	(425)	1,083		—	1,083
Adjusted Operating Earnings	\$ 21,815		\$ 7,627	\$ 29,442		\$ (12,698)	\$ 16,744
Other items representative of ongoing operations	(1,083)		—	(1,083)		—	(1,083)
Depreciation	12,466		—	12,466		—	12,466
Adjusted EBITDA	\$ 33,198		\$ 7,627	\$ 40,825		\$ (12,698)	\$ 28,127
Adjusted EBITDA margin	7.9%						6.9%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iii) Represents management's estimate of the impact to income taxes of the adjustments in Note (i).

(iv) Represents costs associated with the transaction that are included in the Combined Carve-Out Financial Statements of Canada Packers and are representative of the ongoing Canada Packers business.

(v) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement if they had been in place beginning December 31, 2023. Further details are provided in Note 4.

(vi) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(vii) Represents management's estimate of the impact to income taxes on the adjustments in Note (vi).

Non-IFRS Measures

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended June 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q2 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Canada Packers	Pro Forma
Adjusted EBITDA ⁽ⁱⁱ⁾	\$ 33,198		\$ 7,627	\$ 40,825		\$ (12,698)	\$ 28,127	
Less: depreciation and amortization	(12,466)		—	(12,466)		—	(12,466)	
Less: interest expense	(1,209)		—	(1,209)	(iii)	(8,041)	(9,250)	
Adjusted EBT	\$ 19,523		\$ 7,627	\$ 27,150		\$ (20,739)	\$ 6,411	
Adjusted EBT margin	4.6%							1.6%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Represents management's estimate of Adjusted EBITDA as reconciled above.

(iii) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended September 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q3 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 420,158		\$ —	\$ 420,158	(v)	\$ (11,772)	\$ 408,386
IFRS Earnings	\$ 19,429	(ii)	\$ 8,742	\$ 28,171	(vi)	\$ (13,453)	\$ 14,718
Interest expense	1,184		—	1,184	(vi)	8,041	9,225
Income tax expense (recovery)	8,094	(iii)	2,967	11,061	(vii)	(4,727)	6,334
Gain on fair value of biological assets	(3,717)		—	(3,717)		—	(3,717)
Unrealized loss on derivative contracts	2,693		—	2,693		—	2,693
Other income	442	(iv)	(1,299)	(857)		—	(857)
Adjusted Operating Earnings	\$ 28,125		\$ 10,410	\$ 38,535		\$ (10,139)	\$ 28,396
Other items representative of ongoing operations	857		—	857		—	857
Depreciation	12,529		—	12,529		—	12,529
Adjusted EBITDA	\$ 41,511		\$ 10,410	\$ 51,921		\$ (10,139)	\$ 41,782
Adjusted EBITDA margin	9.9%						10.2%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.
- (ii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.
- (iii) Represents management's estimate of the impact to income taxes of the adjustments in Note (i).
- (iv) Represents costs associated with the transaction that are included in the Combined Carve-Out Financial Statements of Canada Packers and are representative of the ongoing Canada Packers business.
- (v) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement if they had been in place beginning December 31, 2023. Further details are provided in Note 4.
- (vi) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.
- (vii) Represents management's estimate of the impact to income taxes on the adjustments in Note (vi).

Non-IFRS Measures

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended September 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q3 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Canada Packers	Pro Forma
Adjusted EBITDA⁽ⁱⁱ⁾	\$ 41,511		\$ 10,410	\$ 51,921		\$ (10,139)	\$ 41,782	
Less: depreciation and amortization	(12,529)		—	(12,529)		—	(12,529)	
Less: interest expense	(1,184)		—	(1,184)	(iii)	(8,041)	(9,225)	
Adjusted EBT	\$ 27,798		\$ 10,410	\$ 38,208		\$ (18,180)	\$ 20,028	
Adjusted EBT margin	6.6%							4.9%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Represents management's estimate of Adjusted EBITDA as reconciled above.

(iii) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended December 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q4 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Pro Forma Canada Packers
Sales	\$ 423,908		\$ —	\$ 423,908	(v)	\$ (11,101)	\$ 412,807
IFRS Earnings	\$ 50,478	(ii)	\$ 6,342	\$ 56,820	(vi)	\$ (13,813)	\$ 43,007
Interest expense	1,260		—	1,260	(vi)	8,041	9,301
Income tax expense (recovery)	18,099	(iii)	1,993	20,092	(vii)	(4,853)	15,239
Loss on fair value of investment property	4,993		—	4,993		—	4,993
Gain on fair value of biological assets	(43,209)		—	(43,209)		—	(43,209)
Unrealized gain on derivative contracts	(1,808)		—	(1,808)		—	(1,808)
Other income	9,765	(iv)	(2,912)	6,853		—	6,853
Adjusted Operating Earnings	\$ 39,578		\$ 5,423	\$ 45,001		\$ (10,625)	\$ 34,376
Other items representative of ongoing operations	(6,853)		—	(6,853)		—	(6,853)
Depreciation	12,355		—	12,355		—	12,355
Adjusted EBITDA	\$ 45,080		\$ 5,423	\$ 50,503		\$ (10,625)	\$ 39,878
Adjusted EBITDA margin	10.6%						9.7%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iii) Represents management's estimate of the impact to income taxes of the adjustments in Note (ii).

(iv) Represents costs associated with the transaction that are included in the Combined Carve-Out Financial Statements of Canada Packers and are representative of the ongoing Canada Packers business.

(v) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement if they had been in place beginning December 31, 2023. Further details are provided in Note 4.

(vi) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(vii) Represents management's estimate of the impact to income taxes on the adjustments in Note (vi).

Non-IFRS Measures

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended December 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q4 2024 Carve-Out MD&A	Notes	(B) Pro Forma Adjustments to Reflect Purchase of Business from MLF ⁽ⁱ⁾	Total of (A) and (B): Acquired Canada Packers Business Prior to Other Pro Forma Adjustments	Notes	Other Pro Forma Adjustments	Canada Packers	Pro Forma
Adjusted EBITDA ⁽ⁱⁱ⁾	\$ 45,080		\$ 5,423	\$ 50,503		\$ (10,625)	\$ 39,878	
Less: depreciation and amortization	(12,355)		—	(12,355)		—	(12,355)	
Less: interest expense	(1,260)		—	(1,260)		(8,041)	(9,301)	
Adjusted EBT	\$ 31,465		\$ 5,423	\$ 36,888	(iii)	\$ (18,666)	\$ 18,222	
Adjusted EBT margin	7.4%							4.4%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. This is further described in Note 4.

(ii) Represents management's estimate of Adjusted EBITDA as reconciled above.

(iii) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Year ended December 31, 2024	(A) Canada Packers 2024 Carve-Out Financial Statements	Notes	(B) Purchase of Business from MLF	Total of (A) and (B): Acquired Canada Packers Business Prior to Pro Forma Adjustments	Notes	Pro Forma Adjustments	Pro Forma Canada Packers
(In thousands of Canadian dollars) (Unaudited)							
Operating cash flow	\$ 111,704	(i)	\$ 25,658	\$ 137,362	(ii)	\$ (84,442)	\$ 52,920
Maintenance capital ⁽ⁱⁱⁱ⁾	(27,741)		—	(27,741)		—	(27,741)
Free Cash Flow	\$ 83,963		\$ 25,658	\$ 109,621		\$ (84,442)	\$ 25,179

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended March 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q1 2024 Carve-Out Financial Statements	Notes	(B) Purchase of Business from MLF	Total of (A) and (B): Acquired Canada Packers Business Prior to Pro Forma Adjustments	Notes	Pro Forma Adjustments	Pro Forma Canada Packers
Operating cash flow	\$ 14,951	(i)	\$ 5,669	\$ 20,620	(ii)	\$ (27,928)	\$ (7,308)
Maintenance capital ⁽ⁱⁱⁱ⁾	(4,549)		—	(4,549)		—	(4,549)
Free Cash Flow	\$ 10,402		\$ 5,669	\$ 16,071		\$ (27,928)	\$ (11,857)

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended June 30, 2024	(A) Canada Packers Q2 2024 Carve-Out Financial Statements	Notes	(B) Purchase of Business from MLF	Total of (A) and (B): Acquired Business Prior to Pro Forma Adjustments	Notes	Pro Forma Adjustments	Pro Forma Canada Packers
(In thousands of Canadian dollars) (Unaudited)							
Operating cash flow	\$ 35,697	(i)	\$ 5,563	\$ 41,260	(ii)	\$ (10,376)	\$ 30,884
Maintenance capital ⁽ⁱⁱⁱ⁾	(7,132)		—	(7,132)		—	(7,132)
Free Cash Flow	\$ 28,565		\$ 5,563	\$ 34,128		\$ (10,376)	\$ 23,752

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended September 30, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q3 2024 Carve-Out Financial Statements	Notes	(B) Purchase of Business from MLF	Total of (A) and (B): Acquired Canada Packers Business Prior to Pro Forma Adjustments	Notes	Pro Forma Adjustments	Pro Forma Canada Packers
Operating cash flow	\$ 34,002	(i)	\$ 8,239	\$ 42,241	(ii)	\$ (17,931)	\$ 24,310
Maintenance capital ⁽ⁱⁱⁱ⁾	(7,769)		—	(7,769)		—	(7,769)
Free Cash Flow	\$ 26,233		\$ 8,239	\$ 34,472		\$ (17,931)	\$ 16,541

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended December 31, 2024 (In thousands of Canadian dollars) (Unaudited)	(A) Canada Packers Q4 2024 Carve-Out Financial Statements	Notes	(B) Purchase of Business from MLF	Total of (A) and (B): Acquired Canada Packers Business Prior to Pro Forma Adjustments	Notes	Pro Forma Adjustments	Pro Forma Canada Packers
Operating cash flow	\$ 27,054	(i)	\$ 6,187	\$ 33,241	(ii)	\$ (28,208)	\$ 5,033
Maintenance capital ⁽ⁱⁱⁱ⁾	(8,290)		—	(8,290)		—	(8,290)
Free Cash Flow	\$ 18,764		\$ 6,187	\$ 24,951		\$ (28,208)	\$ (3,257)

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Net Debt to Adjusted EBITDA:

Year ended December 31, 2024	Canada Packers 2024 Carve-Out Financial Statements				Purchase from Parent		Notes	Pro Forma Adjustments		Pro Forma Canada Packers
(In thousands of Canadian dollars, except ratios) (Unaudited)										
Cash and cash equivalents	\$	18,777	(ii)	\$	(385,000)		(vi), (vii)	\$	396,223	\$ 30,000
Long-term debt		(900)			—		(vi)		(415,000)	(415,900)
Total debt	\$	(900)		\$	—			\$	(415,000)	\$ (415,900)
Net debt	\$	17,877		\$	(385,000)			\$	(18,777)	\$ (385,900)
Adjusted EBITDA⁽ⁱ⁾	\$	146,169	(iii), (iv), (v)	\$	31,256		(viii), (ix)	\$	(44,696)	\$ 132,729
Net Debt to Adjusted EBITDA										2.9

(i) Represents management's estimate of Adjusted EBITDA as reconciled above.

(ii) Represents an adjustment to reflect a reduction of \$385 million of cash estimated to be paid by Canada Packers to Maple Leaf Foods for the purchase of its Pork Operations in connection with the Arrangement.

(iii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iv) Represents management's estimate of the impact to income taxes of the adjustments in Note (iii).

(v) Represents costs associated with the transaction that are included in the Combined Carve-Out Financial Statements of Canada Packers and are representative of the ongoing Canada Packers business.

(vi) Represents adjustments to reflect an increase of \$415 million of cash and an increase of \$415 million of long term debt as a result of third-party debt financing to be obtained by Canada Packers as described above.

(vii) Represents adjustments to reflect the impact of dividends to be paid from Maple Leaf Foods (Japan) Inc., a fully owned subsidiary that is part of Maple Leaf Foods' Pork Operations, to Maple Leaf Foods based on the current cash balance at the balance sheet date of \$18 million prior to the Arrangement, and the settlement of related party receivables of \$7 million reflected in the Carve-Out Combined Financial Statements of Canada Packers immediately prior to the Arrangement.

(viii) Represents management's estimate of the impact of the Transaction Agreements of the Arrangement, and debt funding obtained by Canada Packers, as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(ix) Represents management's estimate of the impact to income taxes on the adjustments in Note (viii).

Non-IFRS Measures

Adjusted Earnings Per Share

Adjusted Earnings per Share is used by management to evaluate financial operating results. It is defined as basic earnings per share and is adjusted on the same basis as Adjusted Operating Earnings. The table below provides a reconciliation of basic earnings per share as reported under IFRS in the Unaudited Pro Forma Consolidated Financial Statements as stated in *Schedule 1* of this Circular to Adjusted Earnings per Share for the year ended December 31, 2024, as indicated below. Management believes this basis is the most appropriate on which to evaluate financial results as they are representative of the ongoing operations of Canada Packers.

Year ended December 31, 2024		Pro Forma Canada Packers			
(\$ per share) (Unaudited)					
Basic earnings (loss) per share		\$			2.68
Items included in other income not considered representative of ongoing operations					0.20
(Increase) decrease in fair value of biological assets					(1.62)
(Increase) decrease in fair value of derivative contracts					(0.07)
Adjusted Earnings per Share		\$			1.19

(\$ per share) (Unaudited)		Quarter ended March 31, 2024	Quarter ended June 30, 2024	Quarter ended September 30, 2024	Quarter ended December 31, 2024
Basic earnings (loss) per share	\$	1.80	(1.10)	0.50	1.47
Items included in other income not considered representative of ongoing operations		0.00	0.00	0.00	0.20
(Increase) decrease in fair value of biological assets		(1.76)	1.35	(0.11)	(1.10)
(Increase) decrease in fair value of derivative contracts		(0.03)	(0.07)	0.07	(0.05)
Adjusted Earnings per Share	\$	0.02	0.18	0.46	0.53

SCHEDULE J: INFORMATION CONCERNING MAPLE LEAF FOODS POST-ARRANGEMENT

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NOTICE TO READER

The following describes the business of Maple Leaf Foods following the completion of the Arrangement and should be read together with the unaudited pro forma financial statements of Maple Leaf Foods contained in *Schedule “K”* to the Circular. Unless otherwise indicated, the disclosure in this *Schedule “J”* has been prepared assuming that the Arrangement has been completed as described in the body of the Circular. Accordingly, this *Schedule “J”* contains significant amounts of forward-looking information. Readers are cautioned that actual results may vary. See “Forward Looking Information” in the Circular.

Unless otherwise defined herein, all capitalized words and phrases used in this *Schedule “J”* have the meanings given to such words and phrases in the Circular.

The financial information contained in this *Schedule “J”* is presented in Canadian dollars and, unless otherwise indicated, has been prepared in accordance with IFRS as issued by the International Accounting Standards Board. Unless otherwise specified or the context otherwise requires, all references to “\$” are to Canadian dollars and all references to “US\$” are to United States dollars.

NON-IFRS MEASURES

This *Schedule “J”* makes reference to certain non-IFRS measures and ratios, including Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT, Free Cash Flow, Adjusted EPS and Net Debt to Adjusted EBITDA. These measures and ratios are not recognized measures under IFRS, and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other companies.

Refer to the heading “Pro Forma Consolidated Non-IFRS Measures” in the unaudited pro forma financial statements of Maple Leaf Foods as of and for the year ended December 31, 2024 (the “MLF Pro Forma Financial Statements”) included in *Schedule “K”* to this Circular for more information about these measures and ratios, including reconciliations to the most directly comparable IFRS measures.

CORPORATE STRUCTURE

INCORPORATION

Maple Leaf Foods Inc. (Les Aliments Maple Leaf Inc.) is a public company that was incorporated under the Canada Business Corporations Act. The Corporation’s common shares trade on the TSX under the symbol “MFI” and its registered and principal office is located at 6897 Financial Drive, Mississauga, Ontario L5N 0A8. Copies of the Corporation’s constating documents, including its articles and bylaws are available on SEDAR+ at www.sedarplus.ca and on the Corporation’s website at www.mapleleaffoods.com.

DESCRIPTION OF THE BUSINESS

BUSINESS OF MAPLE LEAF FOODS

Overview

Maple Leaf Foods is a leading Canadian consumer packaged goods (“CPG”) protein company dedicated to delivering sustainable, innovative protein products to meet the evolving needs of customers and consumers. Its portfolio includes well-known leading brands such as Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Schneiders Country Naturals®, Mina®, Greenfield Natural Meat Co.®, Lightlife®, and Field Roast™.

Its beloved and well-recognizable packaged meat brands in Canada, including Schneiders® and Maple Leaf®, occupy the #1 and #2 positions in this category. In addition, Maple Leaf Foods has the #1 sustainable meats brand in Canada and #3 in the U.S. with its Greenfield Natural Meat Co.® brand, and in poultry, its Maple Leaf Prime® brand is the #1 Canadian fresh poultry brand and Mina® is the #1 Halal poultry brand in Canada.

The Corporation offers a range of prepared foods and poultry products, including a comprehensive selection of premium and value-added products, together with regional and private label offerings and an increasing selection of products that will appeal to a diverse population.

To reach a breadth of consumers, Maple Leaf Foods has a sales portfolio that spans various well-established distribution channels, serving retail, foodservice, and industrial markets in North America. Achieving a favourable sales mix between these channels will continue to be a focus for the Corporation.

As a focused protein company, the Corporation employs approximately 9,800 people and operates two distribution centers, three hatcheries, and 19 manufacturing facilities in Canada and the U.S., including three plant protein processing facilities in the U.S. This manufacturing network, which includes its recently completed world-class London Poultry plant and its Bacon Center of Excellence, provides the Corporation with both a robust platform to grow its business and an opportunity to further optimize utilization and efficiency to drive cost competitiveness. Its supply chain model is set up to provide security of supply of high-quality protein, primarily through its integrated poultry operations and the durability of the Supply Agreement with Canada Packers.

Further, Maple Leaf Foods is strategically positioned to lead in areas such as sustainable meats (including RWA) and to deliver differentiated product offerings through known and trusted brands, all while maintaining an emphasis on efficiency and cost effectiveness.

Always grounded in its commitment to deliver shared value for all its stakeholders, Maple Leaf Foods seeks to deliver great-tasting food while leading the way in sustainability practices. Blending responsible sustainability choices in the production of the Corporation's products with its commitment to the community and reducing food insecurity is part of Maple Leaf Foods' competitive advantage.

Company Vision and Purpose

As a purpose-driven company, Maple Leaf Foods has an inspiring vision to become the most sustainable protein company on Earth. Driven by this vision, together with its purpose to Raise the Good in Food, the Corporation believes in creating shared value by delivering commercial and financial results that sustain the business, while engaging in social issues, advocating for solutions and building trust with stakeholders in order to contribute to positive societal outcomes that make the planet a better place. The Corporation's vision and purpose are deeply embedded within the organization and inform its decision-making and strategies which evolve over time.

Strategic Blueprint

The Corporation's Strategic Blueprint reflects the next phase in the evolution of achieving its vision. The Corporation is focused on delivering on its full potential as a consumer packaged goods protein company that is anchored in innovation, the strength of its leading brands and its sustainability leadership, while also expanding its geographic reach and leveraging its diversified protein portfolio to meet growing consumer demand. The Strategic Blueprint outlines how Maple Leaf Foods intends to pursue its objectives of capitalizing on the growing protein market opportunity and delivering shared value to its stakeholders by:

1. **Leading the Way** through its commitment to making better food, taking better care and nurturing a better planet.
2. **Building Loved Brands** through its focus on growing the relevance of its portfolio of leading brands, delivering impactful innovation, and leveraging its unique capabilities.
3. **Broadening Its Impact** by expanding geographic reach, developing new channels and categories and diversifying its protein portfolio.
4. **Operating with Excellence** by harnessing advanced technologies, applying data science and analytics, and driving cost efficiency.
5. **Developing Extraordinary Talent** by further embedding its values-based culture, investing in future ready leaders and inspiring enduring engagement.

Maple Leaf Foods intends to implement its Strategic Blueprint through the following initiatives:

Protein Focused: As a protein focused consumer packaged goods company, Maple Leaf Foods seeks to respond to the growing global demand for protein, as further described below under the heading "Description of the Business – Business of Maple Leaf Foods – Competitive Environment and Market Conditions," by accelerating its differentiated value proposition. The Corporation aims to deliver delicious, high-quality protein that meets modern needs across a diverse portfolio of channels, consumer preferences and lifestyles.

Leading Brands: Maple Leaf Foods intends to invest in its leading brands in order to build for the future, utilizing brand strategies that resonate effectively in an evolving consumer environment. The Corporation has already built a house of brands that consumers know and love, each with unique constituencies and reach, and it will continue to leverage this foundation to keep pace with the reshaping of the protein landscape across all categories.

Consumer Focused Innovation: Maple Leaf Foods' innovation strategy is to build on the Corporation's core strength of meeting consumers where they are and anticipating their evolving needs. By bringing together innovation in food taste, nutrition and experience across multiple channels, together with manufacturing technology and digital marketing capabilities, the Corporation intends to continue to expand its category-defining innovation in areas such as sustainable meats, snacking, and meal solutions.

Sustainability: Driven by its unwavering vision to be the most sustainable protein company on earth, Maple Leaf Foods has been a leader for nearly a decade and remains committed to being a leader in advancing environmental performance, animal care, food and people safety, while contributing to the essential efforts to reduce food insecurity and positively contribute to the communities it serves.

Geographic Reach: Expanding geographic reach is one of the core pillars of the Corporation's growth strategy. Maple Leaf Foods has reorganized its structure, with integrated sales teams and focused leadership, to position itself for growth in the U.S., a key market with significant growth potential, and to capitalize on opportunities to access niche markets with its sustainable protein offerings.

Efficiency and Optimization: Building on the successful completion of the first phase of its "Fuel for Growth" initiative, Maple Leaf Foods intends to continue to sharpen its cost focus, advance its operational excellence playbook and strengthen its competitive edge by delivering supply chain optimization, adapting its manufacturing network, enhancing utilization and productivity, and realizing the benefits of cost savings initiatives.

As a foundation to its strategy, Maple Leaf Foods intends to follow a disciplined and balanced approach to maintaining its strong financial position and related capital allocation strategy. Maple Leaf Foods remains committed to its long-standing history of annual dividend per share increases, as exemplified by its 11.6% compound annual growth rate over the ten-year period from 2015 through 2025. Capital allocation decisions will be guided by the principles of maintaining a leverage ratio within investment-grade levels; practicing disciplined capital investment in organic and non-organic growth and efficiency opportunities; and returning capital to shareholders through dividends and other shareholder return-oriented capital allocation tools, as appropriate.

Principal Operations of Maple Leaf Foods

Maple Leaf Foods is a CPG company producing and selling processed and value-added packaged meat products, fresh poultry products and plant protein. It sells into a diversified channel mix, including retail, food service and industrial channels, with the majority of its business being in the retail channel, sold under its portfolio of leading consumer brands. It also produces and supplies private label products for its customers, driven by the nature of the Canadian market, where it sells to many large retailers and foodservice customers. Maple Leaf Foods' portfolio is comprised of its Prepared Foods and Poultry operations.

The Corporation has a world-class supply chain with capacity to support growth across its two distribution centers, three hatcheries, and 19 manufacturing facilities in Canada and the U.S, including three plant protein processing facilities in the U.S. The Corporation also has its ThinkFood! Innovation Center in Mississauga, Ontario, and its Innovation Center of Excellence in Chicago, Illinois, each with unique capabilities supporting the Corporation's innovation platforms.

Prepared Foods

The Prepared Foods portfolio will represent approximately 75% of Maple Leaf Foods' annual revenues. The portfolio is built on a strong suite of over 25 brands sold across a broad range of categories, covering both plant and meat protein. Maple Leaf Foods' portfolio of leading brands is comprised of some of the most well-recognizable packaged meat brands in Canada, including Schneiders® (#1) and Maple Leaf® (#2), whose history dates back more than 100 years. The Corporation owns the #1 sustainable meats brand in Canada and #3 in the U.S. (Greenfield Natural Meat Co.®), as well as brands that cater to customers from diverse backgrounds, reflecting the changing demographics in North America. Through its leading plant protein brands, including Lightlife® and Field Roast™, Maple Leaf Foods ranks #1 in tempeh, #1 in plant-based hot dogs and #1 in plant-based bacon and #3 in the refrigerated plant protein category.

Poultry

Maple Leaf Foods' Poultry operations will represent approximately 25% of Maple Leaf Foods' annual revenues and consists of leading brands like Maple Leaf Prime® (#1 Canadian fresh poultry brand) and Mina® (#1 Halal poultry brand in Canada). In addition to selling branded and private label products to the Corporation's retail and foodservice customers, the Poultry operations also provide an integrated source of supply for the Corporation's Prepared Foods portfolio.

The Corporation's scale, world-class London Poultry facility, located in London, Ontario is equipped with industry-leading technology and unique capabilities, including certified halal hand-slaughter. The Corporation also owns and operates three hatcheries, and partners with approximately 500 registered independent poultry farmers across the country with capabilities to supply sustainable meats, including RWA and organic.

The poultry industry is governed by Canada's supply management system. Within this system, Maple Leaf Foods holds: (i) Canadian hatching egg producers' quota which permits it to hatch eggs, and (ii) plant supply quota for its chicken processing plants in Ontario which allow it to acquire live chicken for processing. Due to the supply management system, the Corporation's Poultry sales are mostly within the Canadian market.

Raw Material Supply

Maple Leaf Foods sources its raw materials and ingredients from a variety of suppliers. The majority of the meat raw materials for its portfolio will, in the case of pork, be sourced through the Supply Agreement with Canada Packers and, in the case of poultry, through the Corporation's own integrated Poultry operations. It will also source some meat raw materials as commodities on the open market, either directly from third party suppliers or through brokers in Canada or the U.S. Prices for meat raw materials prices fluctuate based on demand and available supply, with pork primarily being priced based on USDA markets. Consistent with typical North American practice, pork pricing under the Supply Agreement will be based on USDA formula pricing.

The Corporation's plant protein products are made primarily from textured soy, soybeans and soy isolates and wheat gluten from a global network of suppliers. Historically, input prices were relatively predictable and not highly susceptible to commodity price swings; however, in the post-pandemic environment, there was a notable increase in input commodity prices which affected plant protein's supply chain, sourcing strategy and pricing strategy. Volatility largely subsided in 2024, and commodity pricing has essentially returned to pre-pandemic levels.

The Poultry processing operations in Canada function within a highly regulated environment where live supply is controlled by marketing boards and other government agencies. The Corporation's live chicken supply for its Poultry operations is purchased through supply marketing boards that regulate both the supply and the cost of chickens.

Maple Leaf Foods sources other ingredients and packaging materials from various vendors across North America to ensure that the Corporation can get the most competitive pricing to optimize its operating costs.

Principal Products, Customers and Markets

Maple Leaf Foods primarily sells value-added packaged meat products spanning across over 25 categories in both retail and foodservice. As a CPG company strategically focused on protein products, the Corporation produces and sells most of its products through its brands in both the retail and foodservice channels. Maple Leaf Foods has a national presence across the Canadian market with large retailers. In foodservice, the Corporation often partners with large quick-service-restaurants and other foodservice chains to produce and market its products.

The Corporation participates in a variety of different categories, which includes sliced meats, further processed poultry, bacon (uncooked and pre-cooked), whole hams and specialty meats, wieners and sausages, boxed meats, deli piece products, pastries, snack foods, lunch and family kits, meal solutions and others. It also participates in many different alternative protein, alternative dairy and other novel plant protein categories like plant-based burgers, plant-based meatballs, plant-based dogs, plant-based grounds, plant-based deli, plant-based roasts, plant-based chicken, plant-based breakfast, tempeh and plant-based cheese.

Maple Leaf Foods' business is primarily in the Canadian market, apart from its plant protein business which is primarily in the U.S. Maple Leaf Foods has significantly expanded and grown its overall U.S. business in recent

history, particularly by leveraging its sustainable meats portfolio and brands. The U.S. represents a tremendous growth opportunity due to the large size of the market and many regional markets with varying levels of competition.

Maple Leaf Foods exports to some international countries outside of Canada and the U.S.; however, these markets do not represent a material portion of its business today. Management believes there are business opportunities outside of North America that the Corporation can pursue in the future either through exporting or foreign direct investment.

Maple Leaf Foods sells products into a variety of channels including retail (including major grocery chains, independent grocery outlets, large discount stores, eCommerce platforms, and retail and wholesale buying groups); foodservice restaurants and distributors; institutional buyers; and other food processors. Most of the Corporation's revenues are generated from the retail channel through its portfolio of consumer brands.

Competitive Environment and Market Conditions

Overview

Maple Leaf Foods sees significant opportunities for growth in the North American market. Protein consumption has been on the rise across all generations driven by multiple motivations. From the rise of health and fitness culture amongst Millennials and Generation Z to an aging population increasingly focusing on longevity, more people seek out protein consumption when making purchases at the grocery store. According to the Numerator Visions report on consumer trends for 2025, protein is the #1 macronutrient of which consumers seek to increase consumption. This increase in demand is expected to continue, driven by such factors as: population growth; rising affluence and associated increased demand; dietary shift toward protein-rich foods; and demand for premium sustainably raised food. Maple Leaf Foods' premium offerings, together with its access to North American markets, positions it well to capitalize on this growing protein demand.

Demand for protein represents a growing market opportunity driven by powerful and converging consumer trends. Global protein consumption is projected to double by 2050,¹ and the following trends in the industry are expected to drive similar growth in North American protein consumption:

- **Demographic Shifts:** Aging populations in key markets like Canada (+68% by 2037²) and the U.S. (+47% by 2050³) have increased protein needs for healthy aging, supported by NIH research indicating higher protein intake requirements with age to combat muscle loss and maintain functionality.⁴
- **Health and Wellness Focus:** Consumers are increasingly prioritizing protein-rich diets for overall health, muscle health, satiety, and weight management. Notably, 74% of consumers say, "Eating meat is an important part of my diet" and 61% of consumers are increasing their protein intake in 2024, up from 48% in 2019.⁵ Numerator's 2025 Visions Report identifies protein as the top macronutrient consumers plan to track.⁶
- **Rising Incomes and Urbanization:** These ongoing global trends contribute to greater demand for animal-derived protein. Urban consumers' busy lifestyle is increasing the demand for convenience as consumers look for on-the-go snacks or prepared food offerings (e.g. ready-to-cook or ready-to-eat) with high protein content.^{7,8}
- **Growing Health and Fitness Culture:** Particularly prevalent among younger generations, this trend fuels demand for performance nutrition and protein-rich products.

¹ World Economic Forum (2019), *Meat: The Future - A Roadmap for Delivering 21st-Century Protein*

² Canadian Institute for Health Information (2017), *Infographic: Canada's seniors population outlook: Uncharted territory*

³ U.S. Census Bureau (2023), *National Population Projections Tables : Main Series*

⁴ National Institutes of Health (2016), *Protein Consumption and the Elderly: What is the Optimal Level of Intake?*

⁵ Cargill (October 2024), *Power of Protein Report*

⁶ Numerator (2025), *Visions 2025 Consumer Trends Report*

⁷ Nielsen IQ (May 30, 2024), *State of Snacking: What the Data Shows*

⁸ Mintel (2024), *Canada Prepared Meals Market Report 2024*

- **The GLP-1 Opportunity:** The significant rise in popularity of GLP-1 drugs for weight loss is creating a new segment of consumers actively seeking protein-dense foods to counteract potential muscle loss. Data shows a substantial increase in GLP-1 prescriptions, with an estimated 41.7% of users using the drugs for weight loss purposes and do not have a type 2 diabetes diagnosis. Morgan Stanley indicates these users are increasing their consumption of diet products and protein-rich options like bars, shakes, and supplements.⁹
- **Sustainably-Minded Protein Consumers:** Two in three consumers say they are very concerned about sustainability, with most saying their worry has increased over the past two years. Whether coming from a place of true concern or just to feel virtuous, consumers want to make more sustainable choices, which has led to more than half of consumers reporting sustainability in their top four purchase criteria.¹⁰ Midan's Sustainability Profile Report indicates roughly 17% of meat consumers fall into the category of consumers who consider sustainability "a great deal" when purchasing meat, and almost one third of meat consumers think about sustainability when purchasing meat.¹¹

This confluence of factors is reshaping the food landscape, with protein gaining prominence across diverse categories, from traditional meats to snacks, dairy, frozen meals and others. This dynamic and sustained growth in demand for protein presents a compelling and substantial opportunity for the Corporation to leverage its expertise and product portfolio to deliver significant value to investors. By focusing on protein, it is directly addressing a market with strong, long-term growth fundamentals.

The protein industry in Canada is highly competitive and includes competition from foreign manufacturers, mostly from the U.S. Major competitors include several multinational food companies, and national and regional manufacturers; however, the specific number of competitors and the degree of competition varies by product and region.

Prepared Foods competition

Prepared Foods operates in a competitive market with many players. Competition occurs at the category level, and companies tend to focus on stewarding key categories. There are over fifteen categories in the prepared meats industry in Canada, with Maple Leaf Foods playing a leading role in many of these categories. The Corporation also enjoys a leading position in the refrigerated, plant-based protein category in the U.S., and competes in the frozen meat alternatives, meals and entrees, and plant-based cheese categories. By covering this full suite of meat and plant-based protein choices, its product offerings have broad appeal to consumers who look to incorporate both meat and plant protein into their diets.

Poultry competition

In Poultry, the Corporation competes within Canada, a market characterized by its supply management system. The poultry market generally benefits from strong consumer demand, with poultry being one of the most consumed proteins in Canada. Because of the supply management system, the Corporation does not export any material volumes of poultry.

Commodity markets

Upon completion of the Arrangement, the Corporation intends to enhance its focus as a value-added CPG company with reduced exposure to commodity markets. For example, in Poultry, financial performance will continue to be influenced by domestic supply allocations as part of the supply management system, as well as global feed costs. In addition, the price it pays for its pork supply, including under the Supply Agreement, will be influenced by commodity market pricing. The Corporation is continuing in its efforts to minimize the influence of underlying commodity prices by focusing on sustainability and value-added products, and by increasing operating efficiencies to improve its competitive position. Refer to the Foreign Operations, Currency, and Pricing sections of the Corporation's 2024 Annual Information Form (as filed on SEDAR+) for further information on market conditions.

⁹ Morgan Stanley (September 5, 2023), *Could Obesity Drugs Take a Bite Out of the Food Industry?*

¹⁰ Bain & Company (2023), *The Visionary CEO's Guide to Sustainability*

¹¹ Midan Marketing (August 5, 2024), *Today's Sustainably Minded Meat Consumers*

Intellectual Property

As a CPG company, Maple Leaf Foods relies heavily on brand recognition and loyalty and places a great deal of emphasis on its established range of trademarks. The Corporation believes its brands are recognized by consumers for quality and reliability.

The Corporation's key brands in its Prepared Foods product lines include, but are not limited to:

Maple Leaf®	Cappola™	Klik®	Pepperettes®
Maple Leaf® Natural Selections®	Chao Creamery™	Larsen®	Red Hots®
Maple Leaf® Natural Top Dogs™	Deli Express®	Lightlife®	Shopsy's®
Maple Leaf Prime®	Fantino & Mondello®	Lunch Mate®	Shopsy's® Deli-Fresh®
Ready Crisp®	Field Roast™	Main Street Deli®	Sila®
Schneiders®	Grab 'N Snack™	Mère Michel®	Sunrise®
Schneiders® Blue Ribbon®	Greenfield Natural Meat Co.®	Mina®	Swift®
Schneiders® Country Naturals®	Holiday®	Mitchell's™	Swift Premium®
Schneiders Deli Best®	Hot Rod®	Oh Nature!!®	Viau®
Big Stick!®	Hygrade®	Oktoberfest®	
Bittner's®	Juicy Jumbos®	Olympic®	
Burns®	Kam®	Parma®	

The Corporation routinely introduces new products for consumers and customers under its brands. The new products are derived from plant protein, chicken, pork, turkey and beef, and include fresh and frozen meat offerings, ready-to-heat refrigerated entrees, family-size deli offerings, ethnic offerings, lunch kits and fresh protein snacks.

Other intellectual property of the Corporation includes domain names, packaging designs, as well as trade secrets, confidential information and know-how, including product formulations and specifications.

Safety

Occupational Health and Safety (OHS) is a top priority for the Corporation. The OHS mandate remains clear – a goal of zero occupational injuries in the workplace, driven by the commitment to employee safety.

Currency

A portion of the Corporation's revenues and costs are either denominated in or directly linked to other currencies (primarily U.S. dollars). In periods when the Canadian dollar has appreciated both rapidly and materially against these foreign currencies, revenues linked to U.S. dollars are immediately reduced, while the Corporation's ability to change prices or realize natural hedges may lag the immediate currency change. The effect of such sudden changes in exchange rates can have a significant immediate impact on the Corporation's earnings. Due to the diversity of the Corporation's operations, normal fluctuations in other currencies do not generally have a material impact on the Corporation's profitability in the short term due to either natural hedges and offsetting currency exposures (for example, when revenues and costs are both linked to other currencies) or the ability in the near term to change prices of its products to offset adverse currency movements. However, as the Corporation competes in international markets, and faces competition in its domestic markets from U.S. competitors, significant changes in the Canadian to U.S. dollar exchange rate can have, and have had, significant effects on the Corporation's relative competitiveness in its domestic and international markets, as well as on its financial condition and results of operations.

During 2024, the U.S. dollar, on average strengthened relative to the Canadian dollar by 1.5%. In general, a stronger U.S. dollar increases the value of the Corporation's U.S. dollar denominated sales. Conversely, it increases the cost of raw materials and ingredients across the business. Over the longer-term, a stronger U.S. dollar increases the relative competitiveness of the domestic Canadian packaged goods operation, as imports of competing products from the U.S. become less competitive, and exporting into the U.S. market becomes more attractive to the Corporation.

The Corporation manages currency fluctuations through a combination of risk management contracts and pricing strategy.

Key Customers

For the year ended December 31, 2024, the Corporation reported sales to two customers representing 14.2% and 13.6%, respectively, of total sales. No other sales were made to any one customer that represented in excess of 10.0% of total sales.

Employees

The Corporation will employ approximately 9,800 people of which approximately 5,900 will be covered by 15 collective agreements. These agreements are normally negotiated for varying terms, and in any given year, a number of these agreements expire and are renegotiated; most renew without significant issues. However, if a collective agreement covering a significant number of employees or involving certain key employees were to expire and lead to a work stoppage, there can be no assurance that such work stoppage would not have a material adverse effect on the Corporation's financial condition and results of operations

Key collective agreements to be negotiated in 2025 include the agreements at the Brantford, Ontario poultry plant in Ontario, which scheduled for closure in 2025 (only wages will be negotiated per the closure agreement) and the Lagimodiere plant in Winnipeg, Manitoba.

Environmental Sustainability

Overview

Maple Leaf Foods is committed to maintaining high standards of environmental responsibility and positive relationships in the communities where it operates. It operates within the framework of a policy entitled "Our Environmental Sustainability Commitment" that is approved by the Board of Directors' Safety and Sustainability Committee (the "SSC"). The Environmental Sustainability Commitment can be found on the Corporation's website.

The Corporation's environmental program is monitored on a regular basis by the SSC, including compliance with regulatory requirements and the use of internal environmental specialists and independent, external environmental experts. The Corporation continues to invest in environmental infrastructure related to water, waste, and air emissions to ensure that environmental standards continue to be met or exceeded, while implementing procedures to reduce the impact of operations on the environment.

Expenditures related to current environmental requirements are not expected to have a material effect on the financial position or earnings of the Corporation. However, it is possible that events could occur causing environmental expenditures to be significant and have a material adverse effect on the Corporation's financial condition or results of operations. Such events could include, but not be limited to, additional environmental regulation or the occurrence of an adverse event at one of the Corporation's locations. As a large food company, there are health, environmental, and social issues that go beyond short-term profitability that the Corporation believes must shape its business if it is to realize a sustainable future. Increasingly, moving beyond compliance to materially reducing the Corporation's environmental footprint is critical to addressing mounting planetary environmental issues and realizing increased operating efficiencies and cost reductions.

Maple Leaf Foods is advancing work on a number of fronts to accelerate reductions across its key environmental performance indicators for GHG emissions (Scope 1-3) as well as waste, water, and energy use within its manufacturing operations. These actions include executing on-the-ground action plans across its network.

Drawing on best available science, together with new standards and protocols the Corporation continues to re-evaluate its key environmental performance indicators to set new, meaningful, science-backed environmental targets. As Maple Leaf Foods re-sets its formal targets, it will not slow its efforts to reduce its environmental footprint and will continue to be a thought leader in climate change and pursue its commitment to be a world leader in sustainability.

Science-Based Targets

Science-Based Targets ("SBT"s) provide companies with a pathway to specify how much and how quickly companies are expected to reduce GHG emissions to meet the requirements of the global Paris Climate Accord. The Science- Based Target initiative ("SBTi") has previously approved Maple Leaf Foods' SBTs for GHG emissions reduction.

The SBTi verified the Corporation's comprehensive carbon inventory that was developed in accordance with the internationally accepted Greenhouse Gas Protocol which, in turn, was developed by the World Resources Institute and World Business Council for Sustainable Development.

SBTi has recently established new requirements for Food, Land, and Agriculture (FLAG) sectors. The Corporation is assessing these requirements and the implications for its target setting going forward. Along with refreshing its other environmental targets, the Corporation is assessing these new SBT requirements to update its GHG emissions targets in line with the best available science and alignment with evolving global reporting standards and viable decarbonization pathways.

The Corporation manages its sustainability goals through a combination of prioritizing avoidance and reductions in its GHG emissions and purchasing high-impact environmental project verified emissions reduction credits to offset currently unavoidable emissions. Through this methodology, it neutralizes its Scope 1 & 2 emissions and a portion of its Scope 3 GHG emissions.

Credit Facilities

In April 2025, Maple Leaf Foods and Subco each entered into a commitment letter with a Canadian chartered bank affiliated with BMO Capital Markets. In connection therewith, as of the date hereof, third party lenders committed to provide the New Credit Facilities that are expected to replace the Existing Credit Facility upon completion of the Arrangement. See "The Arrangement – Credit Facilities Matters" in the Circular for a description of the New Credit Facilities.

RISK FACTORS

Below are certain risk factors relating to Maple Leaf Foods that shareholders should carefully consider in connection with the Arrangement. The following information is a summary of only certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information that appears elsewhere in or is incorporated by reference into this Circular. Additional risk factors relating to Maple Leaf Foods in connection with the Arrangement are set out in the body of the Circular. These risks and uncertainties are not the only ones facing Maple Leaf Foods. Additional risk and uncertainties not presently known to Maple Leaf Foods, or that it currently considers immaterial may also impair Maple Leaf Foods' business operations.

Risks Relating to Maple Leaf Foods' Business and Industry

Supply Agreement Risk

Following the Arrangement, Canada Packers will be Maple Leaf Foods' primary supplier of pork for its Prepared Foods operations. This supply will be governed by the Supply Agreement, which is intended to provide the Corporation with a secure supply of RWA, OPG and conventional pork to meet the Corporation's requirements for its Prepared Foods operations.

There are risks relating to the Supply Agreement for each of Canada Packers and Maple Leaf Foods, which exposes both companies to risks associated with the other's business operations and financial viability. Under the Supply Agreement, Canada Packers is required to satisfy certain production volume and quality requirements prescribed

by Maple Leaf Foods, and Maple Leaf Foods will (i) provide brokerage and customer management services for Canada Packers' North American customers and (ii) license intellectual property and trademarks to Canada Packers, and earn fees for providing such services and for licensing these rights.

The maximum number of hogs that Maple Leaf Foods can cause Canada Packers to raise is based on the Corporation's five-year demand plan at the time of entering into the Arrangement. It is possible that this supply may not be sufficient to meet Maple Leaf Foods' long-term requirements depending on how the demand for RWA and OPG products evolves over time. If this is the case, the Corporation and Canada Packers would need to agree on the terms upon which incremental supply would be made available, or the Corporation would need to find alternative sources of supply to meet its incremental needs. There is no guarantee that Maple Leaf Foods and Canada Packers could reach such an agreement or that the Corporation could find such alternative sources.

In the year-over-year cycle, Maple Leaf Foods will provide annual hog and raw material forecasts to Canada Packers. In this cycle, there is risk that the turnover time to grow hogs will not align with the Corporation's demand for raw material. Further, Maple Leaf Foods' forecasts may be inaccurate. If the forecast under-estimates the Corporation's RWA or OPG hog requirements, the Corporation may be limited in its ability to secure sufficient raw materials from Canada Packers.

Any unforeseen changes in short-term demand within the two-week period between Maple Leaf Foods' order commitment to the delivery of the pork raw materials may not be accommodated by Canada Packers, potentially resulting in supply shortages or surplus in the short-term.

There can be no assurance that Canada Packers will be able to fulfill its obligations under the Supply Agreement. As a result, the exercise by Maple Leaf Foods of its remedies in the event of a default or potential default, the termination of the Supply Agreement, and/or the inability of Maple Leaf Foods to find alternative suppliers could have a material adverse impact on its financial condition and results of operations.

Canada Packers will also grant to Maple Leaf Foods the Option to Purchase and the Right of First Refusal. The Option to Purchase and the Right of First Refusal will be subject to any necessary approvals, which may include shareholder approval.

See "The Arrangement – Transaction Agreements – Supply Agreement" in the Circular for a description of the terms of the Supply Agreement.

Global Market and Economic Conditions

Maple Leaf Foods' business operations and financial condition are materially affected by global market and economic conditions, including the associated government actions ranging from global conflict to tariffs and other trade barriers. These conditions can contribute to inflationary pressures; increased costs; tariff and non-tariff barriers to trade; changes in customer and consumer behaviour; disruption in global and local supply chains, limiting the availability of key inputs for the Corporation's operations as well as its ability to ship products to market; disruptions in international trade and access to markets; operational restrictions; reduced ability to execute product innovation initiatives; counterparty credit risk; and volatility in financial and commodity markets. Depending on the continued evolution of the instability that has marked global economic conditions since the pandemic, the impact may increase the effect of the other risks described in this *Schedule "J"* and the Circular.

Competition and the Activities of Competitors and Customers

The food industry is intensely competitive. In many product categories in which the Corporation operates there are low barriers to entry. Competition is based on factors such as product availability, product quality and taste, price, brand recognition, product variety, product packaging and design, shelf space, reputation, nutritional and other claims, effective promotions, and the ability to target changing consumer preferences. The Corporation may experience price pressure as a result of, among other things, competitors' promotional effort and strategies to increase market share, as well as in product categories characterized by low-capacity utilization.

Competitive pressures from existing competitors, as well as new entrants into various markets could result in reduced sales, margins, profits, and market share, all of which could have a material adverse effect on the Corporation's financial condition and results of operations. The Corporation experienced intense competitive

pressure in the plant protein space in anticipation of high growth rates, which was followed by significant market contraction which required the Corporation to change its strategy, but there is no guarantee that its plant protein business will deliver profitable growth going forward.

Overall, the Corporation's ability to increase revenue and execute its business strategy depends in part on its ability to cost-effectively attract new customers and consumers and retain existing customers and consumers. If the Corporation is unable to do this, its business, financial condition and operating results may be materially adversely affected. Further, if customers or consumers do not perceive the Corporation's product offerings to be of sufficient value and quality, or if it fails to offer new and relevant product offerings, it may not be able to attract or retain customers or engage existing customers so that they continue to purchase products. For example, if growth in demand for sustainable meat does not materialize or if the expected benefits associated with brand renovation are not realized, the Corporation may not reach its longer-term strategic goals.

The Corporation competes with other companies who may have greater financial and other resources, lower operating costs and lower cost of capital. In some instances, this could force the Corporation to lower prices, resulting in lower profitability or, in the alternative, cause it to lose market share if it fails to lower prices. Consumers may also choose to trade-down to lower priced competitive products, including private label products, in the face of inflationary pressures which could put pressure on the Corporation's performance. In addition, some competitors may be more innovative, have more resources and/or be able to bring new products to market faster. This could put the Corporation at a disadvantage in keeping up with the pace of innovation and ability to introduce new products that appeal to evolving consumer trends.

Overall, these competitive pressures, together with customer and consumer behaviour, could cause the Corporation to lose market share, which may require it to lower prices, increase marketing and advertising expenditures, and/or increase the use of discounting or promotional campaigns, each of which could adversely affect its margins, could result in a decrease in its operating results and profitability and cause it to miss the growth targets it has set.

Product Pricing

Maple Leaf Foods' profitability will be dependent, in large part, on Maple Leaf Foods' ability to make pricing decisions regarding its products that, on one hand encourage consumers to buy, yet on the other hand recoup development and other costs associated with those products. Products that are priced too high will not sell and products priced too low will not generate an adequate return. In an inflationary environment, there can also be a misalignment between the impact of rising cost pressures on the Corporation's operations and inputs, and its ability to price in the market to maintain its margins. Accordingly, any failure by the Corporation to properly price its products could have a material adverse effect on the Corporation's financial condition and results of operations.

Supply of Pork for Prepared Foods

The Corporation's results of operations and financial condition are partially dependent upon the cost and supply of fresh pork, which is influenced by constantly changing market forces of supply and demand over which the Corporation has little or no control. These prices, for the most part, are denominated in or related to U.S. dollars, which adds further variability due to fluctuations in exchange rates.

The Corporation has been focused on increasing its sales of RWA meat products. Animals raised without antibiotics have a higher cost of production and are expected to command higher prices. Maple Leaf Foods will be highly dependent on Canada Packers for its supply of pork, and especially RWA meat. If Canada Packers is unable, for any reason to fulfil its obligations under the Supply Agreement, Maple Leaf Foods is responsible for paying for the entirety of the incremental cost of raising an RWA hog, subject to reimbursement based on Canada Packers' sales of its own RWA fresh pork products to external customers outside of Maple Leaf Foods. If Maple Leaf Foods fails to find markets or buyers willing to pay the premium price for all the raised without antibiotic meat produced, a portion of the higher cost meat will be sold through lower price conventional channels.

Availability and Quality of Ingredients

The Corporation's ability to secure a continuing supply of ingredients at competitive prices depends on many factors beyond its control, such as the number and size of farms that grow the source crops (for plant protein ingredients), the risks associated with farming businesses (including poor harvests impacting the quality of the crops) for

feedstock generally, changes in national and world economic conditions and the Corporation's ability to forecast its ingredient requirements. The ingredients used in the Corporation's plant protein products are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, frosts, earthquakes, hurricanes and pestilence. Adverse weather conditions and natural disasters can lower crop yields and reduce crop size and quality, which in turn could reduce the available supply of, or increase the price of, quality ingredients. In addition, the Corporation may purchase some ingredients outside of the U.S. or Canada, and the availability of such ingredients may be affected by events in other countries. The Corporation also competes with other food producers in the procurement of ingredients, and this competition may increase in the future if consumer demand increases. If supplies of quality ingredients are reduced or there is greater demand for such ingredients from the Corporation and others, it may not be able to obtain sufficient supply that meets the Corporation's quality standards on favorable terms, or at all, which could impact the Corporation's ability to supply products to distributors and retailers and may adversely affect its business, growth plans, results of operations and financial condition.

Animal Health and Risks Associated with Animal Disease

The Corporation's Poultry operations, its ability to access fresh pork for its Prepared Foods operations, and the demand for the Corporation's products may be affected by outbreaks of animal disease whether it occurs within the Corporation's Poultry production operations or in the operations of third parties (including the hog raising and procurement operations of Canada Packers). Such diseases could adversely impact the health of the Corporation's own poultry flocks and the health of the hogs and other animals of its suppliers upon which the Corporation relies for raw materials for Prepared Foods.

Governments may combat the spread of disease during outbreaks with measures that include among other things restrictions on the movement of meat and animals between jurisdictions which results in supply excesses and shortages and price volatility which in some cases reaches extreme levels. There have been notable outbreaks of high pathogenic avian influenza which threatened poultry populations and put pressure on the poultry system in Canada, and African Swine Fever which has threatened hog populations in various geographic regions around the world. While industry and governments responded quickly in efforts to try to contain the spread of the disease, it continues to create a risk for the Corporation's Poultry operations and its supply chain for raw materials (especially the suppliers it relies upon for the supply of pork). In addition, the presence of animal disease may adversely influence consumers perspectives on the safety of the food system and purchasing patterns. As a result, animal disease could have a material adverse impact on the Corporation's operations and financial condition.

The Corporation will continue to monitor animal health status of its flocks, maintain strict bio-security procedures and employee training programs throughout its operations, and ensure veterinary medications is provided as required. It will also be licensing its hog-related animal care and bio-security intellectual property to Canada Packers, which will be its primary supplier of pork, and will maintain the high animal care standards that it expects its suppliers to meet. However, there is no guarantee these processes will be successful in protecting the animals under the Corporation's care or the care of its suppliers (including Canada Packers) or that all sources of meat procured by the Corporation will follow the same animal welfare standards and processes.

The Corporation will maintain and update its internal contingency plans for dealing with animal disease occurrences, and support government and industry prevention measures and preparedness plans. There can be no assurance, however, that these prevention measures or plans will be successful in minimizing or containing the impact of an outbreak of animal disease. Accordingly, there can be no assurance that an outbreak of animal disease in Canada or elsewhere will not have a material adverse effect on the Corporation's financial condition and results of operations.

Cost Savings and Efficiency Gains

The Corporation is pursuing multiple cost savings opportunities across its operations that are expected to generate efficiencies and cost savings. Cost savings expectations are based on a number of assumptions and the outcomes are difficult to predict. A variety of factors would affect the realization of some or all of the expected cost savings and efficiency gains, including but not limited to anticipated business strategies, marketing strategies, product development, ability to adapt to business trends, general economic conditions and lack of sustainability of the cost savings over time. Actual results of implementing these cost-saving and efficiency initiatives may differ materially from current estimates. It is also possible that continued efforts to implement these initiatives will divert management attention from other parts of the business. If these initiatives are not successful it could have a material adverse

effect on the Corporation's business, operations and financial performance, including its ability to deliver its short- and long-term goals.

Reduced Scale

Following the Arrangement, Maple Leaf Foods may incur increased costs relative to its total sales, as a result of operating as a smaller company, which could materially affect its cash flow and results of operations. Maple Leaf Foods may not be able to secure all of the volume discounts and other favourable financial terms that it has historically been able to obtain from third parties, once it no longer owns and operates the Pork Operations. These reduced economies of scale may have a material adverse effect on Maple Leaf Foods and its results of operations and mean that the historical financial results of Maple Leaf Foods may not be a reliable indicator of future financial performance.

Transition and Growth-Related Risks

Maple Leaf Foods may be subject to both transition and growth-related risks, including capacity constraints and pressure on its internal systems and controls as it transitions to operating at a smaller scale than it did prior to completion of the Arrangement. Maple Leaf Foods may also experience other challenges as it transitions to operating on a standalone basis from its Pork Operations, without the benefits of those operations that it has historically enjoyed. The historical financial and operating results of the Corporation prior to the Arrangement may not be indicative of future results. The ability of Maple Leaf Foods to continue to manage its future growth effectively will require it to continually implement and improve financial and operational systems and to expand, train and manage its employee base. The inability of Maple Leaf Foods to deal with this transition and growth may have a material adverse effect on Maple Leaf Foods' financial condition and results of operations.

Availability and Access to Capital

The ability of the Corporation to secure short-term and long-term financing on terms acceptable to the Corporation will be critical to fund business growth and manage its liquidity. The Corporation is coming off a period of elevated capital expenditures associated with its investments in large scale and efficient processing capacity, and it is possible that these investments will not deliver the returns that were expected, which could also negatively impact the Corporation's cash flows and access to capital on reasonable terms. The failure or inability of the Corporation to secure short-term and long-term financing in the future on terms that are commercially reasonable and acceptable to the Corporation could have a significant impact on the Corporation's opportunity for growth. Even if the Corporation does successfully raise additional capital when needed, if it issues equity securities, investors will be diluted, and if it raises additional debt, it will be further leveraged and could be subject to restrictive covenants, such as restrictions on paying dividends or being required to pledge assets.

Covenants in Credit Agreement

The new Maple Leaf Foods credit agreement is expected to contain restrictive covenants that limit its ability to take certain actions and require it to maintain certain financial metrics. A failure to comply with these covenants could result in an event of default which, if not cured or waived, could result in accelerated repayment. If the repayment of the credit facilities was to be accelerated, there can be no assurance that the security provided thereunder would be sufficient to repay the credit facilities in full. See "Description of the Business – Credit Facilities" above and "The Arrangement – Credit Facilities Matters – New Maple Leaf Foods Credit Facilities" in the Circular for additional information.

Reputation and Public Opinion

The Corporation will be committed to its vision of becoming the most sustainable protein company on earth and by making meaningful progress on its sustainability commitments. The Corporation strongly values its reputation as a credible, responsible corporate citizen with a track record of creating shareholder value. Maintaining a positive reputation in the eyes of its customers, consumers, communities, governments, regulatory bodies and the general public is important to its success.

The potential for deterioration of the Corporation's reputation may arise in many contexts and for many different reasons. For example, general public disillusionment with corporate environmental performance could expose it to

allegations of greenwashing, even if it is taking appropriate actions. Media coverage related to food inflation, pricing allegations and litigation, could have negative implications for the Corporation's reputation. Reputational risk cannot be managed in isolation from other forms of risk. For example, any real or perceived quality or safety concerns, whether or not ultimately based on fact and whether or not involving the Corporation (such as incidents involving competitors, or the way in which products are handled by customers, consumers or others in the distribution chain after they leave the control of the Corporation), could cause negative publicity and reduced confidence in the Corporation, its brand or its products, which could in turn harm its reputation and operating results. Any loss of confidence on the part of consumers in the Corporation's products, brands, the ingredients it uses or in the safety and quality of its products would be difficult and costly to overcome.

The growing use of social and digital media by the Corporation, its consumers and third parties increases the speed and extent that information or misinformation and opinions can be shared. Negative publicity about the Corporation, its brands, or its products on social or digital media could seriously damage its reputation. If the Corporation does not maintain the favorable perception of its brands, the Corporation's sales and earnings could be negatively impacted.

The Corporation will also continue to be subject to the activities of animal activists. Activist activities may spread information and misinformation about the Corporation and its operations in a variety of ways, including through protests and attempts to disrupt operations, as well as through various communication strategies, including the use of media and social media. These activities could adversely impact the reputation of the Corporation. Further, activist activities and protests may at times create health and safety risks to animals, the people working at the Corporation's plants, and to the protesters themselves.

Overall, negative public opinions or shifts in opinion whether about the Corporation, its brands, its industry or the overall environment in which it operates could materially adversely affect its reputation, business, strategy and operations, as well its financial condition and results of operations. Reputational risk intersects with many of the Corporation's other risks and may therefore amplify these risks.

Cyber Security and Overall Management of Information Systems

The Corporation will continue to rely on information technology systems in all areas of its business and operations. These systems are subject to an increasing number of sophisticated cyber threats. The methods used to obtain unauthorized access, disable or degrade service or sabotage systems are constantly evolving. In the past, the Corporation has experienced a cybersecurity incident that disrupted its business and operations, interfered with its ability to access critical data, resulted in a breach of sensitive information and exposed it to a ransom demand that it refused to pay. While the Corporation was able to continue to operate through the event, it did impact operations and had an economic impact on the Corporation's financial performance. The Corporation has taken even further steps to protect itself, but it is not immune to a future attack. Any cybersecurity event could result in Maple Leaf Foods' ability to operate, maintain business continuity, protect its intellectual property (including trade secrets) and achieve its strategic objectives being compromised, and its operations, financial position and reputation could be negatively affected. It could also compromise the personal or confidential information of its employees and other third parties which could expose the Corporation to additional legal claims and regulatory action.

In addition, under the Long-Term Services Agreement, Maple Leaf Foods provides IT services to Canada Packers. Failure to meet the service standards in that agreement, including any failure to maintain proper controls, processes, structures, governance or services levels could result in incremental liability to Canada Packers. Further, a cyber security breach of Maple Leaf Foods' systems could have adverse business impacts on Canada Packers, which could impact the supply of pork, exacerbating the business interruption impact.

The Corporation maintains policies, processes, and procedures to address capabilities, performance, security, and system availability including resiliency and disaster recovery for systems, infrastructure, and data. Security protocols, along with information technology security policies, address compliance with information technology security standards, including those relating to information belonging to the Corporation's customers, employees and suppliers. The Corporation actively monitors, manages, and continues to enhance its ability to mitigate cyber risk through its enterprise-wide programs. However, there is no assurance that any of these measures will be successful.

The Corporation regularly implements process improvement initiatives to simplify and harmonize its systems and processes to optimize performance and reduce the risk of errors in financial reporting. There cannot be any guarantee that any such changes will improve current processes or operating results or reduce the risk of errors in financial reporting. Any of these failures could have a material adverse impact on the Corporation's financial condition and results of operations.

International Trade

The Corporation will continue to export some of its finished products to customers outside of Canada, primarily into the U.S., and import various inputs and ingredients from other jurisdictions. To the extent that the Corporation is dependent on imports or export for its business, it is subject to inherent risks associated with international trade, including change in the free flow of food products between countries; fluctuations in currency values; discriminatory fiscal policies; unexpected changes in local regulations and laws; and the uncertainty of enforcement of remedies in foreign jurisdictions. In addition, trade agreements between Canada and foreign jurisdictions could change and foreign jurisdictions could impose tariffs, quotas, trade barriers, and other similar restrictions on the Corporation's international sales, or could introduce subsidies for competing agricultural products. International trade and the associated access to markets can be influenced by geopolitical events and disputes between Canada and other countries beyond the Corporation's control.

The U.S. government has imposed tariffs on certain foreign goods and continues to threaten the imposition of additional tariffs. There is no certainty whether these tariffs will continue to be implemented or for how long and whether new tariffs will be imposed. The Canadian government has announced that it will take retaliatory action, but the scope and extent of these actions is uncertain. Until details of any trade action are known, the impact on the Corporation can not be determined. The Corporation will continue to leverage the tariff task force that it has established to identify mitigation strategies as well as potential opportunities to manage the risk. As poultry is typically not sold into the U.S. due to the Canadian supply management system and plant protein is produced and primarily sold in the U.S., they are not expected to be materially adversely impacted by tariff action. Tariffs and the threat of tariffs can also have an amplifying, or mitigating, effect on other risk factors such as consumer and competitor behaviour and competitiveness, foreign exchange rates and inflationary pressures.

In addition, and as discussed under the subheading "Animal Health and Risks Associated with Animal Disease", the threat of the spread of animal disease could result in significant disruption of international trade in meat protein, as governments use international trade barriers as a tool to help manage the spread of such diseases. All of these risks could result in shortage of supply of pork for the Corporation's Prepared Foods operations, particularly RWA pork with the particular attributes to support the Corporation's sustainable meats strategy, increased costs, or decreased revenues, all of which could have a material adverse effect on the Corporation's financial condition and results of operations.

Geopolitical Instability

Maple Leaf Foods is exposed to risks arising from geopolitical instability, including wars, tensions between nations, insurrections and political and economic instability, all of which may have broader impacts on, among other things, the global economy, international trade, access to markets, commodity prices, supply chains, interest rates, exchange rates and customer and consumer patterns. This risk intersects with, contributes to and may amplify many of the other risks discussed in this "Risk Factors" section. For example, the war in the Ukraine impacted commodity markets, including the price and availability of key crops, feed and other supplies essential to the Corporation's raw material meat supply. The impact of these events and other geopolitical instability may have a material adverse effect on the business and operations of the Corporation and its financial performance.

Food Safety, Customer and Consumer Liability and Product Recalls

The Corporation is subject to risks that affect the food industry in general, including risks posed by food spoilage, accidental contamination, product tampering, consumer product liability, and the potential costs and disruptions of a product recall. The Corporation's products are susceptible to contamination by organisms that can cause illness, or pathogens, such as certain strains of *Escherichia coli* (*E. coli*), *Salmonella* and *Listeria*. There is a risk that these pathogens could be present in certain products produced by the Corporation. The Corporation actively manages these risks by maintaining strict and rigorous controls and processes in its manufacturing facilities and distribution systems and by maintaining prudent levels of insurance. However, the Corporation cannot assure that such

systems, even when working effectively, will eliminate the risks related to food safety. The Corporation could be required to recall certain of its products in the event of contamination or adverse test results or as a precautionary measure, similar to other recalls initiated in the past. There is also a risk that not all of the product subject to the recall will be properly identified, or that the recall will not be successful or not be enacted in a timely manner. Any product contamination could subject the Corporation to product liability claims, claims for economic losses by customers and others in the supply chain, adverse publicity and government scrutiny, investigation or intervention, resulting in increased costs and decreased sales. Many of these costs and losses are not covered by insurance. Any of these events could have a material adverse impact on the Corporation's financial condition and results of operations.

Trademarks and Intellectual Property

The Corporation utilizes intellectual property in its business. Its registered and unregistered trademarks are valuable assets that reflect the goodwill of its brands and consumers' favorable perception of its products. The Corporation has invested a significant amount of money in establishing, promoting and protecting its brands. It also relies on proprietary methods, processes and techniques in its manufacturing operations and copyright protection in its sales and marketing materials to develop and maintain its competitive position. The Corporation's continued success depends, to a significant degree, upon its ability to protect and preserve its intellectual property rights. The Corporation also licenses certain of its trademarks and other intellectual property for use by third parties, including Canada Packers. In an effort to preserve its trademark rights, it enters into license agreements with these third parties that govern the use of the trademarks and contain limitations on their use. There is no assurance that these efforts to monitor the use of its trademarks by licensees will be sufficient to ensure that the licensees will abide by the terms of their licenses. In the event that its licensees fail to do so, its trademark rights could be diluted.

The Corporation relies primarily on confidentiality agreements, its Code and intellectual property law to protect its proprietary rights. Confidentiality arrangements with its employees and certain of its consultants, contract employees, suppliers, vendors and independent contractors, including some of its co-manufacturers who use its formulations to manufacture its products, generally require that all non-public information made known to them be kept strictly confidential. Further, some of its formulations have been developed by or with suppliers and co-manufacturers. As a result, the Corporation does not hold exclusive rights to some formulations and may not be able to prevent others from using similar formulations.

The Corporation cannot be certain that the steps it has taken to protect its intellectual property rights are adequate, that its intellectual property rights can be successfully defended and asserted in the future or that third parties will not infringe upon, misappropriate or challenge any such rights. In addition, its trademark rights and related registrations may be challenged in the future and could be canceled or narrowed. Failure to protect its trademark rights could prevent it in the future from using certain brands or from challenging third parties who use names and logos similar to its trademarks, which may in turn cause consumer confusion or negatively affect consumers' perception of its brands and products. The Corporation may not be successful in enforcing its trademarks or challenging confusingly similar trademarks used by third parties. Intellectual property disputes and proceedings and infringement claims may result in a significant distraction for management and significant expense, which may not be recoverable regardless of whether the Corporation is successful. Such proceedings may be protracted with no certainty of success, and an adverse outcome could subject the Corporation to liabilities, force it to cease use of certain trademarks or other intellectual property or force it to enter into licenses with others. Any one of these occurrences may have an adverse effect on its business, financial condition and results of operations.

Execution of Capital Projects and Deployment of Maintenance Capital

The Corporation has recently completed multiple large-scale capital projects. The successful completion and ramp up of these projects are dependent on a number of factors and the returns from these projects may change depending on many factors. The Corporation's ability to take on new projects may be negatively impacted by available cash flow, availability and cost of labour, materials and equipment, contractor non-performance, and cost of engineering, construction and other consulting services. The Corporation may incur financing costs during the planning and construction phases of its growth projects, but the expected cash flows from the projects will not materialize until after they are completed. To the extent projects are completed significantly behind schedule or over budget, its business operations and results may be adversely affected. Delays in realizing the returns on capital investment could have an impact on the Corporation's ability to reach its financial targets, meet conditions associated with grants or concessions previously secured for the projects and to fully execute its business strategy.

The Corporation's network of assets also requires ongoing investment in maintenance capital. Failure to adequately invest in preventative maintenance and other maintenance capital requirements may adversely impact the Corporation's operations, resulting in increased shutdowns and manufacturing disruptions, which could have a material adverse impact on the Corporation's financial condition and results of operations.

Climate Change

The potential effects of climate change could have a material impact on the Corporation and its operations, such risks include a range of physical, financial, compliance and reputational risks. As part of its sustainability strategy the Corporation has set environmental footprint reduction targets and has executed certain energy efficiency and GHG emission reduction projects. While the Corporation takes steps to assess the commercial viability of these initiatives, there is no assurance that the ongoing costs of these initiatives will continue to be economic. As new laws, regulations and industry standards related to emission reductions continue to evolve, it is possible that the Corporation's practices, processes and facilities will require significant modifications in order to comply. Further, it is possible that the changes necessary to reduce emissions will not be feasible or that the costs will be material, either of which could have a material adverse effect on the Corporation's operations and financial position.

Maple Leaf Foods has conducted a physical climate risk assessment and climate scenario analysis, working with an independent third-party consultant, to better understand the climate-related risks and potential impacts to its livestock, assets, supply chain, and operations. This assessment focused on extreme temperatures, freeze-thaw (i.e., number of ice days), water stress and extreme wind and rainfall. These hazards were identified as most relevant to the business based on historical impacts, industry and academic reports and internal consultation with various internal functions, including operations, commodities management, sustainability, finance and risk management. Using global climate models, the Corporation has identified the exposure of its assets, operations and supply chain to these hazards.

Using this information, the Corporation has prioritized where it should focus its physical risk mitigation efforts and intends to continue to advance efforts to mitigate these risks. There is no guarantee that these risk mitigation efforts will be effective.

Regulation

The Corporation's operations are subject to extensive regulation by government agencies in the countries in which it operates, including: the Canadian Food Inspection Agency; the Ministry of Agriculture in Canada; provincial Ministries of the Environment in Canada; the United States Food and Drug Administration; and the United States Department of Agriculture. These agencies regulate the processing, packaging, storage, distribution, advertising, and labeling of the Corporation's products, including food safety standards. The Corporation's manufacturing facilities and products are subject to inspection by federal, provincial, and local authorities. The Corporation is also subject to labelling, advertising and marketing laws in all jurisdictions in which it sells products which vary from jurisdiction to jurisdiction.

The Corporation strives to maintain compliance with all laws and regulations and maintains all permits and licenses relating to its operations. Nevertheless, there can be no assurance that the Corporation is in compliance with all such laws and regulations, has all necessary permits and licenses, and will be able to comply with such laws and regulations, permits and licenses in the future. Failure by the Corporation to comply with applicable laws and regulations and permits and licenses could subject the Corporation to civil remedies, including lawsuits, fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on the Corporation's reputation, financial condition and results of operations.

Various governments throughout the world are considering regulatory proposals relating to genetically modified organisms, drug residues in food ingredients, food safety, and market and environmental regulation that, if adopted, may increase the Corporation's costs, or expose the Corporation to increased liability exposure. The regulatory environment continues to evolve, exposing the Corporation to risks associated with maintaining compliance. As new regulations are enacted, the Corporation could experience a disruption in the supply or distribution of its products, increased operating costs, significant additional cost to comply, and challenges to claims, labeling and marketing. The Corporation may be unable to pass on the cost increases associated with such increased regulatory burden to its customers without incurring volume loss as a result of higher prices. Any of these events could have a material adverse effect on the Corporation's financial condition and results of operations.

Foreign Currencies

A portion of the Corporation's revenues and costs will be denominated in or directly linked to other currencies (primarily the U.S. dollar). If the Canadian dollar appreciates rapidly and materially against the U.S. dollar, revenues linked to the U.S. dollar are immediately reduced, while the Corporation's ability to change prices or realize natural hedges may lag the immediate currency change. The effect of such sudden changes in exchange rates can have a significant immediate impact on the Corporation's earnings. Due to the diversity of the Corporation's operations, normal fluctuations in other currencies do not generally have a material impact on the Corporation's profitability in the short term due to natural hedges or the ability in the near term to change prices of its products to offset adverse currency movements. However, as the Corporation is seeking to grow its presence in the U.S. market and will face competition in its domestic markets from U.S. competitors, significant changes in the Canadian to U.S. dollar exchange rate may have significant effects on the Corporation's relative competitiveness in both markets, as well as on its financial condition and results of operations.

Consumer Trends

Success of the Corporation depends in part on the Corporation's ability to respond to market trends and produce innovative products that anticipate and respond to the changing tastes and dietary habits of consumers. From time-to-time certain products can be deemed to be more or less healthy, and this can impact consumer buying patterns. The Corporation's failure to anticipate, identify, or react to these changes or to innovate with new products that appeal to consumer preferences could result in declining demand and prices for the Corporation's products. Consumers also experience inflationary pressures which impacts their buying patterns. In high inflation times, consumers may trade down to lower cost products, including shifting from branded products to private label which may put pressure on the Corporation's sales, volume and mix. These factors could have a material adverse effect on the Corporation's financial condition and results of operations.

Environmental Regulation and Risks

The Corporation's operations are subject to extensive environmental laws and regulations pertaining to the discharge of materials into the environment (including GHGs) and the handling and disposition of wastes (including solid and hazardous wastes) or otherwise relating to protection of the environment. Failure to comply could have serious consequences, such as criminal as well as civil penalties, liability for damages, and negative publicity for the Corporation. No assurances can be given that additional environmental issues relating to presently known matters or identified sites or to other matters or sites will not require additional expenditures, or that requirements applicable to the Corporation or levies or taxes assessed against the Corporation will not be altered in ways that will require the Corporation to incur significant additional costs. In addition, certain facilities of the Corporation have been in operation for many years and, over time, the Corporation and other prior operators of such facilities may have generated and disposed of waste which is or may be considered to be hazardous. Future discovery of previously unknown contamination of property underlying or in the vicinity of the Corporation's present or former properties or manufacturing facilities and/or waste disposal sites could require the Corporation to incur material unforeseen expenses. Occurrences of any such events could have a material adverse effect on the Corporation's financial condition and results of operations.

Consolidating Customer Environment

Continued consolidation within the retail industry, including among supermarkets, warehouse clubs and food distributors, has resulted in an increasingly concentrated retail base and increased the Corporation's exposure to loss of certain customers. These consolidations have produced large, sophisticated customers with increased buying power who are more capable of operating with reduced inventories, opposing price increases, and demanding lower pricing, increased promotional programs and specifically tailored products. These customers also may use shelf space currently used for the Corporation's products for their own private label products. Because of these trends, the Corporation's volume growth could slow or it may need to lower prices or increase promotional spending for its products, any of which could adversely affect our financial results. Additionally, these large customers may demand more favorable terms that may expose the Corporation to greater risks, including uncapped indemnification and no limitation of liability provisions. Such terms may obligate the Corporation to pay significant amounts in connection with potential losses arising from claims and related legal proceedings, and any such claims could also affect the Corporation's reputation and relationship with customers.

The Corporation generally does not have long-term sales agreements or other contractual assurances as to future sales to our customers, including these major customers. The Corporation's business could be materially adversely affected and suffer significant decreases in sales and operating profit from the loss of one or more of its larger customers or if its larger customers' plans, markets, and/or financial condition should change significantly. For example, if its customers cannot access sufficient funds or financing, then they may delay, decrease, or cancel purchases of the Corporation's products, or delay or fail to pay for previous purchases. The loss of a significant customer or a material reduction in sales to, or adverse change to trade terms with, a significant customer could materially and adversely affect the Corporation's product sales, financial condition and results of operations.

Consolidation of Operations and Focus on Protein

Over the last several years, the Corporation has increasingly consolidated its operations into fewer facilities. For example, it completed a consolidation and upgrade of its Prepared Foods manufacturing network in 2015 and has reconfigured its Prepared Foods distribution systems into two large distribution centers. Recently, the Corporation completed construction on a new large-scale poultry processing plant to replace several of its older smaller scale plants in Ontario which are now closed. As a result of these consolidation initiatives, there is a risk that unforeseen disruption in such facilities could have a greater effect on the operations of the Corporation as a whole.

In addition, the Corporation made the decision several years ago to focus on being a protein company and divested the Company's non-protein related business. As a result, the Corporation is less diversified than it would be if it was engaged in other food businesses, making it susceptible to the trends in protein markets.

Seasonality and Changes in Promotional Activities

The Corporation experiences fluctuations in quarterly results due to seasonal features of its business. For example, consumer purchasing patterns are impacted by seasonal factors, including holidays. As a result, seasonality could cause results of operations for an interim financial period to fluctuate and not be indicative of full-year results. Failure to effectively manage inventories, promotional activities and business results to take into account this seasonality, could adversely affect the Corporation's overall performance and results of operations.

Unpredictable Catastrophic Events

Catastrophes can be caused by various natural and unnatural events including hurricanes, windstorms, earthquakes, hailstorms, explosions, severe winter weather, fires, regional or global pandemics, hostilities, terrorist acts, riots, crashes and derailments. The incidence and severity of catastrophes are inherently unpredictable. The frequency and intensity of natural catastrophic events may continue to increase as a result of climate change and other factors. The Corporation's financial condition and results of operations could be materially adversely affected and it may experience an abrupt interruption of activities caused by unforeseeable and/or catastrophic events. The Corporation's operations may be subject to losses resulting from such disruptions including with respect to property, financial assets, trading positions and key personnel. If its business continuity plans cannot be put into action or do not take such events into account, losses may further increase. See "Risk Factors – Risks Relating to Maple Leaf Foods' Business and Industry – Climate Change" above and "Risk Factors – Risks Relating to Maple Leaf Foods' Business and Industry – Weather" below.

Weather

Weather conditions and changes in climate and other long-term trends may have a material effect on the availability and prices of the commodities the Corporation uses. Adverse weather conditions can also impact crop health which has implications for the quality, cost of the inputs for the Corporation's plant protein products, as well as animal feed for its Poultry operations and which influence the cost of pork raw material supply for its Prepared Foods operations. Weather conditions, including extreme heat and extreme cold, can also pose safety concerns for workers and animals which can affect the Corporation's operations. In addition, weather conditions may also influence the Corporation's ability to complete capital projects on time, potentially resulting in delays and increasing costs of such capital projects.

Employees, Contractors and Labour Relations

The Corporation and its subsidiaries have approximately 9,800 full-time and part-time employees, which include salaried and union employees, many of whom are covered by collective agreements. The Corporation's success is dependent on its ability to recruit and retain employees. Insufficient supply of qualified personnel and/or high turnover adversely impacts operations and may reduce output and result in the Corporation being unable to fill customer orders. The Corporation's employees will be located in Canada and the U.S., each of which has differing employment laws. While the Corporation maintains systems and procedures to comply with the applicable requirements, there is a risk that failures or lapses by individual managers could result in a violation or cause of action that could have a material adverse effect on the Corporation's financial condition and results of operations. Furthermore, if a collective agreement covering a significant number of employees or involving certain key employees were to expire or otherwise cease to have effect leading to a work stoppage, there can be no assurance that such work stoppage would not have a material adverse effect on the Corporation's financial condition and results of operations.

The loss of one or more key personnel could have a material adverse effect on the Corporation's financial condition and results of operations. The Corporation may fill some vacancies with foreign workers through international programs which has the potential to raise human rights considerations. The Corporation takes a variety of steps to ensure human rights are protected and respected through its recruitment processes, including only utilizing certified recruiting firms. Tight labour markets may impact the Corporation's ability to attract and retain talent and adapt to employee work preferences which may continue to be a challenge into the future.

Health and Safety

Maintaining a healthy and safe workforce will be critical to the success of the Corporation. It will continue to maintain rigorous health and safety systems. However, there is no guarantee that these systems will prevent incidents from occurring which could have implications for the operating results. As well, there will be risks to the Corporation created by wide-spread health pandemics. These threats include: maintaining the health and welfare of the workforce, the ability to bring in foreign workers which are an important part of the overall workforce, and costs associated with protective measures necessary to maintain worker safety and the safety of overall operations of the Corporation. In instances of community spread of a potential future pandemic, it will be difficult to mitigate the risk of spread at the workplace and the potential for operations to be suspended. Failure to maintain a safe and healthy workplace could have a material adverse effect on the financial condition and results of operations of the Corporation.

Supply Chain and Manufacturing

Maple Leaf Foods is subject to a number of supply chain and manufacturing risks, which risks can be exacerbated by other risks described in this section. Manufacturing risks include: the possibility of tariffs; delays in delivery of critical components which could hamper the Corporation's production process; shortages in raw materials and key inputs due to demand surges or production bottlenecks; disruption in distribution; availability of labour; and pricing of commodities and raw materials (inflationary pressure). The Corporation runs complex facilities which often depend on automation; interruption in the supply or equipment or technical support for this equipment could have a material adverse effect on its ability to operate at desired efficiencies (or at all at some facilities). The Corporation also relies on intricate supply chains across its business lines, some of which are dependent upon third parties. Failure by the Corporation to operate at certain minimum levels could also result in service penalties from customers if the Corporation is not able to fulfil the order it receives, or could risk losing customers. Disruption in the supply chain for indirect or direct goods, or failure in the Corporation's manufacturing processes could have a material adverse effect on its business operations and financial performance.

Overall successful management of the Corporation's supply chain is critical to the Corporation's success. The efficiency and cost of logistics, distribution and storage services plays an important role in this. Costs of these services can be influenced by fuel costs and energy rates that can be passed on to the Corporation which in turn has implications for its cost of goods and ability to pass along these increased costs. Further, insufficient supply of products due to supply chain or distribution inefficiencies threatens the Corporation's ability to meet customer demands while over capacity threatens the Corporation's ability to generate competitive profit margins and effectively execute its capital projects and business plans. Accordingly, any failure by the Corporation to properly manage the Corporation's supply chain could have a material adverse effect on the Corporation's financial condition

and results of operations. Further these disruptions can impact the Corporation's logistics and its ability to fill customer orders.

Credit Risk

Credit risk refers to the risk of losses due to failure of the Corporation's customers and counterparties to meet their payment obligations. For a discussion of the credit risk to which the Corporation is exposed, see the Credit Risk section in both the Annual MD&A (as filed on SEDAR+) and the Annual Financial Statements (as filed on SEDAR+).

Indemnification by Maple Leaf Foods Following the Arrangement

In connection with the Arrangement, Canada Packers will indemnify Maple Leaf Foods for certain liabilities. However, there can be no assurance that the indemnity will be sufficient to insure Maple Leaf Foods against the full amount of such liabilities, or that Canada Packers' ability to satisfy its indemnification obligations will not be impaired in the future. Pursuant to the Separation Agreement, Canada Packers will agree to indemnify Maple Leaf Foods for certain liabilities. Further, pursuant to the Supply Agreement, Canada Packers will agree to indemnify Maple Leaf Foods from and against any and all losses relating to (i) conduct, negligence, misfeasance or non-feasance of Canada Packers, its agents, contractors, officers or employees, including any breach by Canada Packers of the Supply Agreement; (ii) any shut down of the facilities or barns or substantial reduction in Canada Packers' capacities in Canada and/or the US; and (iii) use by Canada Packers of any Licensed Intellectual Property other than in accordance with the Supply Agreement. There can be no assurance that the indemnity from Canada Packers will be sufficient to protect Maple Leaf Foods against the full amount of such liabilities, or that Canada Packers will be able to fully satisfy its indemnification obligations. Moreover, even if Maple Leaf Foods ultimately succeeds in recovering from Canada Packers any amounts for which Maple Leaf Foods is held liable, it may be temporarily required to bear these losses itself. If Canada Packers is unable to satisfy its indemnification obligations, the underlying liabilities could have a material adverse effect on Maple Leaf Food's financial condition and results of operations. See "The Arrangement – Transaction Agreements – Separation Agreement" in the Circular for additional information.

Termination of Canada Packers Governance Agreement

The Canada Packers Governance Agreement will provide Maple Leaf Foods with certain governance and other rights, including the ability to nominate up to one director of Canada Packers' nine-person Canada Packers Board on completion of the Arrangement and certain consent rights, including to change the size of the Canada Packers Board and with respect to the hiring or termination of Canada Packers' Chief Executive Officer. The Canada Packers Governance Agreement is required to be ratified at every third annual meeting of Canada Packers Shareholders commencing with Canada Packers' 2028 annual meeting of Canada Packers Shareholders by both (i) Canada Packers Shareholders, excluding Maple Leaf Foods and the McCain Holders and (ii) the McCain Holders. If the Canada Packers Governance Agreement is not ratified at any such meeting, or if the McCain Holders inform the Canada Packers Board that they are not supportive of ratification, in which case the Canada Packers Governance Agreement will not be presented for ratification at the relevant annual meeting, the Canada Packers Governance Agreement will terminate and be void and of no further force and effect on and from the date of termination of such annual meeting. See "Transaction Agreements – Canada Packers Governance Agreement" in the Circular.

PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

Included as *Schedule “K”* to this Circular are the MLF Pro Forma Financial Statements. The MLF Pro Forma Financial Statements give pro forma effect to the Arrangement and certain related transactions as though they had occurred on the dates specified in the notes thereto.

The following table sets out summary pro forma financial information in respect of Maple Leaf Foods for: (i) the three months ended March 31, 2024, (ii) the three months ended June 30, 2024, (iii) the three months ended September 30, 2024, (iv) the three months ended December 31, 2024, and (v) the year ended December 31, 2024. This information is derived from, is subject to the detailed assumptions set out in, and should be considered in conjunction with, the MLF Pro Forma Financial Statements included in *Schedule “K”* of this Circular.

2024	Q1	Q2	Q3	Q4	FY
<i>(In Millions of Canadian Dollars unless otherwise indicated)</i>					
<i>(Unaudited Pro Forma)</i>					
Sales	857.4	939.3	952.9	926.3	3,675.9
IFRS Earnings	4.5	(1.8)	2.6	14.6	19.8
Adjusted Operating Earnings ⁽¹⁾	38.8	58.0	41.7	55.8	194.3
Adjusted EBITDA ⁽¹⁾	90.8	109.9	96.2	112.3	409.3
Adjusted EBITDA Margin ⁽¹⁾	10.6%	11.7%	10.1%	12.1%	11.1%
Adjusted EBT ⁽¹⁾	4.7	23.9	8.0	38.2	74.8
Free Cash Flow ⁽¹⁾	82.7	0.5	135.6	130.3	349.2
Basic Earnings Per Share	0.04	(0.01)	0.02	0.12	0.16
Adjusted Earnings Per Share ⁽¹⁾	0.01	0.13	0.05	0.23	0.41
Net debt to Adjusted EBITDA ⁽¹⁾					2.8

(1) Pro Forma non-IFRS measures and ratios, see “Non-IFRS Measures” section above and the section titled “Pro Forma Consolidated Non-IFRS Measures” in Schedule “K” of this Circular

DESCRIPTION OF CAPITAL STRUCTURE

Upon completion of the Arrangement, Maple Leaf Foods will be authorized to issue an unlimited number of MLF New Common Shares, an unlimited number of non-voting common shares (the “non-voting securities”) and an unlimited number of preferred shares issuable in series.

Based on the number of MLF Common Shares outstanding as of April 22, 2025, immediately following the completion of the Arrangement and before giving effect to any issuance of MLF New Common Shares underlying MLF New Stock Options issued pursuant to the Arrangement, it is anticipated that approximately 123,956,991 MLF New Common Shares will be issued and outstanding (assuming no MLF Stock Options are exercised between the date of this Circular and the Effective Date, and that no MLF Common Shares are otherwise issued between the date of this Circular and the Effective Date).

As of the date hereof, no non-voting securities are issued and outstanding and no series of preferred shares has been created and no preferred shares have been issued.

MLF NEW COMMON SHARES

Each holder of MLF New Common Shares will be entitled to receive notice of and to attend all meetings of the Shareholders and will be entitled to one vote per share at all meetings of Shareholders. The holders of MLF New Common Shares will be entitled to dividends if, as and when declared by the Board (subject to any preference accorded to the holders of shares ranking senior to the MLF New Common Shares). In the event of the liquidation, dissolution or winding-up of its affairs, holders of MLF New Common Shares are entitled to a pro rata share of the assets of the Corporation after payment of all liabilities and obligations of the Corporation (subject to any preference

accorded to the holders of shares ranking senior to the MLF New Common Shares). There are no pre-emptive, conversion or redemption rights attaching to the common shares.

NON-VOTING SECURITIES

The non-voting securities carry rights identical to those of the common shares except as described below:

Except as required by law, the holders of the non-voting securities as a class are not entitled as such to vote at any meeting of the shareholders of the Corporation.

- Holders of the non-voting securities are not entitled to vote separately as a class, and are not entitled to dissent, upon a proposal to amend the articles to (a) increase or decrease any maximum number of authorized non-voting securities resulting from a subdivision or consolidation respectively; (b) increase any maximum number of authorized shares of a class or series of a class having rights or privileges equal or superior to the non-voting securities; (c) effect an exchange, reclassification or cancellation of the non-voting securities; or (d) create a new class or series of a class of shares equal or superior to the non-voting securities, unless the holders of non-voting securities are being affected by such amendment in a manner differently from the holders of MLF New Common Shares.
- The non-voting securities may be converted at any time by the holder or holders thereof into fully-paid MLF New Common Shares on the basis of one MLF New Common Share for one non-voting security.
- If at any time, a current holder of non-voting securities transfers all or a portion of the non-voting securities held by such holder to another person, the shares being transferred shall be automatically converted upon such transfer into fully-paid common shares of the Corporation on the basis of one MLF New Common Share for each non-voting security.
- The conversion will occur simultaneously upon the completion of such transfer, without any further action by the Corporation or any other person, so that the transferee will be a holder of MLF New Common Shares equal in number to the non-voting securities transferred by the transferor.
- The holders of the non-voting securities have no express right to participate in a take-over bid made for the common shares of the Corporation. Such holders, however, may convert their non-voting securities into MLF New Common Shares and participate in a take-over bid in that manner.

These non-voting securities may be considered “restricted securities” under NI 51-102, as the common shares of the Corporation which are publicly traded and will continue to be publicly traded upon completion of the Arrangement carry a greater vote per security relative to the non-voting securities.

PREFERRED SHARES

The preferred shares are issuable in one or more series. The key features of the preferred shares are described below:

- Each series of preferred shares is to rank equally with any other series of preferred shares in respect of redemption, the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.
- Each series of preferred shares shall have priority over the common shares, the non-voting securities and any other class of shares of the Corporation ranking junior to the preferred shares with respect to redemption, the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation.
- The preferred shares of any series may also be given such preferences, not inconsistent with the general provisions of the class, over the common shares, the non-voting securities and over any other class of shares of the Corporation ranking junior to the preferred shares, as may be determined by the Board.
- The holders of each series of preferred shares shall be entitled to receive cumulative dividends as and when declared by the board of directors of the Corporation at a rate per share per annum as determined by the Board, acting in good faith, provided such rate per annum does not exceed by more than 2.0% the yield to maturity of an unsecured bond with a comparable credit rating issued by a “comparable issuer” on the date the rights, privileges, restrictions and conditions attaching to the shares of such series of preferred shares are determined or such other date as close as practicable to such date, such bond having the same

or as close as possible term to maturity as is equal to the period until the series of preferred shares are first redeemable in whole or in part. A “comparable issuer” refers to an issuer selected by the Board as being comparable to the Corporation in terms of industry focus and whose outstanding unsecured long-term debt securities have a comparable credit rating (being a credit rating that is the same or that is the closest as possible to the credit rating of the outstanding long-term debt securities of the Corporation).

- No series of preferred shares shall be convertible into any other class of shares of the Corporation. Each series of preferred shares shall be redeemable by the Corporation on such terms as determined by the Board.
- Holders of preferred shares shall not be entitled to receive notice of, to attend or to vote at any shareholders’ meeting of the Corporation except as provided by law, or upon an event of default by the Corporation where the Board has not declared the whole dividend on the particular series of preferred shares in any period and in that event, such holders shall be entitled to receive notice of, to attend and to vote at the shareholders’ meetings (with one vote for each share held), which voting rights shall cease upon payment by the Corporation of the dividend to which holders are entitled.
- Whenever a share of any series of preferred shares is to be issued, the total number of such series of preferred shares to be issued shall be limited such that the aggregate value of all preferred shares of all series issued and outstanding, including the value of the preferred shares of such series to be issued (based on the issuance price per share of each preferred share) shall not exceed 25% of the market capitalization of the MLF New Common Shares (the aggregate value of the common shares and non-voting securities issued and outstanding calculated based on the volume weighted average trading price of the MLF New Common Shares on the TSX for the five (5) trading days immediately preceding 5:00 p.m. on the date on which the Board determines the issuance price per share of the series of preferred shares to be issued).
- The holders of preferred shares may not have an express right to participate in a take-over bid made for the common shares of the Corporation.

DIVIDENDS

The Board intends to maintain a dividend and, where appropriate, change the dividend on the basis of the Corporation’s earnings and stock price performance. Maple Leaf Foods’ general practice has been to pay quarterly cash dividends on its common shares. Typically, these dividends are payable on the last business day of the month to shareholders as of the record date established by the Board. The dividends declared on MLF Common Shares during the past three completed financial years are set out in the Annual Information Form (as filed on SEDAR+) under the heading “Dividends – Dividend History”.

The Corporation intends to continue to pay a quarterly cash dividend on its common shares following the completion of the Arrangement. It is currently anticipated that the full amount of the dividends to be paid in 2025 will be considered eligible dividends for the purposes of the “Enhanced Dividend Tax Credit System”. For additional information regarding dividends following completion of the Arrangement see “The Arrangement – Dividends” in the Circular. Any determination to pay dividends in the future will be at the sole discretion of the Maple Leaf Foods Board and will depend on many factors, including but not limited to current and expected cash flows, capital expenditures, borrowings and debt repayments, working capital requirements and other factors the Maple Leaf Foods Board deems relevant. In addition to the standard legislated solvency and liquidity tests that must be met, Maple Leaf Foods’ ability to declare and pay dividends is also dependent on its compliance with the covenants under its credit facility.

The Corporation’s Dividend Reinvestment Plan (“DRIP”) permits eligible Shareholders to direct their cash dividends to be reinvested in additional MLF Common Shares of the Corporation. Upon completion of the Arrangement, the Corporation intends to issue MLF New Common Shares from treasury at a price equal to 100% of the weighted average closing price of the shares for the five trading days preceding the dividend payment date for Shareholders who wish to reinvest their dividends under the DRIP.

PRIOR SALES

Maple Leaf Foods has not sold or issued any MLF Common Shares or securities convertible or exchangeable into MLF Common Shares during the 12-month period prior to April 22, 2025, except 108,200 MLF Common Shares on the exercise of Stock Options granted pursuant to the MLF Stock Option Plan and 905,825 MLF Common Shares on the reinvestment of distributions pursuant to the DRIP.

MARKET FOR SECURITIES

The MLF Common Shares are listed on the TSX under the trading symbol “MFI” and following the Arrangement, the MLF New Common Shares will continue to be listed on the TSX under Maple Leaf Foods’ current trading symbol.

The following sets forth the price range and trading volume of the MLF Common Shares for each of the 12 months prior to the date hereof on the TSX:

Month	High (\$)	Low (\$)	Volume Traded
April 2025	25.69	22.57	4,148,473
March 2025	25.69	24.01	4,918,499
February 2025	26.10	20.47	5,473,083
January 2025	22.05	20.02	4,391,819
December 2024	23.48	19.61	4,125,498
November 2024	23.38	21.08	4,001,982
October 2024	22.88	21.05	3,382,137
September 2024	22.45	21.15	4,082,172
August 2024	25.96	22.05	5,391,826
July 2024	25.47	22.41	2,968,887
June 2024	23.40	22.02	2,263,085
May 2024	24.56	22.50	2,869,424

On March 11, 2025, the TSX accepted the Corporation’s notice of intention to commence a Normal Course Issuer Bid (the “Notice of Intention”), allowing Maple Leaf Foods to repurchase, at its discretion, up to 7.3 million MLF Common Shares in the open market or as otherwise permitted by the TSX, subject to the normal terms and limitations of such bids. Common shares purchased by the Corporation will be cancelled. The program commenced on March 13, 2025 and will terminate on March 12, 2026, or on such earlier date as Maple Leaf Foods may complete its purchases pursuant to the Notice of Intention filed with the TSX.

PRINCIPAL SHAREHOLDERS

To the knowledge of Maple Leaf Foods, based on information available to it as of the date hereof, except for MCI and RBC Global Asset Management Inc., who will own approximately 39.49% and 12.62%, respectively, of the issued and outstanding MLF New Common Shares on completion of the Arrangement, there is no person or company that will, immediately following completion of the Arrangement, beneficially own or exercise control or direction, directly or indirectly, over MLF New Common Shares carrying more than 10% of the votes attached to the MLF New Common Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Assuming the directors nominated for election at the Meeting are elected, such directors will continue to serve as directors of Maple Leaf Foods following completion of the Arrangement.

Following completion of the Arrangement, the directors and executive officers of Maple Leaf Foods will be as follows:

DIRECTORS

Name		
William E. Aziz	Fareed Khan	Jonathan W. F. McCain
Ronald G. Close	Katherine N. Lemon	Michael H. McCain (Executive Chair)
Curtis E. Frank	Andrew G. MacDonald	Beth Newlands Campbell
Thomas P. Hayes	Linda Mantia	

EXECUTIVE OFFICERS

Name	Position
Curtis E. Frank	President and Chief Executive Officer
Michael H. McCain	Executive Chair
David Smales	Chief Financial Officer
Adam Grogan	President and Chief Operating Officer
Casey Richards	President, Maple Leaf Foods USA
Ellicia Demchuk	Vice President, Controller
Stephane Dubreuil	Senior Vice President, Strategy and Corporate Development
Donald Duxbury	Vice President, Finance
Jumoke Fagbemi	Senior Vice President, People
Suzanne Hathaway	Senior Vice President, General Counsel, Communications and Corporate Secretary
Randall Huffman	Chief Food Safety and Sustainability Officer
Omar Javed	Vice President Investor Relations
Joshua Kuehnbaum	Senior Vice President, Customer Business Development, Canada
Jennifer Lamb	Assistant Corporate Secretary
Andreas Liris	Chief Technology and Information Officer
Patrick Lutfy	Senior Vice President, Marketing & Innovation
Jason Mayr	Vice President, Finance & Treasurer
Ryan Walker	Senior Vice President, Poultry
Michael Yang	Chief Supply Chain Officer

DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

It is anticipated that the director and executive officer compensation practices of Maple Leaf Foods following the completion of the Arrangement will be a continuation of the current director and executive officer compensation practices of Maple Leaf Foods. For more information, see “Directors’ Compensation” and “Compensation Discussion and Analysis” in the Circular.

CORPORATE GOVERNANCE

It is anticipated that the corporate governance practices of Maple Leaf Foods following the completion of the Arrangement will be a continuation of the current corporate governance practices of Maple Leaf Foods. As such, following completion of the Arrangement, the four standing committees of the Board will continue to be the Audit Committee, the Corporate Governance Committee, the Human Resource and Compensation Committee and the Safety and Sustainability Committee. The responsibilities of these committees are each set out in written charters and are described in the body of the Circular. The charter of each committee can be found on the Corporation’s website at www.mapleleaffoods.com. For more information, see “Report on Governance” in the Circular.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Subject to the approval of Shareholders at the Meeting, Maple Leaf Foods’ auditors will continue to be KPMG LLP.

The Corporation’s transfer agent and registrar for the MLF New Common Shares will continue to be Computershare.

SCHEDULE K: UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS AND NON-IFRS MEASURES OF MAPLE LEAF FOODS

[See attached]

Unaudited Pro Forma Consolidated Financial Statements of Maple Leaf Foods

As at and for the Year Ended December 31, 2024,
and for the three months ended March 31, 2024, June 30, 2024, September 30, 2024, and December 31, 2024

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Cautionary Note

The historical carve-out information for Canada Packers and the pro forma financial information for Canada Packers and Maple Leaf Foods included in this Circular has been prepared for illustrative purposes only and may not be indicative of the operating results or financial condition that would have been achieved if the Arrangement (as defined below) had been completed on the date or for the periods noted therein, nor do they purport to project the results of operations or financial position for any future period or as of any future date. See *Risk Factors – Risks Relating to Carve-Out Financial Statements* in *Schedule “G”* of this Circular.

Carve-Out Financial Statements for Canada Packers

Upon completion of the Arrangement, Canada Packers will be a separate public entity from Maple Leaf Foods. Included as *Schedule “H”* of this Circular are the Carve-Out Financial Statements and the Carve-Out MD&A related to Canada Packers as at and for the years ending December 31, 2022, 2023 and 2024, in each case without giving effect to the Arrangement or the transactions expected to be completed in connection therewith or to any of the anticipated consequences thereof.

Pro Forma Consolidated Statements of Earnings (Loss)

Year ended December 31, 2024 (In thousands of Canadian dollars, except share amounts) (Unaudited)	Maple Leaf Foods Audited 2024 Consolidated Financial Statements	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
Sales	\$ 4,895,046	\$ (1,658,528)	4(a)	\$ 384,321	\$ (1,274,207)	4(c)	\$ 55,029	\$ 3,675,868
Cost of sales	4,115,040	(1,427,711)	4(a), 4(b)	384,342	(1,043,369)	4(c)	42,745	3,114,416
Gross profit	\$ 780,006	\$ (230,817)		(21)	\$ (230,838)		\$ 12,284	\$ 561,452
Selling, general and administrative expenses	437,133	(65,574)	4(b)	31,235	(34,339)	4(d)	(18,638)	384,156
Earnings before the following:	\$ 342,873	\$ (165,243)		(31,256)	\$ (196,499)		\$ 30,922	\$ 177,296
Restructuring and other related costs	19,922	—		—	—		—	19,922
Other expense (income)	19,482	(12,218)	4(b)	4,827	(7,391)	4(d)	(4,000)	8,091
Equity earnings (loss) of subsidiary	—	—		—	—	4(e)	12,538	12,538
Earnings (loss) before interest and income	\$ 303,469	\$ (153,025)		(36,083)	\$ (189,108)		\$ 47,460	\$ 161,821
Interest expense	162,600	(4,538)		—	(4,538)	4(f)	(26,950)	131,112
Earnings (loss) before income taxes	\$ 140,869	\$ (148,487)		(36,083)	\$ (184,570)		\$ 74,410	\$ 30,709
Income tax expense (recovery)	44,270	(40,234)	4(b)	(8,967)	(49,201)	4(g)	15,839	10,908
Earnings (loss)	\$ 96,599	\$ (108,253)		(27,116)	\$ (135,369)		\$ 58,571	\$ 19,801
Earnings per share attributable to common shareholders:								
Basic earnings per share							\$	0.16
Weighted average number of shares (millions)								
Basic ⁽ⁱⁱ⁾								123.0

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 1.0:1, actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended March 31, 2024	Maple Leaf Foods Q1 2024 Consolidated Financial Statements	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
<i>(In thousands of Canadian dollars)</i> <i>(Unaudited)</i>								
Sales	\$ 1,147,291	\$ (393,865)	4(a)	\$ 92,313	\$ (301,552)	4(c)	\$ 11,638	\$ 857,377
Cost of sales	920,951	(293,134)	4(a), 4(b)	92,319	(200,815)	4(c)	8,503	728,639
Gross profit	\$ 226,340	\$ (100,731)		\$ (6)	\$ (100,737)		\$ 3,135	\$ 128,738
Selling, general and administrative expenses	110,033	(16,357)	4(b)	7,789	(8,568)	4(d)	(4,659)	96,806
Earnings before the following:	\$ 116,307	\$ (84,374)		\$ (7,795)	\$ (92,169)		\$ 7,794	\$ 31,932
Restructuring and other related costs	(725)	—		—	—		—	(725)
Other expense	1,157	(503)	4(b)	191	(312)	4(d)	(1,000)	(155)
Equity earnings (loss) of subsidiary	—	—		—	—	4(e)	8,442	8,442
Earnings before interest and income taxes	\$ 115,875	\$ (83,871)		\$ (7,986)	\$ (91,857)		\$ 17,236	\$ 41,254
Interest expense	42,083	(884)		—	(884)	4(f)	(6,738)	34,461
Earnings (loss) before income taxes	\$ 73,792	\$ (82,987)		\$ (7,986)	\$ (90,973)		\$ 23,974	\$ 6,793
Income tax expense (recovery)	22,241	(21,875)	4(b)	(2,033)	(23,908)	4(g)	3,976	2,309
Earnings (loss)	\$ 51,551	\$ (61,112)		\$ (5,953)	\$ (67,065)		\$ 19,998	\$ 4,484

Earnings per share attributable to common shareholders:

Basic earnings per share	\$	0.04
Weighted average number of shares (millions)		
Basic ⁽ⁱⁱ⁾		123.0

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 1.0:1, actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended June 30, 2024	Maple Leaf Foods Q2 2024	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
<i>(In thousands of Canadian dollars)</i> <i>(Unaudited)</i>	Consolidated Financial Statements	Consolidated Financial Statements						
Sales	\$ 1,255,173	\$ (420,497)	4(a)	\$ 87,929	\$ (332,568)	4(c)	\$ 16,703	\$ 939,308
Cost of sales	1,124,019	(432,271)	4(a), 4(b)	87,934	(344,337)	4(c)	12,109	791,791
Gross profit	\$ 131,154	\$ 11,774		\$ (5)	\$ 11,769		\$ 4,594	\$ 147,517
Selling, general and administrative expenses	116,649	(16,208)	4(b)	7,622	(8,586)	4(d)	(4,659)	103,404
Earnings before the following:	\$ 14,505	\$ 27,982		\$ (7,627)	\$ 20,355		\$ 9,253	\$ 44,113
Restructuring and other related costs	6,893	—		—	—		—	6,893
Other expense	(3,493)	(1,508)	4(b)	425	(1,083)	4(d)	(1,000)	(5,576)
Equity earnings (loss) of subsidiary	—	—		—	—	4(e)	(5,156)	(5,156)
Earnings before interest and income taxes	\$ 11,105	\$ 29,490		\$ (8,052)	\$ 21,438		\$ 5,097	\$ 37,640
Interest expense	43,637	(1,209)		—	(1,209)	4(f)	(6,738)	35,690
Earnings (loss) before income taxes	\$ (32,532)	\$ 30,699		\$ (8,052)	\$ 22,647		\$ 11,835	\$ 1,950
Income tax expense (recovery)	(6,359)	7,835	4(b)	(2,038)	5,797	4(g)	4,350	3,788
Earnings (loss)	\$ (26,173)	\$ 22,864		\$ (6,014)	\$ 16,850		\$ 7,485	\$ (1,838)
Earnings per share attributable to common shareholders:								
Basic earnings per share							\$	(0.01)
Weighted average number of shares (millions)								
Basic ⁽ⁱⁱ⁾								123.0

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 1.0:1, actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended September 30, 2024	Maple Leaf Foods Q3 2024 Consolidated Financial Statements	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Sales	\$ 1,255,517	\$ (420,158)	4(a)	\$ 103,053	\$ (317,105)	4(c)	\$ 14,513	\$ 952,925
Cost of sales	1,069,304	(372,588)	4(a), 4(b)	103,058	(269,530)	4(c)	12,479	812,253
Gross profit	\$ 186,213	\$ (47,570)		\$ (5)	\$ (47,575)		\$ 2,034	\$ 140,672
Selling, general and administrative expenses	108,540	(18,421)	4(b)	10,405	(8,016)	4(d)	(4,659)	95,865
Earnings before the following:	\$ 77,673	\$ (29,149)		\$ (10,410)	\$ (39,559)		\$ 6,693	\$ 44,807
Restructuring and other related costs	1,398	—		—	—		—	1,398
Other expense	9,950	(443)	4(b)	1,299	856	4(d)	(1,000)	9,806
Equity earnings (loss) of subsidiary	—	—		—	—	4(e)	2,355	2,355
Earnings before interest and income taxes	\$ 66,325	\$ (28,706)		\$ (11,709)	\$ (40,415)		\$ 10,048	\$ 35,958
Interest expense	41,087	(1,185)		—	(1,185)	4(f)	(6,738)	33,164
Earnings (loss) before income taxes	\$ 25,238	\$ (27,521)		\$ (11,709)	\$ (39,230)		\$ 16,786	\$ 2,794
Income tax expense (recovery)	7,552	(8,095)	4(b)	(2,925)	(11,020)	4(g)	3,694	226
Earnings (loss)	\$ 17,686	\$ (19,426)		\$ (8,784)	\$ (28,210)		\$ 13,092	\$ 2,568

Earnings per share attributable to common shareholders:

Basic earnings per share	\$	0.02
Weighted average number of shares (millions)		
Basic ⁽ⁱⁱ⁾		123.0

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 1.0:1, actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Statements of Earnings (Loss)

Quarter ended December 31, 2024	Maple Leaf Foods Q4 2024 Consolidated Financial Statements	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
<i>(In thousands of Canadian dollars)</i> <i>(Unaudited)</i>								
Sales	\$ 1,237,064	\$ (424,007)	4(a)	\$ 101,026	\$ (322,981)	4(c)	\$ 12,175	\$ 926,258
Cost of sales	1,000,767	(329,718)	4(a), 4(b)	101,031	(228,687)	4(c)	9,654	781,734
Gross profit	\$ 236,297	\$ (94,289)		\$ (5)	\$ (94,294)		\$ 2,521	\$ 144,524
Selling, general and administrative expenses	101,911	(14,588)	4(b)	5,418	(9,170)	4(d)	(4,659)	88,082
Earnings before the following:	\$ 134,386	\$ (79,701)		\$ (5,423)	\$ (85,124)		\$ 7,180	\$ 56,442
Restructuring and other related costs	12,356	—		—	—		—	12,356
Other expense	11,868	(9,765)	4(b)	2,912	(6,853)	4(d)	(1,000)	4,015
Equity earnings (loss) of subsidiary	—	—		—	—	4(e)	6,897	6,897
Earnings before interest and income taxes	\$ 110,162	\$ (69,936)		\$ (8,335)	\$ (78,271)		\$ 15,077	\$ 46,968
Interest expense	35,792	(1,260)		—	(1,260)	4(f)	(6,738)	27,794
Earnings (loss) before income taxes	\$ 74,370	\$ (68,676)		\$ (8,335)	\$ (77,011)		\$ 21,815	\$ 19,174
Income tax expense (recovery)	20,835	(18,099)	4(b)	(1,971)	(20,070)	4(g)	3,819	4,584
Earnings (loss)	\$ 53,535	\$ (50,577)		\$ (6,364)	\$ (56,941)		\$ 17,996	\$ 14,590
Earnings per share attributable to common shareholders:								
Basic earnings per share							\$	0.12
Weighted average number of shares (millions)								
Basic ⁽ⁱⁱ⁾								123.0

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(ii) Weighted average number of shares outstanding for basic earnings per share assumes a consolidation ratio of 1.0:1, actual number of shares outstanding after giving effect to the Arrangement may be different.

Pro Forma Consolidated Balance Sheet

As at December 31, 2024

(In thousands of Canadian dollars)
(Unaudited)

	Maple Leaf Foods Audited 2024 Financial Statements	Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
ASSETS					
Cash and cash equivalents	\$ 175,908	\$ (18,777)	5(a)	18,777	175,908
Accounts receivable	170,919	(82,141)	5(b), 5(f)	(21,613)	67,165
Notes receivable	37,978	—		—	37,978
Inventories	553,398	(99,333)		—	454,065
Biological assets	169,399	(158,903)		—	10,496
Income and other taxes recoverable	7,551	—		—	7,551
Prepaid expenses and other assets	42,342	(11,557)		—	30,785
Assets held for sale	22,769	—		—	22,769
Total current assets	\$ 1,180,264	\$ (370,711)		(2,836)	\$ 806,717
Property and equipment	2,123,167	(317,406)		—	1,805,761
Right-of-use assets	160,922	(83,982)		—	76,940
Investment in Canada Packers	—	—	5(c)	114,400	114,400
Investments	12,763	—		—	12,763
Investment property	42,588	(6,900)		—	35,688
Employee benefits	22,429	—		—	22,429
Other long-term assets	24,918	(4,971)		—	19,947
Deferred tax asset	46,588	—		—	46,588
Goodwill	477,353	—	5(d)	(103,862)	373,491
Intangible assets	339,526	(840)		—	338,686
Total long-term assets	\$ 3,250,254	\$ (414,099)		10,538	\$ 2,846,693
Total assets	\$ 4,430,518	\$ (784,810)		7,702	\$ 3,653,410

Pro Forma Consolidated Balance Sheet

As at December 31, 2024

(In thousands of Canadian dollars)
(Unaudited)

	Maple Leaf Foods Audited 2024 Financial Statements	Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
LIABILITIES AND EQUITY					
Accounts payable and accruals	\$ 561,179	\$ (83,853)	5(e), 5(f)	\$ (5,313)	\$ 472,013
Current portion of provisions	14,482	—		—	14,482
Current portion of long-term debt	301,478	—	5(g)	(301,478)	—
Current portion of lease obligations	39,900	(20,844)		—	19,056
Income taxes payable	2,595	(1,358)		—	1,237
Other current liabilities	37,587	(6,568)		—	31,019
Total current liabilities	\$ 957,221	\$ (112,623)		\$ (306,791)	\$ 537,807
Long-term debt	1,390,479	(900)	5(g)	(83,522)	1,306,057
Lease obligations	147,892	(66,462)		—	81,430
Employee benefits	62,395	—		—	62,395
Provisions	3,912	—		—	3,912
Other long-term liabilities	5,205	—		—	5,205
Deferred tax liability	325,137	(41,758)		—	283,379
Total long-term liabilities	\$ 1,935,020	\$ (109,120)		\$ (83,522)	\$ 1,742,378
Total liabilities	\$ 2,892,241	\$ (221,743)		\$ (390,313)	\$ 2,280,185
Shareholders' equity					
Share capital	\$ 897,839	—		—	\$ 897,839
Contributed surplus	12,482	—		—	12,482
Retained earnings	587,393	(565,664)	5(e), 5(f), 5(g)	1,001,212	1,022,941
Dividends	—	—	5(h)	(600,600)	(600,600)
Accumulated other comprehensive income	43,994	2,597	5(i)	(2,597)	43,994
Treasury shares	(3,431)	—		—	(3,431)
Total shareholders' equity	\$ 1,538,277	\$ (563,067)		\$ 398,015	\$ 1,373,225
Total liabilities and equity	\$ 4,430,518	\$ (784,810)		\$ 7,702	\$ 3,653,410

Notes to Pro Forma Consolidated Financial Statements

1. DESCRIPTION OF BUSINESS

Maple Leaf Foods Inc. ("Maple Leaf Foods" or the "Company") is a leading Canadian consumer package goods protein company dedicated to delivering sustainable, innovative protein products to meet the evolving needs of customers and consumers. Its portfolio includes well-known leading brands such as Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Schneiders Country Naturals®, Mina®, Greenfield Natural Meat Co.®, Lightlife® and Field Roast™. The Company offers a range of prepared foods and poultry products, including a comprehensive selection of premium and value-added products, together with regional and private label offerings and an increasing selection of products that will appeal to a diverse population.

On July 9, 2024, the Company announced its intention to split into two separate public companies with a spin-off of its pork operations (the "Pork Operations") by way of a plan of arrangement (the "Transaction" or "Arrangement") and on October 10, 2024, the Company communicated that the name of the new Pork Operations is Canada Packers Inc. ("Canada Packers"). In addition to Maple Leaf Foods shareholder ("Shareholder") and court approvals, the Transaction is subject to receipt of necessary regulatory approvals and satisfaction of other customary closing conditions. The Company expects that the Transaction will be completed in the second half of 2025.

Under the Transaction, Shareholders will retain their current ownership in Maple Leaf Foods and receive a pro-rata allocation of common shares in Canada Packers ("Canada Packers Common Shares"). The Transaction is described in greater detail in the body of this Circular.

2. DESCRIPTION OF THE TRANSACTION

The purpose of the Arrangement and the related transactions is to separate the Company into two independent public companies, each primed for growth and positioned to be a leader in its field. Maple Leaf Foods will be a focused, purpose-driven and protein-centric consumer packaged goods company, uniquely positioned to meet the world's growing demand for sustainable protein. Canada Packers will be a global leader in sustainably produced, premium quality, value-added pork products, and will be well positioned to unlock the significant growth potential of its business by investing in low-risk, high return opportunities, including increasing volumes, optimizing operations and efficiencies, and building on its favourable sales mix and margins.

The Arrangement effects a series of transactions resulting in the transfer of the assets and liabilities comprising the Pork Operations from Maple Leaf Foods to Canada Packers and the pro-rata distribution to Shareholders of the Canada Packers Common Shares, subject to Maple Leaf Foods retaining a 16% ownership position in Canada Packers. Shareholders as of the Distribution Record Date, as defined in the Glossary of this Circular, will receive, in exchange for each Maple Leaf Foods common share (a "MLF Common Share"), one new MLF Common Share and 0.2 of a Canada Packers Common Share. Accordingly, immediately after giving effect to the Arrangement, Shareholders as of the Distribution Record Date will hold all of the outstanding new MLF Common Shares and 84% of the Canada Packers Common Shares.

3. BASIS OF PRESENTATION

The Unaudited Pro Forma Consolidated Financial Statements of Maple Leaf Foods have been prepared for inclusion in this Circular. They have been derived from and should be read in conjunction with the Audited Consolidated Financial Statements of Maple Leaf Foods Inc. for the year ended December 31, 2024 as filed on SEDAR+ at www.sedarplus.ca, and the Audited Combined Carve-out Financial Statements of Canada Packers for the year ended December 31, 2024 included in *Schedule "H"* of this Circular.

The Unaudited Pro Forma Consolidated Financial Statements are prepared to give effect to and reflect the Arrangement and related transactions as described in Note 2 as if:

- the Arrangement, and such related transactions occurred on December 31, 2023 for the purposes of the Unaudited Pro Forma Consolidated Statements of Earnings for the year ended December 31, 2024, and for the three months ended March 31, 2024, June 30, 2024, September 30, 2024 and December 31, 2024; and
- the Arrangement, and such related transactions occurred on December 31, 2024 for the purpose of the Unaudited Pro Forma Consolidated Balance Sheet

The Unaudited Pro Forma Consolidated Financial Statements follow the same accounting policies and methods of application as those used in the Audited Consolidated Financial Statements of Maple Leaf Foods for the year ended December 31, 2024, except as described in Note 4. The Unaudited Pro Forma Consolidated Financial Statements are based on estimates, accounting judgments and currently available information and assumptions that management believes are reasonable. The Unaudited Pro Forma Consolidated Financial Statements are prepared for informational purposes only and do not include, among other things, the transfer of certain employee benefit and compensation related assets and liabilities that are expected to be specified in the Separation Agreement and other Arrangement agreements and costs related to separation. The pro

Notes to Pro Forma Consolidated Financial Statements

forma information presented is not necessarily indicative of what Maple Leaf Foods' actual financial position and results of operations would have been had the Arrangement been completed on the dates indicated, nor does it purport to project Maple Leaf Foods' future financial position or results of operations for any future period or as of any future date. Readers are urged to consider these factors carefully in evaluating the Unaudited Pro Forma Consolidated Financial Statements and are cautioned not to place undue reliance on these Unaudited Pro Forma Consolidated Financial Statements.

All dollar amounts are presented in Canadian dollars unless otherwise specified.

4. ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED STATEMENT OF EARNINGS (LOSS)

In connection with the Arrangement, Canada Packers will acquire the Pork Operations in exchange for a combination of cash and equity instruments of Canada Packers. Further details of this Arrangement, and the related transactions are included in *Schedule "C"* of this Circular. Eighty-four percent (84%) of the equity interests of Canada Packers will then be distributed to Maple Leaf Foods' shareholders pursuant to the Arrangement. Maple Leaf Foods is expected to account for this as a loss of control at the time of the transaction. Maple Leaf Foods is expected to retain significant influence over Canada Packers and to account for this investment using the equity method of accounting. This will require Maple Leaf Foods to record an investment on its balance sheet representing the fair value of its 16% ownership of the equity interests in Canada Packers at the time of the transaction, and thereafter to record its share of Canada Packers earnings or loss through its Consolidated Statement of Earnings, and its share of any dividends received as a reduction of the investment. Maple Leaf Foods will also be required to amortize certain of the initial differences between book value and fair value. This amortization has been excluded from these Unaudited Pro Forma Consolidated Financial Statements as the valuation of the Pork Operations will be based on fair values at the time of the transaction.

In connection with the Arrangement, it is expected that Canada Packers will obtain debt financing from a syndicate of third-party lenders in an amount that, for the purposes of these Unaudited Pro Forma Consolidated Financial Statements, is assumed to be \$415 million. These Unaudited Pro Forma Consolidated Financial Statements further assume that Canada Packers will retain \$30 million of these borrowings for general corporate purposes and will use \$385 million to fund, in part the acquisition of the Pork Operations from Maple Leaf Foods in addition to issuing shares to fund the balance of such acquisition.

The adjustments to the Pro Forma Consolidated Statement of Earnings are as follows:

- a. Represents the increases to sales and cost of sales in amounts equal to the respective amounts in the Combined Carve-Out Financial Statements of Canada Packers on account of intercompany sales from Canada Packers, and intercompany cost of sales incurred by other operating units within Maple Leaf Foods. These amounts are eliminated within consolidated Maple Leaf Foods.
- b. Represents management's estimate of the difference between (i) certain functional and overhead costs that were incurred by Maple Leaf Foods, and allocated to Canada Packers on an activity basis in the Canada Packers Carve-Out Financial Statements, and (ii) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers for the periods presented. These amounts are prior to the application of the Supply Agreement and related transactions and before any incremental costs of being a public company. This includes the removal of certain information systems related costs that were allocated in the Carve-Out Financial Statements of Canada Packers. The income tax expense includes the estimated impact of income taxes on these differences.
- c. Represents management's estimate of the increases to revenue (principally associated to tolling fees for services that would be performed by Maple Leaf Foods for Canada Packers, broker fees that would be paid to Maple Leaf Foods to support Canada Packers' North American sales and Intellectual Property fees charged to Canada Packers) and cost of sales (principally as a result the costs associated with tolling services that would be performed by Maple Leaf Foods for Canada Packers and premium payments that would be made by Maple Leaf Foods for RWA hogs raised by Canada Packers) if the Supply Agreement had been in effect for the periods presented.
- d. Represents management's estimate of the cost of providing services under the Long-Term Services Agreement, which formed part of Selling, General, and Administrative Expenses in the Consolidated Financial Statements of Maple Leaf Foods, and have been re-classified as Other Expenses to reflect the nature of these expenses as supporting a non-controlled related party. The increase in Other Expenses is offset by a further adjustment to reflect the estimated other income that would have occurred as a result of the service income that would have been received under the Long-Term Services Agreement as if it had been in effect for the period presented.
- e. Represents management's estimate of equity income that would have been recorded from Maple Leaf Foods investment in Canada Packers. This has been calculated based on the retention of a 16% ownership interest after the Arrangement.
- f. Represents management's estimate of the impact of the reduction in interest expense from the impact of a reduction in overall net debt, assuming that Canada Packers pays \$385 million in cash as part of the consideration for its purchase of Maple Leaf Foods' Pork Operations, as further described in Note 5 below.

Notes to Pro Forma Consolidated Financial Statements

- g. Represents management's estimate of the impact on income taxes of the adjustments described in Note 4 (a) - (f).

5. ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED BALANCE SHEET

In connection with the Arrangement, it is expected that Canada Packers' will obtain debt financing from a syndicate of third-party lenders in an amount that for the purposes of these Unaudited Pro Forma Consolidated Financial Statements is assumed to be \$415 million. These Unaudited Pro Forma Consolidated Financial Statements also assume that Canada Packers' will retain \$30 million of these borrowings for general corporate purposes, and will use \$385 million to fund, in part, the acquisition of the Pork Operations from Maple Leaf Foods, in addition to issuing shares to fund the balance of such acquisition. These assumptions form the basis for some of the pro forma adjustments noted below, and in the calculation of pro forma interest expense reduction as described in Note 4(f). Readers should note that the actual terms of the debt financing obtained by Canada Packers are likely to vary from these assumptions. For more information, see "The Arrangement – Certain Credit Facility Matters – New Credit Facilities – New Canada Packers Credit Facilities" in *Schedule "G"* of this Circular.

Assets acquired and liabilities assumed by Canada Packers as part of the Arrangement are transferred at their accounting book value at the time of the transaction.

- a. Represents adjustments to reflect the impact of dividends to be paid from Maple Leaf Foods (Japan) Inc., a fully owned subsidiary that is part of Maple Leaf Foods' Pork Operations, to Maple Leaf Foods based on the current cash balance at the balance sheet date of \$18 million, prior to the Arrangement.
- b. Represents an adjustment of \$7.9 million reflecting the settlement of receivable amounts from Maple Leaf Foods and included in Accounts Receivable in the Canada Packers Combined Carve-Out Balance Sheet immediately prior to the transaction.
- c. Represents management's estimate of Maple Leaf Foods 16% retained ownership interest in Canada Packers, based on the estimated December 31, 2024 fair value of the Pork Operations, and on the other assumptions noted above related to the portion of the purchase price to be received in cash.
- d. Represents management's estimate of the amount of Goodwill that will be transferred from Maple Leaf Foods to Canada Packers in the transaction, using information as described in Note 14, and the accounting judgements, estimates and policies described in Notes 2 and 3 of Maple Leaf Foods' Consolidated Financial Statements for the year ended December 31, 2024, as filed on SEDAR+ www.sedarplus.ca. The final amount transferred will be determined at the time of the spin-off based on the relative values of the Pork Operations and remaining Maple Leaf Foods operations.
- e. Represents management's estimate of transaction costs to be incurred on closing.
- f. Represents an adjustment of \$29.5 million accounts receivable and \$25.3 million accounts payable reflecting the settlement of intercompany balances recorded in the Maple Leaf Foods financial statements, but not reflected in the Combined Carve-Out Balance Sheets of Canada Packers immediately prior to the transaction.
- g. Represents management's estimate of Maple Leaf Foods debt repayment with the proceeds assumed to be received from the sale of the Pork Operations to Canada Packers as described above.
- h. Represents management's estimate of the equity distributed to Shareholders in the form of Canada Packers Common Shares.
- i. Represents accounting adjustment to re-classify other comprehensive income in the Combined Carve-Out Financial Statements to retained earnings. The final amount to be de-recognized will be determined based on the fair value of derivatives and book value of foreign subsidiaries at the time of the Transaction.

6. OTHER CONTRACTUAL MATTERS AND COSTS

The Separation Agreement will set forth the agreement between Maple Leaf Foods and Canada Packers Inc. (as predecessor to Canada Packers) ("Subco") with respect to the transfer from Maple Leaf Foods to Subco of the assets related to the Pork Operations and the assumption of certain liabilities and obligations related to the Pork Operations by Subco, including responsibility and liability for certain legal actions.

Maple Leaf Foods may assign employees and transfer certain employee benefit plan assets and liabilities to Canada Packers. Canada Packers expects to establish benefit plans and arrangements similar to Maple Leaf Foods' plans for the transferred employees.

No pro forma adjustments have been made to the Pro Forma Consolidated Balance Sheet to reflect the transfer of these additional assets and liabilities not included in the Audited Combined Carve-out Financial Statements of the Pork Operations, including employee benefit plan assets and liabilities, other compensation liabilities and any shared corporate assets because the Separation Agreement and other agreements have not yet been finalized, and amounts are not objectively determinable. Management's best estimate of the expense of employee benefits transferring to Canada Packers has been included in the

Notes to Pro Forma Consolidated Financial Statements

pro forma consolidated income statements, on the basis of Maple Leaf Foods' plans that were in effect during 2024. This does not reflect any estimate or expectation of future performance of these plans and arrangements.

Effective upon completion of the Arrangement, Canada Packers will assume responsibility for all its corporate functions and related costs which have historically been performed by Maple Leaf Foods. However, after the separation certain of these activities may continue to be performed by Maple Leaf Foods under a transition services agreement for a limited period of time. Any income related to this short term agreement transition agreement has not been reflected in the pro forma consolidated financial statements as the agreement is not yet finalized and costs are not objectively determinable.

7. COMMON SHARES

The Arrangement results in the exchange of the currently issued and outstanding shares of Maple Leaf Foods being exchanged at a ratio of 1 current MLF Common Share to one new MLF Common Share after the Arrangement.

Non-IFRS Measures of Maple Leaf Foods

As at and for the Year Ended December 31, 2024,
and for the three months ended March 31, 2024, June 30, 2024, September 30, 2024, and December 31, 2024

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Non-IFRS Measures

Maple Leaf Foods uses the following pro forma non-IFRS measures: Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT, Adjusted EBT Margin, Adjusted Earnings Per Share, Free Cash Flow and Net Debt to Adjusted EBITDA. Management believes that these pro forma non-IFRS measures provide useful information to investors in measuring the financial performance of Maple Leaf Foods after reflecting the Arrangement. These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS.

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Year ended December 31, 2024	Maple Leaf Foods 2024 Consolidated metrics per MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Sales	\$ 4,895,046	\$ (1,658,528)	(ii)	\$ 384,321	\$ (1,274,207)	(vi)	\$ 55,029	\$ 3,675,868
IFRS Earnings								
Income taxes	96,599	(108,253)	(iii)	(27,116)	(135,369)	(vii)	58,571	19,801
Interest expense on debt and leases	44,270	(40,234)	(iv)	(8,967)	(49,201)	(viii)	15,839	10,908
Restructuring and other related costs	162,600	(4,538)		—	(4,538)	(ix)	(26,950)	131,112
Change in fair value of biological assets	19,922	—		—	—		—	19,922
Change in fair value of derivatives	(63,581)	63,581		—	63,581		—	—
Start-up expenses	(6,438)	2,833		—	2,833		—	(3,605)
Equity (earnings) loss of subsidiary	20,586	—		—	—		—	20,586
Other expense	—	—		—	—	(x)	(12,538)	(12,538)
	19,482	(12,218)		4,827	(7,391)		(4,000)	8,091
Adjusted Operating Earnings	\$ 293,440	\$ (98,829)		\$ (31,256)	\$ (130,085)		\$ 30,922	\$ 194,277
Other items representative of ongoing operations ^(xi)	(924)	2,399	(v)	(1,450)	949		4,000	4,025
Depreciation and amortization	260,709	(49,739)		—	(49,739)		—	210,970
Adjusted EBITDA	\$ 553,225	\$ (146,169)		\$ (32,706)	\$ (178,875)		\$ 34,922	\$ 409,272
Adjusted EBITDA margin	11.3%							11.1%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.

(ii) Represents the elimination of intercompany sales and related cost of sales from Canada Packers to other operating units within Maple Leaf Foods.

(iii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iv) Represents management's estimate of the impact to income taxes of the adjustments described in Note (iii).

(v) Represents management's estimate of the impact of differences between the amounts reflected in the Canada Packers Carve-Out Management's Discussion and Analysis as stated in Schedule "H" of this Circular and the costs expected to transfer from Maple Leaf Foods to Canada Packers that are excluded from the calculation of Adjusted EBITDA in Maple Leaf Foods 2024 calculation of Adjusted EBITDA as they are not considered ongoing expenses.

(vi) Represents management's estimate of the impact of the Supply Agreement if it had been in place beginning December 31, 2023. Further details are provided in Note 4.

Non-IFRS Measures

- (vii) Represents management's estimate of the impact of the Supply Agreement and the Long-Term Services Agreement as if they had been in place beginning December 31, 2023, in addition to management's estimate of Maple Leaf Foods' 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.
- (viii) Represents management's estimate of the impact of income taxes of the adjustments described in Note (vii).
- (ix) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.
- (x) Represents management's estimate of Maple Leaf's 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.
- (xi) Represents management's estimate of items included in Other Expense that are representative of the ongoing operations of the business.

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Year ended December 31, 2024	Maple Leaf Foods 2024 Consolidated metrics per MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Adjusted EBITDA	\$ 553,225	\$ (146,169)	(ii)	\$ (32,706)	\$ (178,875)	(ii)	\$ 34,922	\$ 409,272
Less: depreciation and amortization	(260,709)	49,739		—	49,739		—	(210,970)
Less: interest expense	(162,600)	4,538		—	4,538	(iii)	26,950	(131,112)
Add back: interest income	7,642	—		—	—		—	7,642
Adjusted EBT	\$ 137,558	\$ (91,892)		\$ (32,706)	\$ (124,598)		\$ 61,872	\$ 74,832
Adjusted EBT margin	2.8%							2.0%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.
- (ii) Represents Adjusted EBITDA as reconciled above.
- (iii) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended March 31, 2024	Maple Leaf Foods Q1 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)							
Sales	\$ 1,147,291	\$ (393,865)	(ii)	\$ 92,313	\$ (301,552)	\$ 11,638	\$ 857,377
IFRS Earnings	51,551	(61,112)	(iii)	(5,953)	(67,065)	19,998	4,484
Income taxes	22,241	(21,875)	(iv)	(2,033)	(23,908)	3,976	2,309
Interest expense on debt and leases	42,083	(884)		—	(884)	(6,738)	34,461
Restructuring and other related costs	(725)	—		—	—	—	(725)
Change in fair value of biological assets	(69,143)	69,143		—	69,143	—	—
Change in fair value of derivatives	(5,614)	1,026		—	1,026	—	(4,588)
Start-up expenses	11,412	—		—	—	—	11,412
Equity (earnings) loss of subsidiary	—	—		—	—	(8,442)	(8,442)
Other expense	1,157	(503)		191	(312)	(1,000)	(155)
Adjusted Operating Earnings	\$ 52,962	\$ (14,205)		\$ (7,795)	\$ (22,000)	\$ 7,794	\$ 38,756
Other items representative of ongoing operations ^(x)	(1,499)	312	(v)	(363)	(51)	1,000	(550)
Depreciation and amortization	64,983	(12,389)		—	(12,389)	—	52,594
Adjusted EBITDA	\$ 116,446	\$ (26,282)		\$ (8,158)	\$ (34,440)	\$ 8,794	\$ 90,800
Adjusted EBITDA margin	10.1%						10.6%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.

(ii) Represents the elimination of intercompany sales and related cost of sales from Canada Packers to other operating units within Maple Leaf Foods.

(iii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iv) Represents management's estimate of the impact to income taxes of the adjustments described in Note (iii).

(v) Represents management's estimate of the impact of differences between the amounts reflected in the Canada Packers Carve-Out Management's Discussion and Analysis as stated in Schedule "H" of this Circular and the costs expected to transfer from Maple Leaf Foods to Canada Packers that are excluded from the calculation of Adjusted EBITDA in Maple Leaf Foods 2024 calculation of Adjusted EBITDA as they are not considered ongoing expenses.

(vi) Represents management's estimate of the impact of the Supply Agreement if it had been in place beginning December 31, 2023. Further details are provided in Note 4.

(vii) Represents management's estimate of the impact of the Supply Agreement and the Long-Term Services Agreement as if they had been in place beginning December 31, 2023, in addition to management's estimate of Maple Leaf Foods' 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "J" of this Circular.

(viii) Represents management's estimate of the impact of income taxes of the adjustments described in Note (vii).

Non-IFRS Measures

- (ix) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.
- (x) Represents management's estimate of Maple Leaf's 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "J" of this Circular.
- (xi) Represents management's estimate of items included in Other Expense that are representative of the ongoing operations of the business.

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended March 31, 2024	Maple Leaf Foods Q1 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Notes	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars)								
(Unaudited)								
Adjusted EBITDA	\$ 116,446	\$ (26,282)	(ii)	\$ (8,158)	(ii)	\$ (34,440)	\$ 8,794	\$ 90,800
Less: depreciation and amortization	(64,983)	12,389		—		12,389	—	(52,594)
Less: interest expense	(42,083)	884		—	(iii)	884	6,738	(34,461)
Add back: interest income	999	—		—		—	—	999
Adjusted EBT	\$ 10,379	\$ (13,009)		\$ (8,158)		\$ (21,167)	\$ 15,532	\$ 4,744
Adjusted EBT margin	0.9%							0.6%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.
- (ii) Represents Adjusted EBITDA as reconciled above.
- (iii) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended June 30, 2024	Maple Leaf Foods Q2 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)							
Sales	\$ 1,255,173	\$ (420,497)	(ii)	\$ 87,929	\$ (332,568)	\$ 16,703	\$ 939,308
IFRS Earnings	(26,173)	22,864	(iii)	(6,014)	16,850	7,485	(1,838)
Income taxes	(6,359)	7,835	(iv)	(2,038)	5,797	4,350	3,788
Interest expense on debt and leases	43,637	(1,209)		—	(1,209)	(6,738)	35,690
Restructuring and other related costs	6,893	—		—	—	—	6,893
Change in fair value of biological assets	52,488	(52,488)		—	(52,488)	—	—
Change in fair value of derivatives	6,760	2,692		—	2,692	—	9,452
Start-up expenses	4,391	—		—	—	—	4,391
Equity (earnings) loss of subsidiary	—	—		—	—	5,156	5,156
Other expense	(3,493)	(1,508)		425	(1,083)	(1,000)	(5,576)
Adjusted Operating Earnings	\$ 78,144	\$ (21,814)		\$ (7,627)	\$ (29,441)	\$ 9,253	\$ 57,956
Other items representative of ongoing operations ^(x)	(935)	1,083	(v)	(363)	720	1,000	785
Depreciation and amortization	63,654	(12,466)		—	(12,466)	—	51,188
Adjusted EBITDA	\$ 140,863	\$ (33,197)		\$ (7,990)	\$ (41,187)	\$ 10,253	\$ 109,929
Adjusted EBITDA margin	11.2%						11.7%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.

(ii) Represents the elimination of intercompany sales and related cost of sales from Canada Packers to other operating units within Maple Leaf Foods.

(iii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iv) Represents management's estimate of the impact to income taxes of the adjustments described in Note (iii).

(v) Represents management's estimate of the impact of differences between the amounts reflected in the Canada Packers Carve-Out Management's Discussion and Analysis as stated in Schedule "H" of this Circular and the costs expected to transfer from Maple Leaf Foods to Canada Packers that are excluded from the calculation of Adjusted EBITDA in Maple Leaf Foods 2024 calculation of Adjusted EBITDA as they are not considered ongoing expenses.

(vi) Represents management's estimate of the impact of the Supply Agreement if it had been in place beginning December 31, 2023. Further details are provided in Note 4.

(vii) Represents management's estimate of the impact of the Supply Agreement and the Long-Term Services Agreement as if they had been in place beginning December 31, 2023, in addition to management's estimate of Maple Leaf Foods' 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.

(viii) Represents management's estimate of the impact of income taxes of the adjustments described in Note (vii).

Non-IFRS Measures

- (ix) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.
- (x) Represents management's estimate of Maple Leaf's 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.
- (xi) Represents management's estimate of items included in Other Expense that are representative of the ongoing operations of the business.

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended June 30, 2024	Maple Leaf Foods Q2 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Notes	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Adjusted EBITDA	\$ 140,863	\$ (33,197)	(ii)	\$ (7,990)	(ii)	\$ (41,187)	\$ 10,253	\$ 109,929
Less: depreciation and amortization	(63,654)	12,466		—		12,466	—	(51,188)
Less: interest expense	(43,637)	1,209		—	(iii)	1,209	6,738	(35,690)
Add back: interest income	830	—		—		—	—	830
Adjusted EBT	\$ 34,402	\$ (19,522)		\$ (7,990)		\$ (27,512)	\$ 16,991	\$ 23,881
Adjusted EBT margin	2.7%							2.5%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.
- (ii) Represents Adjusted EBITDA as reconciled above.
- (iii) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.

Non-IFRS Measures

Reconciliation to Adjusted EBITDA Excluding Investment in Canada Packers:

Quarter ended September 30, 2024	Maple Leaf Foods Q3 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Notes	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Sales	\$ 1,255,517	\$ (420,158)	(ii)	\$ 103,053	(vi)	\$ (317,105)	\$ 14,513	\$ 952,925
IFRS Earnings								
Income taxes	17,686	(19,426)	(iii)	(8,784)	(vii)	(28,210)	13,092	2,568
Interest expense on debt and leases	7,552	(8,095)	(iv)	(2,925)	(viii)	(11,020)	3,694	226
Restructuring and other related costs	41,087	(1,185)		—	(ix)	(1,185)	(6,738)	33,164
Change in fair value of biological assets	1,398	—		—		—	—	1,398
Change in fair value of derivatives	(3,717)	3,717		—		3,717	—	—
Start-up expenses	(4,281)	(2,693)		—		(2,693)	—	(6,974)
Equity (earnings) loss of subsidiary	3,915	—		—		—	—	3,915
Other expense	—	—		—	(x)	—	(2,355)	(2,355)
	9,950	(443)		1,299		856	(1,000)	9,806
Adjusted Operating Earnings	\$ 73,590	\$ (28,125)		\$ (10,410)		\$ (38,535)	\$ 6,693	\$ 41,748
Other items representative of ongoing operations ^(xi)	(1,374)	(857)	(v)	(363)		(1,220)	1,000	(1,594)
Depreciation and amortization	68,584	(12,529)		—		(12,529)	—	56,055
Adjusted EBITDA	\$ 140,800	\$ (41,511)		\$ (10,773)		\$ (52,284)	\$ 7,693	\$ 96,209
Adjusted EBITDA margin	11.2%							10.1%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.
- (ii) Represents the elimination of intercompany sales and related cost of sales from Canada Packers to other operating units within Maple Leaf Foods.
- (iii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.
- (iv) Represents management's estimate of the impact to income taxes of the adjustments described in Note (iii).
- (v) Represents management's estimate of the impact of differences between the amounts reflected in the Canada Packers Carve-Out Management's Discussion and Analysis as stated in Schedule "H" of this Circular and the costs expected to transfer from Maple Leaf Foods to Canada Packers that are excluded from the calculation of Adjusted EBITDA in Maple Leaf Foods 2024 calculation of Adjusted EBITDA as they are not considered ongoing expenses.
- (vi) Represents management's estimate of the impact of the Supply Agreement if it had been in place beginning December 31, 2023. Further details are provided in Note 4.
- (vii) Represents management's estimate of the impact of the Supply Agreement and the Long-Term Services Agreement as if they had been in place beginning December 31, 2023, in addition to management's estimate of Maple Leaf Foods' 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "J" of this Circular.
- (viii) Represents management's estimate of the impact of income taxes of the adjustments described in Note (vii).

Non-IFRS Measures

- (ix) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.
- (x) Represents management's estimate of Maple Leaf's 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "J" of this Circular.
- (xi) Represents management's estimate of items included in Other Expense that are representative of the ongoing operations of the business.

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended September 30, 2024	Maple Leaf Foods Q3 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Notes	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars)								
(Unaudited)								
Adjusted EBITDA	\$ 140,800	\$ (41,511)	(ii)	\$ (10,773)	(ii)	\$ (52,284)	\$ 7,693	\$ 96,209
Less: depreciation and amortization	(68,584)	12,529		—		12,529	—	(56,055)
Less: interest expense	(41,087)	1,185		—	(iii)	1,185	6,738	(33,164)
Add back: interest income	983	—		—		—	—	983
Adjusted EBT	\$ 32,112	\$ (27,797)		\$ (10,773)		\$ (38,570)	\$ 14,431	\$ 7,973
Adjusted EBT margin	2.6%							0.8%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.

(ii) Represents Adjusted EBITDA as reconciled above.

(iii) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.

Non-IFRS Measures

Reconciliation from IFRS Earnings (Loss) to Adjusted Operating Earnings and Adjusted EBITDA:

Quarter ended December 31, 2024	Maple Leaf Foods Q4 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)							
Sales	\$ 1,237,064	\$ (424,007)	(ii)	\$ 101,026	\$ (322,981)	\$ 12,175	\$ 926,258
IFRS Earnings	53,535	(50,577)	(iii)	(6,364)	(56,941)	17,996	14,590
Income taxes	20,835	(18,099)	(iv)	(1,971)	(20,070)	3,819	4,584
Interest expense on debt and leases	35,792	(1,260)		—	(1,260)	(6,738)	27,794
Restructuring and other related costs	12,356	—		—	—	—	12,356
Change in fair value of biological assets	(43,209)	43,209		—	43,209	—	—
Change in fair value of derivatives	(3,304)	1,808		—	1,808	—	(1,496)
Start-up expenses	868	—		—	—	—	868
Equity (earnings) loss of subsidiary	—	—		—	—	(6,897)	(6,897)
Other expense	11,868	(9,765)		2,912	(6,853)	(1,000)	4,015
Adjusted Operating Earnings	\$ 88,741	\$ (34,684)		\$ (5,423)	\$ (40,107)	\$ 7,180	\$ 55,814
Other items representative of ongoing operations ^(vi)	2,884	1,860	(v)	(363)	1,497	1,000	5,381
Depreciation and amortization	63,488	(12,355)		—	(12,355)	—	51,133
Adjusted EBITDA	\$ 155,113	\$ (45,179)		\$ (5,786)	\$ (50,965)	\$ 8,180	\$ 112,328
Adjusted EBITDA margin	12.5%						12.1%

(i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.

(ii) Represents the elimination of intercompany sales and related cost of sales from Canada Packers to other operating units within Maple Leaf Foods.

(iii) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(iv) Represents management's estimate of the impact to income taxes of the adjustments described in Note (iii).

(v) Represents management's estimate of the impact of differences between the amounts reflected in the Canada Packers Carve-Out Management's Discussion and Analysis as stated in Schedule "H" of this Circular and the costs expected to transfer from Maple Leaf Foods to Canada Packers that are excluded from the calculation of Adjusted EBITDA in Maple Leaf Foods 2024 calculation of Adjusted EBITDA as they are not considered ongoing expenses.

(vi) Represents management's estimate of the impact of the Supply Agreement if it had been in place beginning December 31, 2023. Further details are provided in Note 4.

(vii) Represents management's estimate of the impact of the Supply Agreement and the Long-Term Services Agreement as if they had been in place beginning December 31, 2023, in addition to management's estimate of Maple Leaf Foods' 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.

(viii) Represents management's estimate of the impact of income taxes of the adjustments described in Note (vii).

Non-IFRS Measures

- (ix) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.
- (x) Represents management's estimate of Maple Leaf's 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.
- (xi) Represents management's estimate of items included in Other Expense that are representative of the ongoing operations of the business.

Reconciliation from Adjusted EBITDA to Adjusted EBT:

Quarter ended December 31, 2024	Maple Leaf Foods Q4 2024 Consolidated MD&A	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments to Reflect Stand Alone Impact ⁽ⁱ⁾	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Other Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Adjusted EBITDA	\$ 155,113	\$ (45,179)	(ii)	\$ (5,786)	\$ (50,965)	(ii)	\$ 8,180	\$ 112,328
Less: depreciation and amortization	(63,488)	12,355		—	12,355		—	(51,133)
Less: interest expense	(35,792)	1,260		—	1,260	(iii)	6,738	(27,794)
Add back: interest income	4,830	—		—	—		—	4,830
Adjusted EBT	\$ 60,663	\$ (31,564)		\$ (5,786)	\$ (37,350)		\$ 14,918	\$ 38,231
Adjusted EBT margin	4.9%							4.1%

- (i) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods, and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023.
- (ii) Represents Adjusted EBITDA as reconciled above.
- (iii) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Year ended December 31, 2024	Maple Leaf Foods 2024 Consolidated Financial Statements	(A) Removal of Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Total of (A) and (B): Pro Forma Adjustments Reflecting Divestiture of Pork Operations	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Operating cash flow	\$ 464,920	\$ (111,704)	(i), (ii)	\$ (25,782)	\$ (137,486)	(ii)	\$ 73,596	\$ 401,030
Maintenance capital ⁽ⁱⁱⁱ⁾	(79,578)	27,741		—	27,741		—	(51,837)
Free Cash Flow	\$ 385,342	\$ (83,963)		\$ (25,782)	\$ (109,745)		\$ 73,596	\$ 349,193

(i) Represents management's estimate of differences between Operating Cash Flow reflected in the Canada Packers Combined Carve-Out Financial Statements as filed in Schedule "H" of this Circular, and the impact of costs expected to transfer from Maple Leaf Foods to Canada Packers as part of their acquisition of the Pork Operations from Maple Leaf Foods. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and interest expense reduction as a result of the assumed amount of cash paid to Maple Leaf Foods as part of the Arrangement as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended March 31, 2024	Maple Leaf Foods Q1 2024 Consolidated Financial Statements	(A) Remove Canada Packers Q1 2024 Carve- Out Financial Statements	Notes	(B) Stand Alone Impact	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)							
Operating cash flow	\$ 87,325	\$ (14,951)	(i), (ii)	\$ (5,700)	(ii)	\$ 25,216	\$ 91,890
Maintenance capital ⁽ⁱⁱⁱ⁾	(13,699)	4,549		—		—	(9,150)
Free Cash Flow	\$ 73,626	\$ (10,402)		\$ (5,700)		\$ 25,216	\$ 82,740

(i) Represents management's estimate of differences between Operating Cash Flow reflected in the Canada Packers Combined Carve-Out Financial Statements as filed in Schedule "H" of this Circular, and the impact of costs expected to transfer from Maple Leaf Foods to Canada Packers as part of their acquisition of the Pork Operations from Maple Leaf Foods. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and interest expense reduction as a result of the assumed amount of cash paid to Maple Leaf Foods as part of the Arrangement as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended June 30, 2024	Maple Leaf Foods Q2 2024 Consolidated Financial Statements	(A) Remove Canada Packers Q2 2024 Carve-Out Financial Statements	Notes	(B) Stand Alone Impact	Notes	Divested Pork Business	Total of (A) and (B):	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)									
Operating cash flow	\$ 45,496	\$ (35,697)	(i), (ii)	\$ (5,593)	(ii)	\$ (41,290)		\$ 7,670	\$ 11,876
Maintenance capital ⁽ⁱⁱⁱ⁾	(18,470)	7,132		—		7,132		—	(11,338)
Free Cash Flow	\$ 27,026	\$ (28,565)		\$ (5,593)		\$ (34,158)		\$ 7,670	\$ 538

(i) Represents management's estimate of differences between Operating Cash Flow reflected in the Canada Packers Combined Carve-Out Financial Statements as filed in Schedule "H" of this Circular, and the impact of costs expected to transfer from Maple Leaf Foods to Canada Packers as part of their acquisition of the Pork Operations from Maple Leaf Foods. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and interest expense reduction as a result of the assumed amount of cash paid to Maple Leaf Foods as part of the Arrangement as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended September 30, 2024	Maple Leaf Foods Q3 2024 Consolidated Financial Statements	(A) Remove Canada Packers Q3 2024 Carve-Out Financial Statements	Notes	(B) Stand Alone Impact	Total of (A) and (B): Divested Pork Business	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Operating cash flow	\$ 176,195	\$ (34,002)	(i), (ii)	\$ (8,280)	\$ (42,282)	(ii)	\$ 15,215	\$ 149,128
Maintenance capital ⁽ⁱⁱⁱ⁾	(21,287)	7,769		—	7,769		—	(13,518)
Free Cash Flow	\$ 154,908	\$ (26,233)		\$ (8,280)	\$ (34,513)		\$ 15,215	\$ 135,610

(i) Represents management's estimate of differences between Operating Cash Flow reflected in the Canada Packers Combined Carve-Out Financial Statements as filed in Schedule "H" of this Circular, and the impact of costs expected to transfer from Maple Leaf Foods to Canada Packers as part of their acquisition of the Pork Operations from Maple Leaf Foods. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and interest expense reduction as a result of the assumed amount of cash paid to Maple Leaf Foods as part of the Arrangement as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Free Cash Flow:

Quarter ended December 31, 2024	Maple Leaf Foods Q4 2024 Consolidated Financial Statements	(A) Remove Canada Packers Q4 2024 Carve-Out Financial Statements	Notes	(B) Stand Alone Impact	Total of (A) and (B): Divested Pork Business	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
(In thousands of Canadian dollars) (Unaudited)								
Operating cash flow	\$ 155,905	\$ (27,054)	(i), (ii)	\$ (6,208)	\$ (33,262)	(ii)	\$ 25,494	\$ 148,137
Maintenance capital ⁽ⁱⁱⁱ⁾	(26,122)	8,290		—	8,290		—	(17,832)
Free Cash Flow	\$ 129,783	\$ (18,764)		\$ (6,208)	\$ (24,972)		\$ 25,494	\$ 130,305

(i) Represents management's estimate of differences between Operating Cash Flow reflected in the Canada Packers Combined Carve-Out Financial Statements as filed in Schedule "H" of this Circular, and the impact of costs expected to transfer from Maple Leaf Foods to Canada Packers as part of their acquisition of the Pork Operations from Maple Leaf Foods. Further details are provided in Note 4.

(ii) Represents management's estimate of the impact of the Supply Agreement, Long Term Service Agreement, and interest expense reduction as a result of the assumed amount of cash paid to Maple Leaf Foods as part of the Arrangement as if the Arrangement had taken place on December 31, 2023. Further details are provided in Note 4 and Note 5.

(iii) Maintenance capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position.

Non-IFRS Measures

Reconciliation of Net Debt to Adjusted EBITDA:

Year ended December 31, 2024

(In thousands of Canadian dollars, except ratios)

(Unaudited)	Maple Leaf Foods Audited 2024 Financial Statements	(A) Canada Packers Audited 2024 Carve-Out Financial Statements	Notes	(B) Stand Alone Impact	Total of (A) and (B): Divested Business	Notes	Pro Forma Adjustments	Pro Forma Maple Leaf Foods
Cash and cash equivalents	\$ 175,908	\$ (18,777)	(ii)	\$ 18,777	\$ —		\$ —	\$ 175,908
Current portion of long-term debt	(301,478)	—		—	—	(vii)	301,478	—
Long-term debt	(1,390,479)	900		—	900	(vii)	83,522	(1,306,057)
Total debt	\$ (1,691,957)	900		\$ —	900		\$ 385,000	\$ (1,306,057)
Net debt	\$ (1,516,049)	\$ (17,877)		\$ 18,777	900		\$ 385,000	\$ (1,130,149)
Adjusted EBITDA⁽ⁱ⁾	\$ 553,225	\$ (146,169)	(iii), (iv), (v), (vi)	\$ (32,706)	\$ (178,875)	(vii), (ix), (x), (xi), (xii), (xiii)	\$ 34,922	\$ 409,272
Net Debt to Adjusted EBITDA	2.7							2.8

(i) Represents Adjusted EBITDA as reconciled above.

(ii) Represents adjustments to reflect the impact of dividends to be paid from Maple Leaf Foods (Japan) Inc., a fully owned subsidiary that is part of Maple Leaf Foods' Pork Operations, to Maple Leaf Foods based on the current cash balance at the balance sheet date of \$18 million, prior to the Arrangement.

(iii) Represents the elimination of intercompany sales and related cost of sales from Canada Packers to other operating units within Maple Leaf Foods.

(iv) Reflects management's estimate of the difference between (a) certain functional and overhead costs that were incurred by Maple Leaf Foods and have been allocated to Canada Packers on an activity basis in the Carve-Out Financial Statements of Canada Packers and (b) the expected costs of those activities as transferred from Maple Leaf Foods to Canada Packers if the Arrangement and related transactions had occurred on December 31, 2023. Further details are provided in Note 4.

(v) Represents management's estimate of the impact to income taxes of the adjustments described in Note (iv).

(vi) Represents management's estimate of the impact of differences between the amounts reflected in the Canada Packers Carve-Out Management's Discussion and Analysis as stated in Schedule "H" of this Circular and the costs expected to transfer from Maple Leaf Foods to Canada Packers that are excluded from the calculation of Adjusted EBITDA in Maple Leaf Foods 2024 calculation of Adjusted EBITDA as they are not considered ongoing expenses.

(vii) Represents management's estimate of Maple Leaf Foods debt repayment with the proceeds assumed to be received from the sale of the Pork Operations to Canada Packers as described above.

(viii) Represents management's estimate of the impact of the Supply Agreement if it had been in place beginning December 31, 2023. Further details are provided in Note 4.

(ix) Represents management's estimate of the impact of the Supply Agreement and the Long-Term Services Agreement as if they had been in place beginning December 31, 2023, in addition to management's estimate of Maple Leaf Foods' 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.

(x) Represents management's estimate of the impact of income taxes of the adjustments described in Note (ix).

(xi) Represents management's estimate of the reduction of interest expense resulting from the assumed cash proceeds received as part of the Arrangement if the Arrangement had occurred on December 31, 2023. Assumptions around this calculation are further described in Note 4.

(xii) Represents management's estimate of Maple Leaf's 16% interest in Canada Packers' Pro Forma Earnings for the period presented, as calculated in the Canada Packers Inc. Unaudited Pro Forma Financial Statements included in Schedule "I" of this Circular.

(xiii) Represents management's estimate of items included in Other Expense that are representative of the ongoing operations of the business.

Non-IFRS Measures

Adjusted Earnings per Share is used by management to evaluate financial operating results. It is defined as basic earnings per share and is adjusted on the same basis as Adjusted Operating Earnings. The table below provides a reconciliation of basic earnings per share as reported under IFRS in the Unaudited Pro Forma Consolidated Financial Statements as stated in *Schedule "K"* of this Circular to Adjusted Earnings per Share for the year ended December 31, 2024, as indicated below. Management believes this basis is the most appropriate on which to evaluate financial results as they are representative of the ongoing operations of Maple Leaf Foods.

Year ended December 31, 2024

(\$ per share) (Unaudited)	Pro Forma Maple Leaf Foods
Basic earnings (loss) per share	\$ 0.16
Restructuring and other related costs	0.12
Items included in other income not considered representative of ongoing operations	0.13
Equity (earnings) loss of subsidiary	(0.10)
Start-up expenses from construction capital	0.12
(Increase) decrease in fair value of derivative contracts	(0.02)
Adjusted Earnings per Share	\$ 0.41

(\$ per share) (Unaudited)	Quarter ended March 31, 2024	Quarter ended June 30, 2024	Quarter ended ^a September 30, 2024	Quarter ended ^a December 31, 2024
Basic earnings (loss) per share	\$ 0.04	\$ (0.01)	\$ 0.02	\$ 0.12
Restructuring and other related costs	—	0.04	0.01	0.08
Items included in other income not considered representative of ongoing operations	—	(0.03)	0.06	0.09
Equity (earnings) loss of subsidiary	(0.07)	0.04	(0.02)	(0.06)
Start-up expenses from construction capital	0.07	0.03	0.02	0.01
(Increase) decrease in fair value of derivative contracts	(0.03)	0.06	(0.04)	(0.01)
Adjusted Earnings per Share	\$ 0.01	\$ 0.13	\$ 0.05	\$ 0.23

SCHEDULE L: FORM OF CANADA PACKERS GOVERNANCE AGREEMENT

THIS GOVERNANCE AGREEMENT dated ■ *{date of closing of spin-off transaction}* between Michael Harrison McCain (“**MHM**”), McCain Capital Inc. (“**MCI**”), Maple Leaf Foods Inc. (“**MLF**”) and Canada Packers Inc. (the “**Company**”).

RECITALS:

- A. The Company was formed in connection with the proposed spin-off by MLF, and acquisition by the Company, of MLF’s pork business.
- B. The Board, with MHM and certain others abstaining, has determined that it is in the best interests of the Company to enter into this Agreement.

NOW, THEREFORE, in consideration of the respective representations, warranties, covenants, agreements and conditions hereinafter set forth and for such good and other consideration as the parties hereby acknowledge, and, intending to be legally bound hereby, the parties hereby agree as follows:

Section 1 Interpretation

1.1 Definitions

Wherever used in this Agreement, the words and terms set out in Schedule A have the meanings given in such Schedule.

1.2 Ownership of Shares

- (a) For purposes of this Agreement, in determining the number of Shares beneficially owned, or over which control or direction is exercised, by the Shareholder Parties, the Shares beneficially owned, or over which control or direction is exercised, by the MLF Parties on the one hand, and the McCain Family Parties, on the other hand, shall not be included in such determination for the other Shareholder Party.
- (b) For purposes of this Agreement, and subject to Section 9(b) (in the case of the McCain Family Parties only), in determining the number of Shares beneficially owned, or over which control or direction is exercised, by a Shareholder Party:
 - (i) such determination will be calculated by dividing (A) the aggregate number of Shares beneficially owned by a Shareholder Party together with Shares over which such Shareholder Party then exercises control or direction, in each case whether such beneficial ownership, control or direction is direct or indirect, by (B) the number of issued and outstanding Shares; and
 - (ii) in circumstances where (A) Issued Securities that a Shareholder Party is or will be entitled to acquire upon the exercise of the Pre-Emptive Right in Section 3.1 and the Top-Up Right in Section 3.3 have not yet been issued and (B) such Shareholder Party would otherwise not (1) satisfy the Specified Minimum Ownership Threshold, or (2) be entitled to a second Shareholder Nominee pursuant to Section 2.1(b), in each case as determined in accordance with Section 1.2(b)(i), such calculation will be adjusted to assume the issuance of such Issued Securities unless the Shareholder Party did not exercise, failed to exercise or waived its Pre-Emptive Right or Top-Up Right with respect to such Issued Securities.

1.3 Acting Jointly or in Concert

For purposes of this Agreement, the McCain Family Parties, on one hand, and the MLF Parties, on the other hand, shall be deemed to not be acting jointly or in concert with each other.

1.4 Miscellaneous Matters

- (a) Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (b) Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (c) The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.
- (d) Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (e) A reference to a statute includes all regulations made pursuant to such statute.
- (f) Time is of the essence in the performance of the parties’ respective obligations.
- (g) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next business day following if the last day of the period is not a business day.

Section 2 Governance Matters

2.1 Board Composition

- (a) Subject to Section 2.5, the size of the Board shall be determined from time-to-time by the Board. The Shareholder Parties and the Company agree and acknowledge that the Board shall initially consist of nine (9) directors.
- (b) Provided that a Shareholder Party satisfies the Specified Minimum Ownership Threshold and subject to Section 2.1(e), Section 9(b) (in the case of the McCain Family Parties only) and paragraph 9 of Schedule D, the Board shall nominate for election to the Board, on any date on which such nominations are made by the Board, a number of nominees who are qualified to be directors of the Company under applicable law proportionate to the aggregate number of Shares beneficially owned, or over which control or direction is exercised, by such Shareholder Party from time to time (each such nominee, a “**Shareholder Nominee**”); provided that the number of Shareholder Nominees nominated by the McCain Family Parties shall be capped at two (2) and the number of Shareholder Nominees nominated by the MLF Parties shall be capped at one (1) (the “**Shareholder Nominee Cap**”).

For purposes of this Agreement, the calculation of any proportionate number of directors which results in a fraction: (i) in excess of one-half shall be rounded up to the next whole number; or (ii) equal to or less than one-half shall be rounded down to the next whole number.

At the date hereof, the McCain Family Parties own, or exercise control or direction over, ■ Shares, representing [■]% of the issued and outstanding Shares. Accordingly, the McCain Family Parties are entitled to nominate two (2) directors at the date hereof.

As of the date hereof, the MLF Parties own, or exercise control or direction over, ■ Shares, representing [■]% of the issued and outstanding Shares. Accordingly, the MLF Parties are entitled to nominate one (1) director at the date hereof.

- (c) The Company shall take any and all steps necessary and advisable to: (i) nominate each Shareholder Nominee as a director of the Company; (ii) recommend to the Company’s shareholders that the shareholders vote in favour of such Shareholder Nominees; and (iii) subject

to the Voting PoA, cause all proxies received by the Company to be voted in the manner specified by such proxies.

- (d) The Company shall at least 60 days before the scheduled mailing of the management proxy circular (or posting date if using “notice-and-access”) (such date, the “**scheduled mailing date**”) notify the McCain Family Representative and MLF of the number of directors proposed to be elected at the next meeting of the shareholders of the Company. The selection of nominees to be nominated by the Shareholder Parties pursuant to Section 2.1(b) will be evidenced by a written instrument delivered by the McCain Family Representative or MLF, as applicable, to the Corporate Governance Committee of the Board at least 35 days before the scheduled mailing date, provided that if a Shareholder Party does not advise the Company of the identity of its nominee(s) prior to such deadline, then such Shareholder Party will be deemed to have nominated its incumbent nominee(s), if applicable. The Corporate Governance Committee of the Board shall promptly review the qualifications of the nominees selected by the Shareholder Parties and notify the McCain Family Representative and/or MLF, as the case may be, within 15 days after receipt of such written instrument if it disapproves, acting reasonably, of any of their respective nominees (including, for greater certainty, any incumbent nominee(s)). The applicable Shareholder Party will replace any nominee not approved by the Corporate Governance Committee of the Board acting reasonably with another proposed nominee, evidenced by written instrument delivered by the McCain Family Representative or MLF, as applicable, to the Corporate Governance Committee of the Board, and the Corporate Governance Committee of the Board shall promptly, in a good faith endeavour to complete the selection before the scheduled mailing date, notify the McCain Family Representative and/or MLF, as the case may be, if it disapproves, acting reasonably, of the replacement nominee, and so on until the McCain Family Representative and/or MLF, as the case may be, and the Corporate Governance Committee of the Board, acting in good faith, agree to the selection of the nominees of the applicable Shareholder Party, as the case may be. Failure by the Corporate Governance Committee of the Board to notify the McCain Family Representative and/or MLF of its approval or disapproval of the applicable Shareholder Party's selections in accordance herewith shall be deemed to constitute approval by the Corporate Governance Committee of the Board of such selections.
- (e) All directors nominated by the Company for election other than those nominated pursuant to Section 2.1(b) will be identified by the Corporate Governance Committee of the Board (or such other committee of the Board that has responsibility for the nomination of directors from time to time) and, other than the Company's Chief Executive Officer, shall be Independent and shall always constitute a majority of the directors on the Board. Notwithstanding anything in this Agreement, a Shareholder Nominee shall not be required to resign from the Board and a Shareholder Party shall not be required to consent to an increase in the size of the Board in excess of 9 directors to ensure compliance with this Section 2.1(e).
- (f) Each nominee for election to the Board hereunder shall be qualified to be a director of the Company under applicable law.
- (g) The McCain Family Representative, each McCain Family Party and each MLF Party shall complete and cause the management forms of proxy in respect of all Shares of the Company that he, she or it is entitled to vote at any meeting of shareholders (for clarity, taking into account for this purpose the provisions of paragraph 7 of Schedule D) at which directors are to be elected to be validly executed and delivered to management of the Company to be voted at any such meeting (or any adjournment thereof) in favour of the election of each of the nominees nominated in accordance with Section 2.1(b) and Section 2.1(e), and to not withdraw those forms of proxy.
- (h) Notwithstanding the foregoing provisions of this Section 2, if in connection with any meeting of the shareholders of the Company: (i) the Board has determined in good faith, that it is in the best interests of the Company to select nominees for election to the Board at the next meeting of shareholders other than in accordance with Section 2.1(e); and (ii) the Board has provided written notice to each of the McCain Family Representative and MLF, not less than 45 days prior to the meeting of the Company's shareholders at which the Board proposes to nominate directors not selected in accordance with Section 2.1(e) identifying the nominees that the Board proposes to nominate not in accordance with Section 2.1(e), the Board may select nominees other than in

accordance with Section 2.1(e) and in connection with any such meeting, the Shareholder Parties shall not be required to vote in favour of the Board's nominees, provided that: (A) the Shareholder Parties shall be required to vote for any nominees selected in accordance with Section 2.1(e); and (B) the Shareholder Parties shall not be required to vote for any nominees not selected in accordance with Section 2.1(e) and may nominate for election alternative nominees to the nominees that were not selected in accordance with Section 2.1(e). If the Board selects all nominees for election to the Board at any subsequent meeting of shareholders in accordance with Section 2.1(b) and 2.1(e), the Shareholder Parties shall be required to vote in favour of the Board's nominees, provided that each Shareholder Party may vote for any director who was nominated by such Shareholder Party following receipt of notice contemplated in this Section 2.1(h) and such Shareholder Party shall vote in favour of that number of the Board's nominees up the maximum number of directors to be elected at any such meeting.

- (i) In the event that one third or more of the directors who are elected at a meeting of shareholders (other than those nominated in accordance with Section 2.1(b)) do not qualify for nomination pursuant to Section 2.1(e), the Shareholder Parties shall not thereafter be required to comply with the provisions of this Section 2.
- (j) Notwithstanding the foregoing, if there is a Contested Election, the Shareholder Parties shall not be required to comply with the provisions of Section 2.1(g) or Section 2.1(h) during the Contested Election and shall not be required to comply with the provisions of Section 2.1(g) or Section 2.1(h) after a Contested Election if the outcome of the Contested Election has resulted in the removal and/or replacement of any such Shareholder Party's Shareholder Nominees, or one third or more of the directors who qualify for nomination pursuant to Section 2.1(e) serving on the Board immediately prior to the Contested Election. For the purposes hereof, "**Contested Election**" shall mean any action taken by a Person (other than MHM, his Affiliates, the Shareholder Parties or Persons acting jointly or in concert with MHM, or the Shareholder Parties) to, directly or indirectly: (i) engage in, participate in, or in any way initiate, directly or indirectly, any "solicitation" (as such term is defined in the *Canada Business Corporations Act*) of proxies or consents, with respect to the voting of any shares of the Company; (ii) initiate, propose or otherwise engage in a solicitation of shareholders of the Company to vote any shares of the Company on any matter; or (iii) seek, alone or in concert with others: (A) to requisition or call a meeting of shareholders of the Company, (B) to obtain representation on, or nominate or propose the nomination of any candidate for election to, the Board except as otherwise set forth in this Agreement, or (C) to effect the removal of any member of the Board or otherwise alter the composition of the Board, and, in each such case, there is a reasonable prospect that the action might result in a removal and/or replacement of (x) any of the Shareholder Nominees or (y) one third or more of the directors who qualify for nomination pursuant to Section 2.1(e) serving on the Board immediately prior to the Contested Election. For clarity, a Contested Election shall not occur as a result of the Company complying or having complied with its obligations under Section 2.
- (k) In the event that a Shareholder Party's Shareholder Nominee dies, resigns or otherwise ceases to be a director of the Company in between meetings of shareholders, then, provided that the applicable Shareholder Party continues to hold a sufficient number of Shares at such time to entitle such Shareholder Party to nominate a sufficient number of directors, the applicable Shareholder Party shall have the right to nominate a replacement director by delivery by the McCain Family Representative or MLF, as applicable, to the Corporate Governance Committee of the Board not later than 60 days after the public announcement of the death, resignation or other such cessation of the relevant director by the Company, and the Corporate Governance Committee of the Board shall promptly review the qualifications of the replacement director selected by the applicable Shareholder Party and notify the McCain Family Representative or MLF, as applicable, within 15 days after receipt of such written instrument if it disapproves, acting reasonably, of such replacement director. The applicable Shareholder Party will replace any nominee not approved by the Corporate Governance Committee of the Board acting reasonably with another selection, evidenced by written instrument delivered by the McCain Family Representative or MLF, as applicable, to the Corporate Governance Committee of the Board, and the Corporate Governance Committee of the Board shall promptly notify the McCain Family Representative or MLF, as applicable, if it disapproves, acting reasonably, of the replacement selection, and so on until the McCain Family Representative or MLF, as the case may be, and the Corporate Governance

Committee of the Board, acting in good faith, agree to the selection of the replacement director of the applicable Shareholder Party, following which the Board shall promptly appoint such replacement director to fill the vacancy on the Board created by such death, resignation or ceasing to be a director for any other reason. Failure by the Corporate Governance Committee of the Board to notify the McCain Family Representative or MLF, as applicable, of its approval or disapproval of the McCain Family Representative's or MLF's selection in accordance herewith shall be deemed to constitute approval by the Corporate Governance Committee of the Board of such selections.

- (l) In order to comply with Section 2.1(e), in the event that a director nominated by the Corporate Governance Committee of the Board (or such other committee of the Board that has responsibility for the nomination of directors from time to time) dies, resigns or otherwise ceases to be a director of the Company in between meetings of shareholders, then the Corporate Governance Committee shall promptly identify and appoint a replacement director to fill the vacancy on the Board created by such death, resignation or ceasing to be a director for any other reason, which replacement director shall, unless the departing director was (and the replacement director is) the Company's Chief Executive Officer, be Independent.
- (m) Each Shareholder Nominee that serves as a director of the Company shall be compensated for his or her service and reimbursed for expenses related to such service consistent with the Company's practices for director compensation and reimbursement, and the Company shall indemnify all Shareholder Nominees that serve as directors and provide such Shareholder Nominees with insurance to the same extent it indemnifies and provides insurance for the other directors.

2.2 Chair or Executive Chair

Provided that the McCain Family Parties satisfy the Specified Minimum Ownership Threshold, the Board shall appoint one of the McCain Family Parties' Shareholder Nominees (as directed by the McCain Family Representative) to serve as Chair (or Executive Chair, if applicable) of the Board.

2.3 Committee Composition

Provided that the McCain Family Parties satisfy the Specified Minimum Ownership Threshold, and subject to Applicable Securities Laws and the rules of any stock exchange on which the Shares are listed, the Board shall appoint to each committee of the Board, a number of the McCain Family Parties' Shareholder Nominees proportionate to the aggregate number of Shares beneficially owned, or over which control or direction is exercised, by the McCain Family Parties from time to time (rounded up or down to the nearest whole number in accordance with Section 2.1(e), though never to be less than one); provided that (i) the number of McCain Family Parties' Shareholder Nominees on each committee shall be capped at the number of committee members to which the McCain Family Parties would be entitled based on the aggregate number of Shares beneficially owned, or over which control or direction is exercised, by the McCain Family Parties as of the date hereof, (ii) the Audit Committee, the Corporate Governance Committee and the Human Resources and Compensation Committee of the Board (or such other committee(s) of the Board having responsibility for the nomination of directors, corporate governance and compensation matters from time to time) shall be comprised entirely of Independent Directors (provided that a director that is a Shareholder Nominee shall not be disqualified for this purpose if such director is otherwise Independent under clause (ii) of the definition of "Independent" in this Agreement), and (iii) the Conflicts Review Committee shall be comprised entirely of Independent Directors.

2.4 Conflicts Policy

The Board shall maintain at all times a policy for dealing with actual, potential or perceived conflicts of interest and a Conflicts Review Committee.

2.5 Actions that Require Approval of the Shareholder Parties

In addition to any other approval required by the articles of incorporation or by-laws of the Company, by applicable law or by this Agreement, provided that a Shareholder Party satisfies the Specified Minimum Ownership Threshold, the approval of such Shareholder Party (in the case of the McCain Family Parties, through the McCain

Family Representative) shall be required for the Company to take any of the following actions, and the Company shall not take any of the following actions without the approval of such Shareholder Party:

- (a) change the size of the Board;
- (b) hire or remove, or terminate any employment contract with the Chief Executive Officer of the Company from time to time, except if terminated for cause (as defined in the Chief Executive Officer's employment contract);
- (c) authorize, create or issue any equity securities of the Company other than in accordance with Section 3;
- (d) authorize, create or issue any equity securities of any subsidiary of the Company other than to the Company or another direct or indirect wholly-owned subsidiary of the Company;
- (e) voluntarily initiate proceedings for its dissolution, liquidation or re-organization under bankruptcy or insolvency laws (or corporate arrangement laws if used in circumstances of insolvency); or
- (f) amend or waive, the articles of incorporation, by-laws or other constating documents of the company or any of its subsidiaries in a manner that would be inconsistent with the terms of this Agreement.

2.6 Actions Requiring Consultation with the McCain Family Representative

In addition to any other approval required by the articles of incorporation or by-laws of the Company or by applicable law, provided that the McCain Family Parties satisfy the Specified Minimum Ownership Threshold, the Company, its officers or the Board, as the case may be, must, to the extent permitted under applicable law and as may be appropriately modified to address any actual, potential or perceived conflict of interest, (i) consult with the McCain Family Representative prior to taking any of the following actions, and (ii) not take any of the following actions without prior consultation with the McCain Family Representative and providing the opportunity for the McCain Family Representative to comment; provided that the Company, its officers or the Board, as the case may be, shall reasonably consider any comments provided by the McCain Family Representative but shall not be required to accept any such comments if the Board determines that not accepting such comments is in the best interests of the Company:

- (a) amalgamating or merging with another Person, or effecting a plan of arrangement or other corporate reorganization (but excluding an amalgamation or corporate reorganization of the Company with any of its wholly-owned subsidiaries) or otherwise effecting a change of control of the Company;
- (b) selling, leasing or exchanging all or substantially all of the property of the Company;
- (c) acquiring property (except in the ordinary course) involving consideration in excess of \$25 million, either individually, or in the case of related transactions, in the aggregate;
- (d) incurring any indebtedness exceeding \$25 million other than draws under the Company's credit facility or indebtedness incurred pursuant to any capital leases to fund working capital, ordinary course capital expenditures or other general corporate purposes (including interest payments, debt amortization payments, tax payments, or posting letters of credit with suppliers or customers);
- (e) amending the Company's business purpose or entering into a new line of business;
- (f) amending or waiving, the Company's articles of incorporation, by-laws or other constating documents; or
- (g) continuing the Company under the laws of any jurisdiction outside of Canada.

2.7 Most Favoured Nation

Provided that the McCain Family Parties satisfy the Specified Minimum Ownership Threshold, the Company shall not enter into any additional, or modify any existing, agreement with a shareholder that has the effect of establishing governance rights benefiting such shareholder in its capacity as such in a manner more favourable to such shareholder than the governance rights established in favour of the McCain Family Parties pursuant to this Agreement, unless, in any such case, the McCain Family Parties have been provided with such governance rights. For greater certainty, the foregoing shall not apply to the types of rights granted to MLF pursuant to commercial agreements between the Company and MLF existing as of the date hereof.

Section 3 Pre-Emptive Rights

3.1 Pre-Emptive Right

- (a) Subject to Section 3.2, provided that a Shareholder Party satisfies the Specified Minimum Ownership Threshold, no equity securities or securities convertible into or exchangeable or redeemable for equity securities or an option or other right to acquire any such securities (collectively, “**Issued Securities**”) will be issued, distributed or offered by the Company and no option or other right for the acquisition of or subscription for any Issued Securities will be granted at any time after the date hereof except upon compliance with the following provisions.
- (b) If the Company proposes to issue, distribute or offer any Issued Securities, the McCain Family Parties and the MLF Parties (provided that the McCain Family Parties and the MLF Parties, respectively, satisfy the Specified Minimum Ownership Threshold) shall be entitled to participate in such issuance, distribution or offering on a *pro rata* basis, but only to the extent necessary to maintain their then proportional non-diluted interest in the Company (the “**Pre-Emptive Right**”). At least fifteen (15) business days prior to the closing of any such proposed issuance, distribution or offering, the Company shall deliver to the Shareholder Parties (in the case of the McCain Family Parties, to the McCain Family Representative) a notice in writing offering the Shareholder Parties the opportunity to subscribe for a *pro rata* number of Issued Securities. The offer will contain a description of the terms and conditions relating to the Issued Securities and will, to the extent known, state the price at which the Issued Securities are to be issued, distributed or offered and the date on which such issuance, distribution or offering of Issued Securities is to be completed and will state that the Shareholder Parties, if they wish to subscribe for Issued Securities, may do so by giving written notice of the exercise of the subscription right granted hereby to the Company within ten (10) business days after the date upon which the notice contemplated hereby is received by the Shareholder Parties (in the case of the McCain Family Parties, the McCain Family Representative) (or deemed to be received pursuant to Section 15), provided that if the Company receives a “bought deal” letter (which for the purposes of Sections 3.1(b) and 3.1(c) means a fully underwritten commitment from an underwriter or underwriters) relating to such issuance, distribution or offering, the Company shall give the Shareholder Parties (and in the case of the McCain Family Parties, the McCain Family Representative) such notice as is practicable under the circumstances given the speed and urgency with which “bought deals” are currently carried out in common market practice of its rights to participate thereunder and the Shareholder Parties shall have at least 24 hours from the time the Company notifies the Shareholder Parties of such “bought deal” to provide the written notice to the Company specified in this Section 3.1(b). The Shareholder Parties will be entitled to participate in the issuance of the Issued Securities at the most favourable price and on the most favourable terms as such Issued Securities are to be offered to any party, excluding Selling Expenses and other Registration Expenses.
- (c) If any of the Issued Securities of any issue are not subscribed for within the period of ten (10) business days after they are offered to the Shareholder Parties (or in the event that the Company receives a “bought deal” letter, the applicable subscription period contemplated by Section 3.1(b)), the Company may offer such unsubscribed Issued Securities within the period of 90 days after the expiration of such applicable period to any Person, but the price at which such Issued Securities may be issued will not be less than the subscription price offered to the Shareholder Parties and the terms of payment for such Issued Securities will not be more favourable to such Person than the terms of payment offered to the Shareholder Parties.

- (d) If the Company proposes to grant an option or other right to acquire or subscribe for Issued Securities, such option or other right will also be made available to the Shareholder Parties as nearly as may be possible in accordance with the foregoing.
- (e) The right to subscribe for Issued Securities under this Section 3.1 or to participate in any grant of an option or other right to acquire or subscribe for Issued Securities and the legal or beneficial ownership of such right to subscribe, may be assigned in whole or in part, in the case of the McCain Family Parties, among the McCain Family Parties, and in the case of the MLF Parties, among the MLF Parties, provided that written notice of any such assignment shall be sent promptly to the other parties and the Company.

3.2 Non-Applicability of Pre-Emptive Right

The provisions of Section 3.1 will not apply in the following circumstances:

- (a) to any issues of Issued Securities or to the grant of any option or other right for the purchase of or subscription for any Issued Securities:
 - (i) which are expressly contemplated or provided for in other sections of this Agreement;
 - (ii) in connection with any grant or exercise of options, warrants, rights or other securities issued under a Company Equity Compensation Plan;
 - (iii) in connection with a subdivision of then-outstanding Shares into a greater number of Shares;
 - (iv) in lieu of cash dividends payable ratably to all holders of Shares;
 - (v) pursuant to any dividend reinvestment or similar plan;
 - (vi) the exercise by a holder of a conversion, exchange or other similar privilege pursuant to the terms of a security in respect of which the applicable Shareholder Party did not exercise, failed to exercise, or waived, its rights under Section 3.1 or in respect of which such Pre-Emptive Rights did not apply; and
 - (vii) as consideration in connection with the bona fide arm's length acquisition by the Company or any of its subsidiaries of the securities, business, property or other assets of another Person, business or corporate or other entity or pursuant to any employee benefit plan, security-based compensation plan or other similar plans or arrangements assumed by the Company or any of its subsidiaries in connection with any such acquisition.
- (b) in the event that the rights of a Shareholder Party under Section 3.1 are waived in writing by such Shareholder Party (but only in respect of that Shareholder Party).

3.3 Top Up Right

- (a) In connection with any issuance described in Section 3.2(a)(ii), Section 3.2(a)(vi) (only in circumstances where the Pre-Emptive Right in Section 3.1 does not apply and not if the Shareholder Party did not exercise, failed to exercise, or waived its rights under Section 3.1) and 3.2(a)(vii) (each, an "**Exempt Issuance**"), a Shareholder Party shall have the right, but not the obligation (the "**Top-Up Right**"), exercisable in accordance with Section 3.3(d), to subscribe for up to an aggregate number of Issued Securities at a price per Issued Security equal to the price at which the Issued Securities issued pursuant to the Exempt Issuance were issued; provided that, if such price is not permitted pursuant to TSX rules (without requiring the approval of Shareholders), the price per Issued Security shall be the lowest possible price permitted under TSX rules (without requiring the approval of Shareholders), and otherwise on the same terms and conditions as all other participants in the Exempt Issuance, *mutatis mutandis*, determined in accordance with the following formula:

$$A = (B / 1 - C) - B$$

For purposes of the foregoing formula, the following definitions shall apply:

A means the aggregate number of Issued Securities for which a Shareholder Party has the right to subscribe pursuant to the Top-Up Right, expressed as a positive number;

B means the aggregate number of Issued Securities issued in connection with the Exempt Issuance, expressed as a positive number; and

C means the beneficial ownership interest of the Shareholder Party, calculated as of immediately prior to the closing of the Exempt Issuance (for greater certainty, expressed for purposes of this formula as a number – e.g., a 31% beneficial ownership interest shall be expressed as 0.31).

- (b) Concurrently with and, in any event, no later than five (5) business days following (i) the end of May and November of each year, (ii) if a Shareholder Party's beneficial ownership interest is reduced by more than 2% in the aggregate (the "**Top-Up Threshold**") solely as a result of one or more Exempt Issuances that have been completed since the last date that the Shareholder Party was entitled to exercise its Top-Up Right, the closing of the most recent Exempt Issuance, or (iii) if Applicable Securities Laws or any Company blackout period do not permit the exercise in full of the Top-Up Right until the passage of a prescribed period of time, the later of: (A) the time implied by the earlier to occur of (i) and (ii) above; and (B) promptly following the expiry of such prescribed period of time, as applicable, the Company shall deliver to the Shareholder Parties a notice (a "**Top-Up Notice**"), which notice shall specify: (1) the total number and type of Issued Securities which were issued in connection with the Exempt Issuance; (2) the rights, privileges, restrictions, terms and conditions of such Issued Securities; (3) the price at which such Issued Securities were issued, and (4) the maximum number of Issued Securities for which the Shareholder Party has the right to subscribe pursuant to Section 3.3(a) and the aggregate subscription price therefor.
- (c) Notwithstanding Section 3.3(a) or 3.3(b), if, as a result of 3.3(b)(ii) only, a Top-Up Threshold is achieved or is likely to occur prior to the date on which a record date for a meeting of shareholders of the Company is to be set, prior to setting such record date the Company shall deliver to the Shareholder Parties a Top-Up Notice and, if a Shareholder Party delivers a Top-Up Right Subscription Notice in accordance with Section 3.3(d) in response to a Top-Up Notice delivered pursuant to this Section 3.3(c), the Company shall in accordance with the provisions of this Section 3 promptly, and in any event prior to declaring the record date for such shareholder meeting, upon receipt of the aggregate subscription price therefor, issue to such Shareholder Party the number of Issued Securities specified in the Top-Up Right Subscription Notice.
- (d) The Shareholder Parties shall have the right, within 15 Business Days after receipt of the notice referred to in Section 3.3(b), by delivering a subscription notice to the Company (the "**Top-Up Right Subscription Notice**") setting out: (i) the number of Issued Securities for which the Shareholder Party wishes to subscribe; and (ii) the desired closing date for the issuance of such Issued Securities (which date shall not be earlier than five (5) Business Days after receipt by the Company of the Top-Up Right Subscription Notice and not earlier than, if applicable, the passage of the prescribed period of time referenced in Section 3.3(b).
- (e) Each Top-Up Right Subscription Notice shall constitute a binding agreement by the applicable Shareholder Party to subscribe for and take up, and by the Company to issue and sell to the applicable Shareholder Party, the number of Issued Securities that the Shareholder Party agrees to subscribe for in its Top-Up Subscription Notice.
- (f) Notwithstanding the foregoing, a Shareholder Party shall only be entitled to exercise a Top-Up Right if such Shareholder would continue to satisfy the Specified Minimum Ownership Threshold assuming the issuance of the Issued Securities subject to such Top-Up Right.

3.4

Required Approvals

- (a) In the event that the approval of shareholders, the TSX or any other Person is required in connection with any exercise by a Shareholder Party of its Pre-Emptive Right or Top-Up Right, or any issuance of Issued Securities by the Company to a Shareholder Party pursuant thereto, the Company shall use its commercially reasonable efforts to obtain any such approval as promptly as practicable. For clarity, the Parties acknowledge and agree that (i) the Pre-Emptive Right and Top-Up Right of each Shareholder Party are independent, stand-alone rights of the Shareholder Party to subscribe for shares to maintain its proportionate interest in the Company, (ii) any issuance, distribution or offering of securities by the Company is in no manner whatsoever conditional on the Pre-Emptive Right or the Top-Up Right, and (iii) the exercise by a Shareholder Party of its Pre-Emptive Right or Top-Up Right or any issuance of Issued Securities by the Company to a Shareholder Party pursuant thereto shall be considered distinct and separate from any transaction or issuance, distribution or offering of securities that triggers the exercise of the Pre-Emptive Right or Top-Up Right. If a vote of the shareholders of the Company is required in connection with the issuance of Issued Securities to a Shareholder Party, (A) the Company shall have the right to propose the approval of the issuance of the Issued Securities to the Shareholder Parties as a separate resolution from any other special resolution the Company may want to propose to its shareholders for approval at a shareholders meeting, and (B) if the shareholders of the Company vote against the issuance of the Issued Securities to the Shareholder Parties, then the Company shall not be required to issue to the Shareholder Parties, and the Shareholder Parties shall not be entitled to receive, such Issued Securities.
- (b) Notwithstanding Section 3.4(a), in the event that the approval of the shareholders of the Company is required pursuant to the rules of the TSX and/or any stock exchange on which the Shares are then listed or Applicable Securities Laws for an issuance, distribution or offering of any Issued Securities to a Person other than a Shareholder Party that would not otherwise have been required but for the exercise by a Shareholder Party of its Pre-Emptive Right or Top-Up Right (because of the aggregation of the potential issuance pursuant to the Pre-Emptive Right or Top-Up Right with the Issued Securities issuable under such issuance, distribution or offering, or exercise of the Pre-Emptive Right or Top-Up Right being considered part of the same transaction as, or a connected transaction with, such issuance, distribution or offering of Issued Securities), despite the commercially reasonable efforts of the Company to proceed without shareholder approval, (i) the number of Issued Securities which a Shareholder Party may acquire pursuant to the exercise of such Pre-Emptive Right or Top-Up Right shall be limited to such number as shall not require shareholder approval (which, for greater certainty, may be zero if required in the circumstances) and (ii) the Company shall be permitted to communicate such waiver to the TSX or such other Person as may be required and the undersigned shall take such further action to confirm same to the TSX or such other Person as required.
- (c) Subject to Sections 3.4(a) and 3.4(b), if any Shareholder Party exercises its Pre-Emptive Right or Top-Up Right, then the Company shall, subject to the receipt and continued effectiveness of all required approvals (including the approval(s) of the TSX and any other stock exchange or over-the-counter market on which the Shares or Issued Securities are then listed and/or traded and any required approvals under Applicable Securities Laws), which approvals the Company shall use all commercially reasonable efforts to promptly obtain (including by applying for any necessary price protection confirmations and seeking shareholder approval (if required)):
 - (i) issue to such Shareholder Party, against payment of the subscription price payable in respect thereof, that number of Issued Securities so subscribed for by such Shareholder Party; and
 - (ii) use its commercially reasonable efforts to list the Issued Securities (or the underlying securities into which such Issued Securities are convertible or exchangeable) subscribed for by a Shareholder Party pursuant to this Section 3 on each such securities exchange or quotation system on which such Issued Securities (or the underlying securities into which such Issued Securities are convertible or exchangeable) are already listed or quoted (if such Issued Securities are not already so listed or quoted).

Section 4 **McCain Family Representative**

- (a) The “**McCain Family Representative**” will be a Person appointed from time to time by the McCain Family Parties and such Person shall be the agent for and on behalf of the McCain Family Parties to: (i) execute and deliver such certificates, agreements and other documents relating to this Agreement or any of the matters contemplated by this Agreement (including with respect to any consent delivered pursuant to Section 5(a), identifying the McCain Family Parties’ proposed Shareholder Nominees for purposes of Section 2, exercising the subscription right pursuant to Section 3.1(b) and agreeing to amendments pursuant to Section 18); (ii) give and receive notices and communications to or from the Company (on behalf of itself and on behalf of each other McCain Family Party); (iii) consent or agree to any amendment to this Agreement; and (iv) take all actions reasonably necessary or appropriate in the judgment of the McCain Family Representative for accomplishing the foregoing.
- (b) Any notice or other communication given or received by, and any decision, action, failure to act within a designated period of time, agreement (including with respect to any amendment to this Agreement), consent, resolution or instruction of the McCain Family Representative shall constitute a notice or other communication to or by, or a decision, action, failure to act within a designated period of time, agreement (including with respect to any amendment to this Agreement), consent, resolution or instruction of all McCain Family Parties and shall be final, binding and conclusive upon each McCain Family Party and the Company and its directors, officers, employees, agents and representatives shall be entitled to rely upon any such notice or other communication to or by, or a decision, action, failure to act within a designated period of time, agreement (including with respect to any amendment to this Agreement), consent, resolution or instruction as being a notice or other communication to or by, or a decision, action, failure to act within a designated period of time, agreement (including with respect to any amendment to this Agreement), consent, resolution or instruction of each and every McCain Family Party without further enquiry.
- (c) MHM shall be the initial McCain Family Representative. The McCain Family Parties may appoint a replacement McCain Family Representative from time to time by providing a written notice to the Company (an “**Appointment Notice**”), such Appointment Notice to include: (i) a confirmation that the McCain Family Parties who have signed such notice together hold more than 50% of the Shares beneficially owned, or of which control or direction is exercised, by the McCain Family Parties (together with any Person acting jointly or in concert with a McCain Family Party); (ii) the identity of the new McCain Family Representative; and (iii) the addresses and other information for such Person required for purposes of Section 15(c). The Company shall be entitled to regard MHM (or any subsequent McCain Family Representative in respect of whom an Appointment Notice has been provided to the Company) as being the McCain Family Representative for all purposes under this Agreement and without any further enquiry until an Appointment Notice is provided to the Company with respect to a replacement McCain Family Representative.

Section 5 **Shareholder Rights Plan**

- (a) The Company shall not adopt a shareholder rights plan, adopt a new bylaw, amend an existing bylaw or charter provision, or enter into any contract, that would reasonably be expected to limit, restrict, delay or impair the exercise by the Shareholder Parties of their rights under this Agreement or impede the ability of the Shareholder Parties to make Acquisitions of additional Shares or Rights to Acquire Shares subject to terms of this Agreement, provided that, notwithstanding the foregoing, the Company may adopt any such shareholder rights plan or by-law, or amend any existing by-law or charter provision, or enter into any such contract: (i) where any Shareholder Party is in breach of such Person’s obligations under Section 7 of this Agreement; or (ii) upon the written consent of the McCain Family Representative and MLF. For clarity, nothing in this Section 5(a) shall in any way restrict the ability of the Company to enter into any contract or take any action to issue Shares or Rights to Acquire Shares to any Person, or to enter into any contract to agree to, or to agree to support, any acquisition or proposed acquisition of Shares (or Rights to Acquire Shares) by any Person (other than a Shareholder Party) pursuant to a take-over bid, plan of arrangement, amalgamation, business combination, recapitalization or other similar transaction.

- (b) Nothing in this Agreement shall require the Shareholder Parties to vote in favour of the adoption or ratification of any shareholder rights plan, by-law or by-law amendment or charter amendment adopted by the Company.

Section 6 **Ownership Cap**

- (a) No Shareholder Party, or Person acting jointly or in concert with a Shareholder Party, shall, directly or indirectly, acquire beneficial ownership of, or control or direction over (an “**Acquisition**”) any common shares or any other shares in the capital of the Company entitled to vote generally in the election of directors (collectively, the “**Shares**”) or any right or option to acquire Shares (whether under a Company Equity Compensation Plan, pursuant to the terms of a convertible security or otherwise) (each, a “**Right to Acquire Shares**”) where such Acquisition would result at any time in the aggregate number of Shares beneficially owned, or over which control or direction is exercised, (A) in the case of the McCain Family Parties, by the McCain Family Parties (together with any Person acting jointly or in concert with a McCain Family Party) exceeding 35% of the issued and outstanding Shares, or (B) in the case of the MLF Parties, by the MLF Parties (together with any Person acting jointly or in concert with a MLF Party) exceeding 25% of the issued and outstanding Shares, in each case calculated as follows as of the relevant date (such percentage calculated below, the “**Ownership Percentage**”):
 - (i) 100%; multiplied by
 - (ii) the quotient of:
 - (A) (1) the aggregate number of Shares beneficially owned, or over which control or direction is exercised, by the applicable Shareholder Party (together with any person acting jointly or in concert with such Shareholder Party); plus (2) the aggregate number of Shares issuable or transferrable (as the case may be) to the applicable Shareholder Party (or by any Person acting jointly or in concert with such Shareholder Party) pursuant to any Right to Acquire Shares held by them (assuming for this purpose that all unvested Rights to Acquire Shares are deemed to be vested and exercisable (with those subject to performance criteria being deemed to be vested at their maximum level)) and that the relevant Rights to Acquire Shares are deemed to be exercised or otherwise satisfied in accordance with their terms (all Shares in clauses (1) and (2) together being the Shares that are “**Beneficially Owned**”); divided by
 - (B) (1) the total number of issued and outstanding Shares; plus (2) the aggregate number of Shares (if any) issuable from treasury to the applicable Shareholder Party (or any Person acting jointly or in concert with such Shareholder Party) pursuant to Section 6(a)(ii)(A)(2), (the “**Ownership Cap**”), unless such Acquisition is made by way of a Qualifying Bid or as a result of an Exempt Action.
- (b) All Acquisitions of Shares (or Rights to Acquire Shares) by a Shareholder Party that are not made by way of a Qualifying Bid or an Exempt Action are “**Shareholder Actions**”. Shareholder Actions include (but are not limited to) Acquisitions made pursuant to: (a) normal course market purchases in accordance with applicable securities laws; (b) private agreement exemptions under applicable securities laws; and (c) treasury offerings of Shares by the Company (including by way of prospectus, private placements, rights offerings, dividend reinvestment plans (“**DRIPs**”) and similar Company-initiated transactions) (other than as contemplated by clause (iii) of the definition of Exempt Actions).

Section 7 **Share Transfer Restrictions; Lock-ups**

- (a) Without the prior written consent of the Company, such consent not to be unreasonably withheld, delayed or conditioned, no Shareholder Party (in this Section 7(a), each, a “**Locked-Up Party**”) will (and each Locked-Up Party will cause entities, corporate or otherwise, controlled by such Locked-Up Party not to), directly or indirectly, during the period beginning at the date hereof and ending 24 months after the date hereof (the “**Lock-Up Period**”): (i) offer, sell, contract to sell, announce an

intention to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise lend, pledge, assign, transfer or dispose of any Shares or other securities of the Company owned as of the date hereof (the “**Locked-Up Securities**”); or (ii) enter into any swap, forward or other similar arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Locked-Up Securities, whether any such transaction described in clause (i) or (ii) above is settled by delivery of Shares or other securities of the Company, in cash or otherwise. Notwithstanding the foregoing, the restrictions in the prior sentence shall not apply to any transfer or other disposition of Locked-Up Securities by a Locked-Up Party (A) as a distribution to all shareholders of MLF (B) as a distribution or transfer to limited partners, shareholders or beneficiaries of such Locked-Up Party (other than, in the case of MLF, to shareholders of MLF), (C) to affiliates of or to any investment fund or other entity controlled or managed by such Locked-Up Party, (D) as a bona fide gift or gifts, including charitable contributions; (E) upon the exercise or settlement (including net settlement) of equity incentives (provided that any underlying Shares issued to the Shareholder Party pursuant to such exercise or settlement continue to be held during the Lock-Up Period); (F) pursuant to the establishment and announcement of an automatic securities disposition plan established in accordance with Applicable Securities Laws (provided that no actual sales are made under such plan during the Lock-Up Period); or (G) pursuant to a Third Party Qualifying Bid or similar acquisition transaction (provided that in the event that the takeover bid or acquisition transaction is not completed, any Shares held by the Locked-Up Party shall remain subject to the restrictions contained in this Section 7(a)); provided that each transferee in the case of each of clauses (B), and (C) above shall agree to be bound by the provisions of this Section 7(a) prior to or upon such transfer. Nothing in this Section 7(a) shall prohibit a Locked-Up Party from pledging any Shares (or Rights to Acquire Shares) as security to *bona fide* lenders (or any agent on their behalf) and/or any sale of the Shares upon such lenders (or agent) realizing on such security.

- (b) Notwithstanding Section 7(a), no Shareholder Party shall, directly or indirectly (including by way of the transfer or other disposition of securities of any holding company or other Affiliate of such Shareholder Party, including MCI in the case of a McCain Family Party), transfer or otherwise dispose of any Shares (or Rights to Acquire Shares) to or for the benefit of any Person where that other Person would (or, in the case of a transfer or other disposition of Shares (or Rights to Acquire Shares) by the applicable Shareholder Party through the facilities of the stock exchange on which the Shares are then listed where the identity of the transferee is not known by (and cannot reasonably be determined by) such Shareholder Party, such Shareholder Party knew or ought to have known that such other Person would), following such transfer or disposition, either alone or together with other Persons acting jointly or in concert with such Person, beneficially own, or exercise control or direction over, 20% or more of the issued and outstanding Shares on the date of such transfer or other disposition, unless such transfer or other disposition is (a “**Permitted Transfer**”): (i) made pursuant to a Third Party Qualifying Bid made by such other Person (unless a Shareholder Party has entered into a lock-up or other similar agreement in respect of such Third Party Qualifying Bid that is not a Permitted Lock-Up Agreement); (ii) made by a McCain Family Party to another McCain Family Party or by a MLF Party to another MLF Party; (iii) in the case of an MHM Party, permitted by Section 9; or (iv) approved by a majority of the Independent Directors. Nothing in this Section 7(b) shall prohibit a Shareholder Party from pledging any Shares (or Rights to Acquire Shares) as security to *bona fide* lenders (or any agent on their behalf) and/or any sale of the Shares upon such lenders (or agent) realizing on such security; provided, however, that the restrictions in this Section 7(b) shall apply to any transfer or other disposition of Shares (or Rights to Acquire Shares) upon realizing on such security.
- (c) In the event of any purported transfer or other disposition of Shares (or Rights to Acquire Shares) by a Shareholder Party that is not a Permitted Transfer (each such transfer or other distribution, a “**Voided Transfer**”):
 - (i) such Voided Transfer shall be void to the fullest extent permitted by law; and
 - (ii) the Company shall not be required to recognize any Voided Transfer or record any Voided Transfer on its books and records, including by instructing its transfer agent not to record or otherwise recognize such Voided Transfer.

- (d) No Shareholder Party shall enter into or otherwise agree to be bound by a lock-up or other similar agreement with respect to the Shares (or Rights to Acquire Shares) beneficially owned by such Shareholder Party or over which it exercises control or direction, in connection with any takeover bid for securities of the Company (or any other similar transaction) unless such lock-up or other similar agreement is a Permitted Lock-up Agreement.

Section 8 Ownership Cap Exceedances

- (a) Each of the Company and the Shareholder Parties specifically agree to the matters set forth in Schedule D and Schedule D is hereby incorporated into this Agreement by reference.
- (b) In order to better facilitate the actions (if any) required or permitted to be taken by the Company pursuant to Schedule D, each Shareholder Party shall: (i) hold its Shares in “street name” through a broker or other similar arrangement and no Shareholder Party shall be the registered holder of such Shares (whether or not certificated), except where and only for so long as the Shareholder Party seeks to hold all or a portion of its Shares in registered form in order to exercise the rights of a registered shareholder or to satisfy the requirements of a bona fide lender of such Shareholder Party; and (ii) ensure that it is at all times a “non-objecting beneficial owner” for purposes of applicable securities law, to the extent that some or all of the relevant Shares are not held in registered form.

Section 9 Permitted Estate Transfers

- (a) Notwithstanding Section 7, MHM may, and may cause the other MHM Parties (but not, for clarity, any Permitted Estate Transferee or any other McCain Family Party, in each case, other than MHM's estate) to, upon MHM's death or in connection with an estate planning reorganization during MHM's lifetime, transfer Shares (and, where permitted by applicable law and the provisions of the applicable Company Equity Compensation Plan, Rights to Acquire Shares) held by the relevant MHM Party to: (a) MHM's estate; or (b) one or more Permitted Heirs (such transferees together, “**Permitted Estate Transferees**” and any such transfer to a Permitted Estate Transferee, a “**Permitted Estate Transfer**”). The McCain Family Parties shall provide the Company with written notice promptly (and in any case within 10 days) following the effective date of any Permitted Estate Transfer.
- (b) Any Permitted Estate Transferee who either: (i) is (or is presumed pursuant to Section 9(c) to be) acting jointly or in concert with one or more McCain Family Parties; or (ii) beneficially owns, or exercises control or direction over (together with any Person, including any MHM Party, acting jointly or in concert with such Permitted Estate Transferee), Shares (or Rights to Acquire Shares) representing 20% or more of the issued and outstanding Shares at such time, shall be required to deliver a joinder letter in the form attached as Schedule B (a “**Joinder Letter**”) to the Company within 10 days of the effective date of such Permitted Estate Transfer. If any such Permitted Estate Transferee does not deliver a Joinder Letter within such 10 day period, then all Shares beneficially owned or over which control or direction is exercised by such Permitted Estate Transferee shall be excluded in calculating the number of Shareholder Nominees that may be nominated by the McCain Family Parties pursuant to Section 2 until such time as a Joinder Letter is delivered to the Company by the relevant Permitted Estate Transferee.
- (c) For purposes of this Agreement, each Permitted Estate Transferee will, following the transfer of any Shares (or Rights to Acquire Shares) to such Permitted Estate Transferee in accordance with Section 9(a) from time to time, be presumed to be acting jointly or in concert with each other Permitted Estate Transferee (and with each other McCain Family Party) unless he, she or it provides a statutory declaration substantially in the form attached as Schedule C and addressed to the Company declaring that he, she or it is not acting jointly or in concert with any other Permitted Estate Transferee (or any McCain Family Party) (a “**Statutory Declaration**”).

Upon delivery of a Statutory Declaration by a Permitted Estate Transferee, this Agreement will terminate immediately in respect of such Permitted Estate Transferee where, as of the date of such Statutory Declaration, such Permitted Estate Transferee beneficially owns, or exercises control or direction over (together with any Person acting jointly or in concert with such Permitted Estate

Transferee) Shares (or Rights to Acquire Shares) representing less than 20% of the issued and outstanding Shares at such time. For clarity, the Shares (and Rights to Acquire Shares) beneficially owned, or over which control or direction is exercised, by such Permitted Estate Transferee (together with any Person acting jointly or in concert with such Permitted Estate Transferee where such Person does not also act jointly or in concert with any other McCain Family Party) shall cease to be included for purposes of calculating the Ownership Percentage and for purposes of calculating the number of Shareholder Nominees that may be nominated by the McCain Family Parties pursuant to Section 2.

Section 10 Representations and Warranties

- (a) MHM and MCI jointly and severally represent and warrant as follows:
 - (i) Each of MHM and MCI has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby;
 - (ii) This Agreement has been duly and validly authorized (in the case of MCI), executed and delivered by MHM and MCI, constitutes a valid and binding obligation and agreement of MHM and MCI and is enforceable against each of them in accordance with its terms; and
 - (iii) No MHM Party is party to, bound or affected by or subject to any contract, charter or by-law or applicable laws that would be violated, breached by or under which a default would occur as a result of the execution and delivery of, or the performance of obligations under, this Agreement, other than such violations, breaches or defaults which would not affect the ability of MHM, MCI or any other MHM Party (as the case may be) to perform his or its obligations under this Agreement.
- (b) MLF hereby represents and warrants as follows:
 - (i) MLF has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby;
 - (ii) This Agreement has been duly and validly authorized, executed and delivered by MLF, constitutes a valid and binding obligation and agreement of MLF and is enforceable against MLF in accordance with its terms; and
 - (iii) MLF is not party to, bound or affected by or subject to any contract, charter or by-law or applicable laws that would be violated, breached by or under which a default would occur as a result of the execution and delivery of, or the performance of obligations under, this Agreement, other than such violations, breaches or defaults which would not affect the ability of the Company to perform its obligations under this Agreement.
- (c) The Company hereby represents and warrants as follows:
 - (i) The Company has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby;
 - (ii) This Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company and is enforceable against the Company in accordance with its terms; and
 - (iii) The Company is not party to, bound or affected by or subject to any contract, charter or by-law or applicable laws that would be violated, breached by or under which a default would occur as a result of the execution and delivery of, or the performance of obligations under, this Agreement, other than such violations, breaches or defaults which would not affect the ability of the Company to perform its obligations under this Agreement.

- (d) All representations and warranties made in this Agreement shall survive the execution of this Agreement and shall be deemed to be continuing until the termination of this Agreement.

Section 11 Further Assurances

- (a) The Company and each Shareholder Party shall, with reasonable diligence, do all such things, take all such actions and provide all such reasonable assurances as may reasonably be required to, and each of them shall provide such further documents, instruments or information as may reasonably be required by the Company, the McCain Family Representative or MLF (as the case may be) as may be reasonably necessary or desirable to, from time to time, implement, approve and effect the purpose of this Agreement and carry out its provisions.
- (b) The Company and the Shareholder Parties shall negotiate in good faith, acting reasonably, any amendments to this Agreement that may be required in order to preserve the original intent of the parties to this Agreement as a result of any change in law or in the rules or policies of the TSX (or such other exchange upon which the Company's securities may be listed from time to time) relating to the subject matter of this Agreement.

Section 12 Equitable Remedies; Breaches

- (a) Each of the Shareholder Parties, on the one hand, and the Company, on the other hand, acknowledges and agrees that irreparable injury to another party hereto would occur in the event any of the provisions of this Agreement were not performed in accordance with its specific terms or was otherwise breached and that such injury would not be adequately compensable in damages or other remedies at law. It is accordingly agreed that the Shareholder Parties, on the one hand, and the Company, on the other hand, shall, in addition to any other remedy to which they may be entitled at law or in equity, and without proof of actual damages and without the requirement to post a bond or other security, each be entitled to specific enforcement of, and/or injunctive relief to prevent any violation of, the terms hereof and the other parties hereto will not take any action, directly or indirectly, in opposition to the party seeking relief on the grounds that any other remedy or relief is available at law or in equity. The prevailing party in any such action shall be entitled to recover legal fees and expenses from the non-prevailing parties.
- (b) Each Shareholder Party, on the one hand, and the Company, on the other hand, acknowledge that such Shareholder Party or the Company (as the case may be) shall be liable for any breach of this Agreement by any of such Shareholder Party's or the Company's (as the case may be) Affiliates, directors, officers, employees, agents or other Persons acting on behalf of such Shareholder Party (including in the case of the McCain Family Parties, the McCain Family Representative) or the Company (as the case may be).

Section 13 Termination

13.1 Termination

The provisions of this Agreement (including, for clarity, the Voting PoA and the Sale PoA) shall terminate upon the earliest of:

- (a) the date on which Shares are validly taken-up by a Shareholder Party pursuant to a Qualifying Bid;
- (b) the date on which the McCain Family Parties (together with Persons acting jointly or in concert with a McCain Family Party) collectively cease to beneficially own, or exercise control or direction over, at least 10% of the then-issued and outstanding Shares; provided that, if that event arises as a result of a change in the number of outstanding Shares, then (unless waived by the McCain Family Parties) this Agreement shall continue to remain in effect and shall not terminate pursuant to this Section 13.1(b) unless the McCain Family Parties (together with Persons acting jointly or in concert with a McCain Family Party) continue to beneficially own, or exercise control or direction over, less than 10% of the then-issued and outstanding Shares on the date that is the later of (i) 60 days after such date, and (ii) if Applicable Securities Laws or any Company blackout period do not permit the

acquisition of Shares on the 50th day following such date, 10 business days following the date upon which Shares can first be acquired;

- (c) the date of the dissolution or bankruptcy of the Company or of the making by the Company of an assignment under the provisions of the *Bankruptcy and Insolvency Act* (Canada); or
- (d) the date on which this Agreement is terminated in accordance with Section 13.2.

13.2 Ratification

This Agreement will be submitted to shareholders of the Company for approval at every third annual meeting beginning with the Company's 2028 annual meeting. To receive approval at each such meeting, this Agreement must be ratified by a resolution passed by (i) a majority of the votes cast by the shareholders of the Company (excluding votes cast by the Shareholder Parties) in each case present in person or voting by proxy at a meeting of those shareholders of the Company who vote in respect of such ratification and (ii) the McCain Family Parties (voting separately). In advance of each such meeting, the Company and the McCain Family Representative will discuss the proposed ratification prior to the filing of the management proxy circular in respect of such meeting, and if the McCain Family Representative is not supportive of ratification, it will not be put forward as an item of business at such meeting. If this Agreement is not so ratified or is not presented for ratification at any such annual meeting, this Agreement shall terminate and be void and of no further force and effect on and from the date of termination of such annual meeting.

Section 14 Public Disclosures

- (a) The parties acknowledge that the Company will file a copy of this Agreement on SEDAR and the parties hereby consent to such filing.
- (b) In the event that, following discussion, ratification of this Agreement is not put forward as an item of business at an annual meeting of the Company in accordance with Section 13.2, the parties acknowledge that the Company will promptly publicly disclose such fact to its shareholders.

Section 15 Notices

All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) upon sending if sent by electronic mail, with electronic confirmation of sending; (c) one business day after being sent by North American recognized overnight carrier to the appropriate addresses set forth below; or (d) when actually delivered if sent by any other method that results in delivery (with written confirmation of receipt):

- (a) if to the Company:

Canada Packers Inc.
6985 Financial Drive, Suite 201
Mississauga, Ontario
L5N 0A1

Attention: Suzanne Hathaway, Secretary
Email: legal@mapleleaf.com

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
199 Bay St., Suite 4000
Toronto, ON
M5L 1A9

Attention: Tim Andison
E-mail: tim.andison@blakes.com

if to MHM or any other MHM Party:

Michael Harrison McCain
[REDACTED – PERSONAL INFORMATION]

Email: **[REDACTED – PERSONAL INFORMATION]**

with a copy to (which shall not constitute notice):

Goodmans LLP
333 Bay St., Suite 3400
Toronto, ON
M5H 2S7

Attention: Neill May and Brad Ross
E-mail: nmay@goodmans.ca and bross@goodmans.ca

- (b) if to the McCain Family Representative or any McCain Family Party (other than the MHM Parties):

c/o Michael Harrison McCain
[REDACTED – PERSONAL INFORMATION]

Email: **[REDACTED – PERSONAL INFORMATION]**

with a copy to (which shall not constitute notice):

Goodmans LLP
333 Bay St., Suite 3400
Toronto, ON
M5H 2S7

Attention: Neill May and Brad Ross
E-mail: nmay@goodmans.ca and bross@goodmans.ca

- (c) if to MLF:

Maple Leaf Foods Inc.
6897 Financial Drive
Mississauga, Ontario
L5N 0A8

Attention: Suzanne Hathaway, SVP, General Counsel, Communications and Corporate Secretary
Email: legal@mapleleaf.com

with a copy to (which shall not constitute notice):

Blake, Cassels & Graydon LLP
199 Bay St., Suite 4000
Toronto, ON
M5L 1A9

Attention: Tim Andison
E-mail: tim.andison@blakes.com

with a copy to (which shall not constitute notice):

Torys LLP
79 Wellington St. W., Suite 3000
Toronto, ON
M5K 1N2

Attention: John Emanoilidis
E-mail: jemanoilidis@torys.com

in each case, or to such other address as the Person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

Section 16 No Waiver

Any waiver by any party of a breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

Section 17 Successors and Assigns

Except as set forth in this Agreement, this Agreement shall not be assignable by the parties hereto. All terms and provisions of this Agreement shall be binding on the successors and permitted assigns of the parties hereto, including, any Permitted Estate Transferee.

Section 18 Entire Agreement; Amendments

This Agreement contains the entire understanding of the parties with respect to the subject matter hereof as of the date hereof and there are no restrictions, agreements, promises, representations, warranties, covenants or other undertakings other than those expressly set forth in this Agreement.

This Agreement may be amended only by a written instrument duly executed by the Company, the McCain Family Representative and MLF or their respective successors or assigns.

Section 19 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 20 Severability

If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal

substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

Section 21 Counterparts

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or by email (in PDF or other similar format) and all such counterparts, facsimiles and electronic deliveries will together constitute one and the same agreement.

[Remainder of page intentionally left blank]

Michael Harrison McCain

MCCAIN CAPITAL INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

MAPLE LEAF FOODS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADA PACKERS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

DEFINITIONS

Wherever used in this Agreement, the following words and terms have the meanings set out below:

- (a) **“Actionable Cap Exceedance”** has the meaning given in paragraph 3 of Schedule D;
- (b) **“Acquired Excess Securities”** has the meaning given in paragraph 3 of Schedule D;
- (c) **“Acquisition”** has the meaning given in Section 6(a), and **“Acquired”** shall have a corresponding meaning;
- (d) **“Affiliate”** means, as at the date of determination, a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, another Person; for the purposes of this definition, a company shall be deemed to be controlled by another Person or a group of Persons if, voting securities of the company carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security, by or for the benefit of the other Person or group of Persons and the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of the company, and the term “controlled” has a correlative meaning. For clarity, the term “Affiliate” with respect to the McCain Family Parties, shall not include the MLF Parties, their subsidiaries or the Company, and with respect to the MLF Parties, shall not include the McCain Family Parties or the Company;
- (e) **“Agreement”** means this governance agreement, as the same may be amended, supplemented and/or restated from time to time, including all schedules, and references to “Section” mean the specified section of this Agreement;
- (f) **“Applicable Securities Laws”** means the securities legislation in each of the provinces and territories of Canada, including all rules, regulations, instruments, policies, notices, published policy statements and blanket orders thereunder or issued by one or more of the securities regulatory authorities in each of the provinces and territories of Canada;
- (g) **“Appointment Notice”** has the meaning given in Section 4(c);
- (h) **“Beneficially Owned”** has the meaning given in Section 6(a)(ii)(A);
- (i) **“Board”** means the board of directors of the Company;
- (j) **“business day”** means any day, other than a Saturday or Sunday, on which commercial banks in Toronto, Ontario are generally open for commercial banking business during normal banking hours;
- (k) **“Company”** has the meaning given in the Preamble;
- (l) **“Company Equity Compensation Plan”** means, collectively, all equity incentive compensation plans adopted by the Company from time to time and under which grants of options or other equity or similar compensation have been made and remain outstanding;
- (m) **“Conflicts Review Committee”** means a committee of the Board comprised entirely of Independent Directors and chaired by the Lead Independent Director of the Board (or, in circumstances where the Lead Independent Director of the Board has or may have a conflict of interest with respect to the transaction in question, such other member of the Conflicts Review Committee selected by its members) to oversee any transactions with the McCain Family Parties and/or the MLF Parties;
- (n) **“Contested Election”** has the meaning given in Section 2.1(j);
- (o) **“Cure Notice”** has the meaning given in paragraph 5 of Schedule D;

- (p) **"DRIPs"** has the meaning given in Section 6(b);
- (q) **"Exceedance Notice"** has the meaning given in paragraph 1 of Schedule D;
- (r) **"Exceedance Cure Deadline"** has the meaning given in paragraph 4 of Schedule D;
- (s) **"Excess Shares"** has the meaning give in paragraph 4 of Schedule D;
- (t) **"Exempt Action"** means: (i) an Acquisition of Shares (or Rights to Acquire Shares) by a McCain Family Party under a Company Equity Compensation Plan where the relevant Acquisition would cause the Ownership Cap to be, or is made after the Ownership Cap has already been, exceeded; (ii) an Acquisition of Shares by the Company, whether by way of a normal course issuer bid, a substantial issuer bid or otherwise that has the effect of increasing the Ownership Percentage of a Shareholder Party to or above the Ownership Cap (including after the Ownership Cap has been exceeded); and (iii) where the Ownership Cap has been exceeded by (i) or (ii) above, any Acquisition of Shares by a Shareholder Party pursuant to a treasury issuance of Shares by the Company (including by way of prospectus, private placements, rights offerings, share dividends, DRIPs and similar Company-initiated transactions) that does not have the effect of increasing the Ownership Percentage of the applicable Shareholder Party;
- (u) **"Exempt Issuance"** has the meaning given in Section 3.2(b);
- (v) **"Independent"** means an individual that is (i) independent of, and does not have a material relationship with, management of the Company or any Shareholder Party or any Person acting jointly or in concert with any such Persons, (ii) "independent" for the purposes of National Instrument 52-110 – *Audit Committees*; and (iii) not a Shareholder Nominee;
- (w) **"Independent Director"** means a director who is Independent;
- (x) **"Issued Securities"** has the meaning given in Section 3.1(a);
- (y) **"Joinder Letter"** has the meaning given in Section 9(b);
- (z) **"jointly or in concert"** has the meaning provided for by National Instrument 62104 – *Take-Over Bids and Issuer Bids* and any successor instrument thereto;
- (aa) **"Lock-Up Period"** has the meaning given in Section 7(a);
- (bb) **"Locked-Up Party"** has the meaning given in Section 7(a);
- (cc) **"Locked-Up Securities"** has the meaning given in Section 7(a);
- (dd) **"McCain Family Parties"** means, collectively, the MHM Parties together with each Permitted Estate Transferee that has delivered or is required to deliver a Joinder Letter in accordance with Section 9(b) and has not delivered a Statutory Declaration;
- (ee) **"McCain Family Representative"** has the meaning given in Section 4(a);
- (ff) **"MCI"** has the meaning given in the Preamble;
- (gg) **"MHM"** has the meaning given in the Preamble;
- (hh) **"MHM Parties"** means, collectively, MHM, MCI and each of their respective Affiliates and, following any Permitted Estate Transfer to MHM's estate following MHM's death, includes MHM's estate;
- (ii) **"MLF"** has the meaning given in the Preamble;
- (jj) **"MLF Parties"** means, collectively, MLF and its subsidiaries;

- (kk) **"Ownership Cap"** has the meaning given in Section 6(a);
- (ll) **"Ownership Percentage"** has the meaning given in Section 6(a);
- (mm) **"Permitted Estate Transfer"** has the meaning given in Section 9(a);
- (nn) **"Permitted Estate Transferees"** has the meaning given in Section 9(a);
- (oo) **"Permitted Heirs"** means: (i) MHM's issue; (ii) one or more corporations beneficially wholly-owned by MHM and/or by his issue; and (iii) a Permitted Trust;
- (pp) **"Permitted Lock-up Agreement"** means an agreement between a Person and one or more Shareholder Parties, as applicable (each a **"Locked-up Person"**), the terms of which are publicly disclosed and a copy of which is made available to the public (including the Company), that is entered into not later than the date the Lock-up Bid (as defined below) is publicly announced or, if the Lock-up Bid has been made prior to the date on which such agreement is entered into, forthwith, and in any event not later than the date of such agreement, pursuant to which each such Locked-up Person agrees to deposit or tender Shares (or Rights to Acquire Shares) (or both) to a Third Party Qualifying Bid (the **"Lock-up Bid"**) made or to be made by the Person or any other Person acting jointly or in concert with such Person; provided that:

- (i) the agreement:

- (A) permits the Locked-up Person to terminate its obligation to deposit or tender, and permits the Locked-up Person to withdraw if already deposited or tendered, the Shares (or Rights to Acquire Shares) (or both) from the Lock-up Bid in order to tender or deposit such securities to another Third Party Qualifying Bid or to support another transaction that represents a price or value of consideration for each Share (or Right to Acquire Shares) that exceeds the price or value of consideration represented or proposed to be represented by the Lock-up Bid; or
- (B) (1) permits the Locked-up Person to terminate its obligation to deposit or tender, and permits the Locked-up Person to withdraw if already deposited or tendered, the Shares (or Rights to Acquire Shares) (or both) from the Lock-up Bid in order to tender or deposit the Shares (or Rights to Acquire Shares) to another Third Party Qualifying Bid, or to support another transaction that provides for a price or value of consideration for each Shares (or Rights to Acquire Shares) that exceeds by as much as or more than a specified amount (the **"Specified Amount"**) the price or value of consideration for each Shares (or Rights to Acquire Shares) represented or proposed to be represented in the Lock-up Bid; and (2) does not by its terms provide for a Specified Amount that is greater than 7% over the price or value of consideration for each Shares (or Rights to Acquire Shares) contained in or proposed to be contained in the Lock-up Bid;

and, for greater clarity, the agreement may contain a right of first refusal or permit a period of delay to give such Person an opportunity to at least match a higher price or value of consideration in another Third Party Qualifying Bid and may provide for any other similar limitation on a Locked-up Person's right to withdraw Shares (or Rights to Acquire Shares) (or both) from the agreement, as long as the Locked-Up Person can accept another bid or tender to another transaction; and

- (ii) no "break-up" fees, "top-up" fees, penalties, expenses or other amounts that exceed in the aggregate the greater of:
 - (A) the cash equivalent of 2 1/2% of the price or value payable under the Lock-up Bid to a Locked-up Person; and

- (B) 50% of the amount by which the price or value payable under another Third Party Qualifying Bid or transaction to a Locked-up Person exceeds the price or value of the consideration that such Locked-up Person would have received under the Lock-up Bid, is payable by a Locked-up Person pursuant to the agreement in the event a Locked-up Person fails to deposit or tender Shares (or Rights to Acquire Shares) (or both) to the Lock-up Bid, withdraws Shares (or Rights to Acquire Shares) (or both) previously tendered thereto or supports another transaction.
- (qq) **“Permitted Transfer”** has the meaning given in Section 7(b);
- (rr) **“Permitted Trust”** means a trust established for the benefit of any of: (i) MHM; (ii) his issue; (iii) one or more corporations beneficially owned by MHM and/or his issue; and/or (iv) a Qualified Donee; provided in the case of (iv) that any such trust shall not allow for the transfer of Shares (or Rights to Acquire Shares) to a Qualified Donee that would result in such Qualified Donee beneficially owning or exercising control or direction over 20% or more of the outstanding Shares;
- (ss) **“Person”** means any individual, partnership, corporation, company, group, syndicate, trust, government or agency thereof, or any other association or entity;
- (tt) **“Pre-Emptive Right”** has the meaning given in Section 3.1(b);
- (uu) **“Qualified Donee”** means a “qualified donee” as that term is defined in the *Income Tax Act* (Canada);
- (vv) **“Qualifying Bid”** means a takeover bid by a Shareholder Party that: (x) is for 100% of the issued and outstanding Shares not already beneficially owned, or over which control or direction is exercised, by such Shareholder Party (i.e., not a partial bid); and (y) is made and completed in compliance with all applicable securities laws (including Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, National Instrument 62-104 – *Take-Over Bids and Issuer Bids* and any similar or successor applicable laws, rules or regulations), and which must include a majority-of-the-minority tender condition and a minimum 10-day bid extension period for acceptance;
- (ww) **“Right to Acquire Shares”** has the meaning given in Section 6(a);
- (xx) **“Sale Notice”** has the meaning given in paragraph 12 of Schedule D; (yy) **“Sale PoA”** has the meaning given in paragraph 10 of Schedule D;
- (zz) **“Sale PoA Outside Time”** means 5:00 p.m. (Toronto time) on the date that is six months following the Exceedance Cure Deadline; provided, however, that if the Company: (i) is not permitted to dispose of the Sale PoA Shares pursuant to a “blackout” imposed in good faith under the Company’s blackout policy that is in force at the Sale PoA Outside Time; or (ii) is not otherwise permitted or reasonably able to dispose of the Sale PoA Shares as a result of any other reason or circumstance beyond the reasonable control of the Company (including as a result of any Person not acting on instructions of the Company given pursuant to the Sale PoA) prior to the Sale PoA Outside Time, the Sale PoA Outside Time will be extended to the close of trading on the TSX on the date that is 60 days after the date on which the Company is permitted or able to dispose of the Sale PoA Shares pursuant to clause (i) or (ii) (as the case may be);
- (aaa) **“Sale PoA Shares”** has the meaning given in paragraph 10 of Schedule D;
- (bbb) **“Shareholder Actions”** has the meaning given in Section 6(b);
- (ccc) **“Shareholder Nominee”** has the meaning given in Section 2.1(b);
- (ddd) **“Shareholder Nominee Cap”** has the meaning given in Section 2.1(b);

- (eee) **"Shareholder Parties"** means, collectively, the McCain Family Parties and the MLF Parties and each, a **"Shareholder Party"**;
- (fff) **"Shares"** has the meaning given in Section 6(a);
- (ggg) **"Specified Minimum Ownership Threshold"** means the applicable Shareholder Party beneficially owning, controlling or directing, directly or indirectly, not less than 10% of the issued and outstanding Shares (on a non-diluted basis, except for circumstances where Section 1.2(b)(ii) applies);
- (hhh) **"Statutory Declaration"** has the meaning given in Section 9(c);
- (iii) **"Third Party Qualifying Bid"** means a takeover bid that: (x) is for 100% of the issued and outstanding Shares not already beneficially owned, or over which control or direction is exercised, by the relevant Person (i.e., not a partial bid); and (y) is made and completed in compliance with all applicable securities laws (including Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, National Instrument 62-104 – *Take-Over Bids and Issuer Bids* and any similar or successor applicable laws, rules or regulations); provided that no takeover bid made by a Shareholder Party will constitute a Third Party Qualifying Bid;
- (jjj) **"Top-Up Notice"** has the meaning given in Section 3.3(b);
- (kkk) **"Top-Up Right"** has the meaning given in Section 3.3(a);
- (lll) **"Top-Up Subscription Notice"** has the meaning given in Section 3.3(d);
- (mmm) **"Top-Up Threshold"** has the meaning given in Section 3.3(b);
- (nnn) **"Transaction"** has the meaning given in Recital A;
- (ooo) **"TSX"** means the Toronto Stock Exchange;
- (ppp) **"Voided Transfer"** has the meaning given in Section 7(c);
- (qqq) **"Voting PoA"** has the meaning given in paragraph 7 of Schedule D;
- (rrr) **"Voting PoA Deadline"** has the meaning given in paragraph 8 of Schedule D; and
- (sss) **"Voting PoA Shares"** has the meaning given in paragraph 7 of Schedule D.

SCHEDULE B
FORM OF JOINDER LETTER
(See Attached)

JOINDER LETTER

The undersigned is executing and delivering this Joinder Letter to the Company (as defined below) and each other Person party to the Governance Agreement (as defined below) pursuant to the Governance Agreement (as it may be amended, supplemented and/or restated, the “**Governance Agreement**”) dated ■, 2023 between Michael Harrison McCain, McCain Capital Inc., Maple Leaf Foods Inc., Canada Packers Inc. (the “**Company**”) and each other Person who has become and remains a party to the Governance Agreement pursuant to its terms.

All capitalized terms used but not otherwise defined in this Joinder Letter have the respective meanings given to them in the Governance Agreement.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which hereby acknowledged by the undersigned):

1. The undersigned agrees to be bound by, and to comply with, each of the provisions of the Governance Agreement applicable to either or both of a Permitted Estate Transferee and a McCain Family Party (including all covenants, agreements and obligations), in the same manner and as fully and effectively as if the undersigned were an original signatory to the Governance Agreement.
2. The undersigned represents and warrants in favour of the Company:
 - (a) that the undersigned is a Permitted Estate Transferee;
 - (b) as of the date of this Joinder Letter, the undersigned Beneficially Owns ■ Shares, comprised of ■ Shares, ■ Rights to Acquire Shares under Company Equity Compensation Plans and ■ other Rights to Acquire Shares; and
 - (c) the undersigned has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby; and
 - (d) this Agreement has been duly and validly authorized (where applicable), executed and delivered by the undersigned, constitutes a valid and binding obligation and agreement of the undersigned and is enforceable against the undersigned in accordance with its terms,

and agrees that such representations and warranties shall survive the execution and delivery of this Joinder Letter and that the representations contained in Sections 2(c) and (d) above shall continue for the period provided in Section 9(c) of the Governance Agreement.

This Joinder Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. This Joinder Letter may be executed in counterparts and may be executed and delivered by facsimile or by email (in PDF or other similar format) and all such counterparts, facsimiles and electronic deliveries will together constitute one and the same instrument.

[SHAREHOLDER NAME]

By:

Name:
Title:

OR

Witness

[SHAREHOLDER NAME]

SCHEDULE C
FORM OF STATUTORY DECLARATION
(See Attached)

STATUTORY DECLARATION

IN THE MATTER OF the Governance Agreement (as it may be amended, supplemented and/or restated, the “**Governance Agreement**”) dated ■ between Michael Harrison McCain, McCain Capital Inc., Maple Leaf Foods Inc., Canada Packers Inc. (the “**Company**”) and each other Person who becomes and remains a party to the Governance Agreement pursuant to its terms.

I, ■ of the City of ■ in the ■ do solemnly declare to the Company that:

1. I [am the ■ of [Insert Name of Relevant Person] (the “**Relevant Shareholder**”) and as such] have personal knowledge of the matters herein declared to;
2. [I/the **Relevant Shareholder**] became a party to the Governance Agreement on ■, 20■ pursuant to a Permitted Estate Transfer;
3. as of the date of this declaration, [I/the **Relevant Shareholder**] Beneficially Own[s] ■ Shares, comprised of ■ Shares, ■ Rights to Acquire Shares under Company Equity Compensation Plans and ■ other Rights to Acquire Shares; and
4. as of the date of this declaration, [I/the **Relevant Shareholder**] [am/is] no longer acting jointly or in concert with any other Permitted Estate Transferee (nor with any other McCain Family Party),

and I make this solemn declaration conscientiously believing the same to be true and knowing that it is of the same force and effect as if made under oath by virtue of the *Canada Evidence Act*.

All capitalized terms used but not otherwise defined in this Statutory Declaration have the respective meanings given to them in the Governance Agreement.

SWORN BEFORE ME at the ■, in the ■,
on ■.

Commissioner for Taking Affidavits or
■ Notary Public

■

SCHEDULE D

OWNERSHIP CAP EXCEEDANCES

1. Exceedances

In the event that the Company, on the one hand, or any Shareholder Party, on the other hand, becomes aware: (i) that the aggregate number of Shares Beneficially Owned by such Shareholder Party exceeds the Ownership Cap (including, for clarity, pursuant to an Exempt Action); or (ii) following an exceedance of the Ownership Cap as a result of an Exempt Action, that Shares (or Rights to Acquire Shares) have been Acquired as a result of a Shareholder Action, the Company, the McCain Family Representative or MLF (as the case may be) shall provide written notice to the others as promptly as reasonably practicable (an **"Exceedance Notice"**).

2. Exceedance Notice

Such Exceedance Notice shall (in the case of the McCain Family Representative or MLF) and shall, to the extent known by the Company (in the case of the Company), specify the identity of the Shareholder Party that Acquired the Acquired Excess Securities (as defined below), state the type and number of Acquired Excess Securities so Acquired, specify whether such Acquired Excess Securities are held by the relevant Shareholder Party in registered form or in **"street name"** and state the Ownership Percentage of the relevant Shareholder Party after giving effect to the Acquisition of Acquired Excess Securities. In the case of an Exceedance Notice delivered by the Company, the applicable Shareholder Party shall, as promptly as reasonably practicable following receipt of the Company's Exceedance Notice, provide any missing such information or provide updated or corrected information (if necessary and as the case may be). In the event that such information is not known to the Company and is not provided by the McCain Family Representative or MLF, as applicable, pursuant to this paragraph or paragraph 14 prior to the Exceedance Cure Deadline, then the Company shall be entitled to designate to the McCain Family Representative or MLF, as applicable, in writing those Shareholder Parties that the Company has determined shall, for all purposes of this Agreement (including the Voting PoA and the Sale PoA), be deemed to have acquired the Acquired Excess Securities.

3. Actionable Cap Exceedance

An **"Actionable Cap Exceedance"** will occur whenever: (i) an exceedance of the Ownership Cap results from a Shareholder Action (other than by way of a Qualifying Bid); or (ii) any additional Shares (or Rights to Acquire Shares) are Acquired by a Shareholder Party as a result of a Shareholder Action (other than by way of a Qualifying Bid), in each case following an exceedance of the Ownership Cap as a result of an Exempt Action, and all Shares (and Rights to Acquire Shares) so Acquired by the applicable Shareholder Party are **"Acquired Excess Securities"**.

4. Cure by Sale

In the event that an Actionable Cap Exceedance does occur, unless a majority of the Independent Directors in their sole discretion otherwise determine, and subject to Section 7, the applicable Shareholder Party must dispose of a number of Shares at least equal to the aggregate number of Acquired Excess Securities Beneficially Owned by the applicable Shareholder Party (calculated in a manner provided for in Section 6(a)(ii)(A)) (subject to adjustment as provided in paragraph 6, the **"Excess Shares"**) within 75 days following the date on which the Exceedance Notice is delivered (the **"Exceedance Cure Deadline"**); provided, however, that if the applicable Shareholder Party is not permitted to dispose of such Shares pursuant to a **"blackout"** imposed under the Company's blackout policy that is in force at the Exceedance Cure Deadline, the Exceedance Cure Deadline will be extended to the close of trading on the TSX on the date that is 30 days after the expiry of such blackout period.

5. Cure Notice

The number of Acquired Excess Securities and Excess Shares shall be reduced for all purposes of this Agreement (including the number of Shares held by the applicable Shareholder Party for purposes of the Voting PoA and the Sale PoA) by the number of Shares in respect of which satisfactory evidence is received by the Company setting out the particulars of any sales of Excess Shares by the applicable Shareholder Party from time to time during the pendency of an Actionable Cap Exceedance. The McCain Family Representative or MLF, as applicable, shall deliver to the Board written confirmation of the completion of the disposition of all of the Excess Shares (a “**Cure Notice**”) promptly (and in any event within five business days) following the completion of the disposition of all Excess Shares.

6. Other Cures

If at any time during the pendency of an Actionable Cap Exceedance, the number of outstanding Shares is increased, the Ownership Percentage and the number of Acquired Excess Securities and Excess Shares shall be recalculated and the number of Acquired Excess Securities and Excess Shares shall be reduced based on the increased number of outstanding Shares, and if there is no longer an Actionable Cap Exceedance based on the number of outstanding Shares, the exceedance shall be deemed cured without the need for further action by the Company or the applicable Shareholder Party.

7. Voting Power of Attorney

In order to provide a remedy in respect of an Actionable Cap Exceedance, each of the Shareholder Parties hereby irrevocably constitutes and appoints the Company as the true and lawful attorney of such Shareholder Party to act for and on behalf of such Shareholder Party, with full power and authority in the name, place and stead of such Shareholder Party, to take all steps, execute all documents and perform all acts on behalf of such Shareholder Party as may be necessary or desirable to vote (or in furtherance of voting) all Shares beneficially owned, or over which control or direction is exercised, by such Shareholder Party that are Acquired Excess Securities Acquired by the relevant Shareholder Party (for clarity, including any Shares that are subsequently issued to or Acquired by the relevant Shareholder Party during the pendency of an Actionable Cap Exceedance as a result of the exercise by the relevant Shareholder Party of its rights under a Right to Acquire Shares that is an Acquired Excess Security) (the “**Voting PoA**” and such Shares, the “**Voting PoA Shares**”) at the Company’s first meeting of shareholders following the occurrence of the Actionable Cap Exceedance and at each subsequent meeting of the shareholders of the Company for which the Voting PoA Shares are held on the relevant record date (subject to the prior occurrence of the Voting PoA Deadline).

The Voting PoA, being coupled with an interest, shall not be revoked by the death, insolvency or bankruptcy of the relevant Shareholder Party and each Shareholder Party hereby ratifies and confirms and agrees to ratify and confirm all that the Company may lawfully do or cause to be done by virtue of such appointment and power.

In exercising the Voting PoA, the Company shall vote (or refrain from voting) the Voting PoA Shares in the manner directed by a majority of the Independent Directors. In the event that, for any reason, the Voting PoA is not exercisable by the Company in whole or in part, no Shareholder Party shall vote or attempt to vote the Voting PoA Shares and the Company may instruct the scrutineers at the relevant shareholders meeting to disregard any such votes.

8. Expiry of Voting PoA

The Voting PoA shall become exercisable immediately upon the occurrence of the Actionable Cap Exceedance and remain exercisable until the later of (the “**Voting PoA Deadline**”): (A) date on which the Cure Notice is delivered pursuant to paragraph 5 or the Actionable Cap Exceedance is cured pursuant to paragraph 4, paragraph 6 or paragraph 10 (as the case may be); and (B) the Sale PoA Outside Time.

9. Impact on Nomination Rights

During the pendency of an Actionable Cap Exceedance, each Shareholder Party acknowledges that the number of such Shareholder Party's Shareholder Nominees pursuant to Section 2 will be calculated excluding all Shares held by such Shareholder Party that are Acquired Excess Securities (for clarity, including any Shares that are subsequently issued to or Acquired by such Shareholder Party during such period as a result of the exercise of a right under a Right to Acquire Shares that is an Acquired Excess Security).

10. Sale Power of Attorney

In order to provide a remedy in the event of an Actionable Cap Exceedance that is not cured by the relevant Exceedance Cure Deadline, each of the Shareholder Parties hereby irrevocably constitutes and appoints the Company as the true and lawful attorney of such Shareholder Party to act for and on behalf of such Shareholder Party, with full power and authority in the name, place and stead of such Shareholder Party, to take all steps, execute all documents and perform all acts on behalf of such Shareholder Party as may be necessary or desirable to dispose of that number of Shares beneficially owned, or over which control or direction is exercised, by such Shareholder Party equal to the number of Excess Shares (if any) Acquired by the relevant Shareholder Party (the "**Sale PoA**" and such Shares, the "**Sale PoA Shares**").

The Sale PoA, being coupled with an interest, shall not be revoked by the death, insolvency or bankruptcy of the relevant Shareholder Party and each Shareholder Party hereby ratifies and confirms and agrees to ratify and confirm all that the Company may lawfully do or cause to be done by virtue of such appointment and power.

The Sale PoA shall become exercisable immediately following the Exceedance Cure Deadline in respect of which the relevant Actionable Cap Exceedance has not been cured pursuant to paragraph 4 or paragraph 6 and shall remain exercisable until the Sale PoA Outside Time.

11. Manner of Sale by Company

Dispositions of Sale PoA Shares by the Company pursuant to the exercise of its powers under the Sale PoA will be made in the manner and at such time and price as is determined by a majority of the Independent Directors (including a determination to sell some or all of the applicable Sale PoA Shares). If the Company determines to sell all or a portion of the Sale PoA Shares pursuant to the Sale PoA, it shall conduct such sales in a commercially reasonable manner.

12. Sale Notice

The Company shall provide notice (each, a "**Sale Notice**") of any such disposition promptly following the completion of the relevant sale, and it shall remit the net proceeds (calculated as the net proceeds of the applicable sale following deduction of any commission, brokerage fee and withholding or other similar taxes) of each such disposition of Sale PoA Shares to an account specified by the McCain Family Representative or MLF, as applicable, within a reasonable period following the completion of such disposition, and in any event within three business days following completion of the relevant disposition. The number of Acquired Excess Securities and Excess Shares at the relevant time shall be reduced for all purposes of this Agreement (including the number of Shares held by the applicable Shareholder Party for purposes of the Voting PoA and the Sale PoA) by the number of Shares set out in such Sale Notice.

13. Exculpation

Each of the Shareholder Parties expressly acknowledges and agrees that none of the Company nor any of the directors, officers or employees of the Company will owe any duty to any such Shareholder Party in connection with such dispositions or otherwise in connection with the exercise of the powers conferred by the Voting PoA and/or the Sale PoA and that, absent bad faith, fraud or intentional misconduct

(which includes an intentional breach of the Company's covenant to conduct the sale of the Sale PoA Shares (if any) in a commercially reasonable manner) or the failure to pay the net proceeds of any such disposition to the relevant Shareholder Party on the part of the Company, none of the Shareholder Parties shall have any claim against the Company or any directors, officers or employees of the Company in connection with any voting or disposition of the Sale PoA Shares or otherwise in connection with the exercise of (or failure to exercise) the authority conferred by the Voting PoA and/or Sale PoA.

14. Share Certificates; Account Information

In order to better facilitate the actions (if any) required or permitted to be taken by the Company pursuant to the Voting PoA and the Sale PoA, respectively, each Shareholder Party shall: (i) promptly following the occurrence of an Actionable Cap Exceedance, to the extent not provided in the relevant Exceedance Notice, cause the McCain Family Representative or MLF, as applicable to provide written notice to the Company for each relevant Shareholder Party specifying the account details and contact and other particulars for each broker or other Person through which the relevant Excess Shares of the relevant Shareholder Party are held; and (ii) during the pendency of an Actionable Cap Exceedance, take such other actions as may reasonably be requested by the Company in order to facilitate the exercise of its rights under this Schedule D, including the delivery of certificates evidencing the relevant Shares (if applicable). In the event the Shareholder Parties hold Shares in certificated form, the Company shall be permitted to include a legend on such certificates that it determines on the advice of counsel to be reasonably required to give effect to the provisions of Section 7.

15. Consent to Company Actions

Each Shareholder Party consents to the Company taking all such actions as may reasonably be required or permitted to be taken by it pursuant to the Voting PoA and the Sale PoA (including the disposition of the Sale PoA Shares), respectively, in connection with this Agreement without any further act or authorization on the part of the relevant Shareholder Party, including that, during the pendency of an Actionable Cap Exceedance, the Company shall be permitted to communicate directly with, and to provide instructions to, its transfer agent and registrar and each relevant broker or other Person through which the Shares of the relevant Shareholder Party are held, regarding the existence of the Voting PoA and/or the Sale PoA (as the case may be) and with respect to the taking of any action by the Company reasonably required or permitted to be taken pursuant to the Voting PoA and/or the Sale PoA (as the case may be).

16. General

References in this Schedule D to "Section" refer to the specific numbered section or sections specified of the Governance Agreement to which this Schedule D is attached and references to "paragraph" refer to the specified numbered paragraph or paragraphs of this Schedule D.

SCHEDULE M: TAX MATTERS AGREEMENT

This tax matters agreement (the “**Agreement**”) among Michael Harrison McCain (“**MHM**”), Jonathan W.F. McCain (“**JM**”), McCain Capital Inc. (“**MCI**”), Maple Leaf Foods Inc. (“**MLF**”) and Canada Packers Inc. (“**Canada Packers**”) and, together with MHM, JM, MCI and MLF, the “**Parties**” and each a “**Party**”) is made this 29th day of April, 2025.

RECITALS

- A. Concurrently with the execution of this Agreement, MLF, Canada Packers and 16923534 Canada Inc. (“**Newco**”) have entered into an arrangement agreement dated as of the date hereof (as amended or supplemented in accordance with its terms, the “**Arrangement Agreement**”) that contemplates an arrangement under section 192 of the Canada Business Corporations Act (the “**Arrangement**”) in accordance with the plan of arrangement attached thereto (subject to any amendments, variations or supplements to such plan of arrangement made in accordance with its terms or the terms of the Arrangement Agreement or made at the direction of the Ontario Superior Court of Justice (Commercial List) with the consent of the parties thereto, each acting reasonably, the “**Plan of Arrangement**”) pursuant to which MLF would separate into two independent public companies through the spin-off of its pork business (the “**Spin-Off**”);
- B. In connection with the Spin-Off and pursuant to the Plan of Arrangement, Newco and Canada Packers will amalgamate (the “**Amalgamation**”) to form an amalgamated entity named “Canada Packers Inc.” (“**Amalco**”) and by virtue of the Amalgamation Amalco will possess all the property, rights, privileges and franchises of Newco and Canada Packers;
- C. It is anticipated that the Spin-Off will be effected as a tax-deferred “butterfly reorganization” pursuant to the Plan of Arrangement;
- D. In connection with the Spin-Off, Osler, Hoskin and Harcourt LLP has submitted an application and related submissions on behalf of MLF (such application and related submissions, as the same may be revised, supplemented, modified or replaced, the “**Tax Ruling Application**”) seeking an advance income tax ruling from the CRA with respect to certain Canadian federal income tax consequences in respect of the Spin-Off and certain related transactions (including any replacements thereof and amendments and supplements thereto received or anticipated to be received from the CRA, in form and substance satisfactory to MLF and Canada Packers, (the “**Tax Ruling**”); and
- E. In this Agreement, following terms shall have the respective meanings as follows:

“**CRA**” means the Canada Revenue Agency;

“**ITA**” means the *Income Tax Act* (Canada), as amended;

“**non-arm’s length person**” means another person or partnership with whom MCI or MHM does not deal at arm’s length for purposes of section 55 of the ITA;

“**Ordinary Course Transactions**” means any transactions pursuant to any stock option plan or long-term incentive plan of MLF which are carried out in a manner consistent with past practice of the relevant person in respect of such types of transactions prior to November 12, 2024;

“**series of transactions or events**” is to be determined for purposes of the ITA having regard to subsection 248(10) of the ITA; and

“**unrelated person**” means another person with whom MCI and MHM is not related for purposes of section 55 of the ITA.

ARTICLE 1
COVENANTS OF THE PARTIES

1.1 Subject to Section 1.4 below, each of MHM, MCI and JM separately covenants and agrees as follows with respect to himself or itself, as the case may be (other than as part of the Plan of Arrangement, or as described in the Tax Ruling):

- (a) Such person will not acquire, and such person will ensure that no person controlled by such person will acquire, from an unrelated person (taking into account any application of paragraph 55(3.2)(c) of the ITA) or from a partnership any shares in the capital of MLF prior to or in contemplation of the Spin-Off (as clarified in the Tax Ruling and excluding Ordinary Course Transactions), and will use commercially reasonable efforts to ensure no such acquisitions are made by any other non-arm's length persons;
- (b) Such person will not acquire, and such person will ensure that no person controlled by such person will acquire, from an unrelated person or from a partnership not controlled by the acquiror, any shares in the capital of MLF in circumstances that would cause such person or such controlled person, as the case may be, (together with non-arm's length persons, based on the knowledge of such person as to any non-arm's length person's share ownership) to own shares in the capital of MLF representing more than 50% of the voting power of all shares in the capital of MLF then outstanding within 2 years after the completion of the Spin-Off, and will use commercially reasonable efforts to ensure no such acquisitions are made by any other non-arm's length persons;
- (c) Such person will not acquire, and such person will ensure that no person controlled by such person will acquire, from an unrelated person or from a partnership not controlled by the acquiror, any shares in the capital of Canada Packers in circumstances that would cause such person or such controlled person, as the case may be, (together with non-arm's length persons based on the knowledge of such person as to the non-arm's length person's share ownership) and MLF to collectively own shares in the capital of Canada Packers representing more than 50% of the voting power of all shares in the capital of Canada Packers then outstanding within 2 years after the completion of the Spin-Off, and will use commercially reasonable efforts to ensure no such acquisitions are made by any other non-arm's length persons; and
- (d) In the event that such person, or any person controlled by such person, contemplates taking any Triggering Action (it being understood that no Triggering Action is currently contemplated by such person) either prior to the completion of the Spin-Off or within 2 years after the completion of the Spin-Off (each a **"hypothetical proposed transaction"**), then:
 - (i) Such person shall provide MLF and Canada Packers with written notice at least 15 clear business days prior to the date on which such person (or the relevant controlled person, as the case may be) enters into any binding commitment for a hypothetical proposed transaction containing a reasonably detailed description of the hypothetical proposed transaction, including the background and rationale for the hypothetical proposed transaction and the history leading up to the hypothetical proposed transaction (the **"Notice"**).
 - (ii) The Notice shall be accompanied by or be promptly followed by all reasonably available (subject to entering into appropriate confidentiality and/or common interest privilege agreements) documentation (**"Supporting Documentation"**) relevant to the determination that the hypothetical proposed transaction is not part of the same series of transactions or events as the Spin-Off for the purposes of the ITA (such determination, the **"series analysis"**).
 - (iii) After receiving the Notice and Supporting Documentation, (a) MLF and Canada Packers shall have a reasonable opportunity to consult with such person and such controlled person, if any, regarding the hypothetical proposed transaction and the associated series analysis; and (b) such person shall, and shall cause such controlled person, if any, to, (A) reasonably consider the input from MLF and Canada Packers and (B) use commercially reasonable efforts to respond to questions posed (including reasonable requests for

additional supporting documentation) by MLF and Canada Packers, before proceeding with the hypothetical proposed transaction, and for clarity, following the compliance by such person with the foregoing requirements set out in subclauses (i) through (iii), nothing in this Agreement shall in any way (A) restrict such person (or the relevant controlled person, as the case may be) from completing the hypothetical proposed transaction, (B) give rise to any liability of such person (or the relevant controlled person, as the case may be) to MLF or Canada Packers, as applicable, as a result of such person or the relevant controlled person, as the case may be, completing the hypothetical proposed transaction, or (C) give rise to any recourse by MLF or Canada Packers, as the case may be, against such person or the relevant controlled person, as the case may be, as a result of such person or the relevant controlled person, as the case may be, completing the hypothetical proposed transaction.

- (iv) Such person shall inform MLF and Canada Packers of any material changes to the facts or circumstances contained in the Notice and Supporting Documentation as soon as possible following the change in facts or circumstances.
- (v) MLF and Canada Packers shall be entitled to retain the Supporting Documentation for future use in any future audit, proceeding or challenge by the CRA or any applicable provincial tax authority to the tax treatment of the Spin-Off, and such person shall (and shall cause any relevant controlled person to) reasonably cooperate in any such future audit, proceeding or challenge.
- (vi) Each Party shall bear its own costs associated with the consultation, review and cooperation commitments set out in this Section 1.1.

1.2 Each of MHM, MCI and JM separately covenants and agrees to use commercially reasonable efforts to make inquiries regarding whether any hypothetical proposed transaction will be undertaken by any other non-arm's length person; and in the event that any of MHM, MCI or JM becomes aware of any such hypothetical proposed transaction, each of MHM, MCI and JM shall use their commercially reasonable efforts to apply the provisions of Section 1.1 above, *mutatis mutandis*, as if such hypothetical proposed transaction were to be carried out by MHM, MCI or JM, as the case may be.

1.3 For purposes of this Agreement, each of the following actions constitutes a **"Triggering Action"**:

- (i) The sale of shares in the capital of MLF to an unrelated person or a partnership.
- (ii) The sale of shares in the capital of Canada Packers to an unrelated person or a partnership.
- (iii) The sale of any property (including but not limited to shares in the capital of MCI) 10% or more of the fair market value of which is derived (at any time since November 12, 2024) from either shares in the capital of Canada Packers or shares in the capital of MLF, to an unrelated person or a partnership.
- (iv) The disposition of any property described in clauses (i), (ii) and (iii) above (the **"Transferred Property"**) to a related person as part of a series of transactions or events in which the Transferred Property or property received (directly or indirectly) in exchange for the Transferred Property is acquired by an unrelated person, a person that becomes an unrelated person as part of the same series of transactions or events, or a partnership. This restriction does not apply to (A) the transfer of shares in the capital of Canada Packers or MLF (or entities that derive their value from such shares) by MHM to entities controlled by MHM for cash, and the deployment of that cash; or (B) the redemption or purchase for cancellation of the shares in the capital of entities controlled by MHM for cash and the deployment of that cash.
- (v) The acquisition of assets held by Canada Packers immediately after the Spin-Off, indirect interests in such assets (other than, for this purpose, shares of Canada Packers), or any other property described in Schedule A, where the value of such acquisitions exceeds \$1

million individually and \$25 million on a cumulative basis (for greater certainty taking into account all acquisitions described in this paragraph by MHM, MCI, JM, persons controlled by them, and to the knowledge of MHM, MCI, or JM, any other non-arm's length persons).

- (vi) The acquisition of assets retained by MLF immediately after the Spin-Off, or indirect interests in such assets (other than, for this purpose, shares in the capital of MLF), or any other property described in Schedule B, where the value of such acquisitions exceeds \$1 million individually and \$25 million on a cumulative basis (for greater certainty taking into account all acquisitions described in this paragraph by MHM, MCI, JM, persons controlled by them, and to the knowledge of MHM, MCI, or JM, any other non-arm's length persons).

1.4 It is understood and agreed by the Parties that nothing in Section 1.1 above shall be interpreted to prohibit (a) MHM or JM from taking any action in his capacity as a director or officer of MLF or Canada Packers in respect of a transaction to be undertaken by MLF or Canada Packers or any of their respective subsidiaries or (b) MCI, MHM or JM from voting on any transaction to be undertaken by (i) MLF with the approval of the board of directors of MLF or (ii) Canada Packers with the approval of the board of directors of Canada Packers.

1.5 It is understood and agreed by the Parties that nothing in Section 1.1(d) above shall be interpreted to permit any person to take any Triggering Action if the taking of such Triggering Action by such person is prohibited by Section 1.1(a), (b) or (c) above.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES

2.1 Each of MHM, MCI and JM separately represents and warrants as follows with respect to himself or itself, as the case may be:

- (a) Such person has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby and thereby;
- (b) This Agreement has been duly and validly authorized (in the case of MCI), executed and delivered by such person, constitutes a valid and binding obligation and agreement of such person, and is enforceable against such person in accordance with its terms;
- (c) Such person is not party to, bound or affected by or subject to any contract, charter or by-law or applicable laws that would be violated, breached or under which a default would occur as a result of the execution and delivery of, or the performance of obligations under, this Agreement, other than such violations, breaches or defaults which would not affect the ability of such person to perform such person's obligations under this Agreement.
- (d) All information relating to such person or any person controlled by such person and, to the knowledge of such person, after reasonable inquiry, any non-arm's length persons, in the Tax Ruling Application is accurate.
- (e) Neither such person nor any person controlled by such person has any present intention to take any Specified Action, and to the knowledge of such person (after reasonable inquiry), no Specified Action is intended to be taken by any other non-arm's length person.
- (f) Since November 12, 2024, neither such person nor any person controlled by such person has taken any Specified Action, and to the knowledge of such person (after reasonable inquiry), no Specified Action has been taken by any other non-arm's length person.

2.2 For purposes of this Agreement, each of the following actions constitutes a **"Specified Action"**:

- (a) Any acquisition described in Section 1.1(a), (b) or (c); and
- (b) Any Triggering Action.

- 2.3 Each of MLF and Canada Packers separately represents and warrants as follows with respect to itself:
- (a) Such person has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby and thereby;
 - (b) This Agreement has been duly and validly authorized, executed and delivered by such person, constitutes a valid and binding obligation and agreement of such person and is enforceable against such person in accordance with its terms; and
 - (c) Such person is not party to, bound or affected by or subject to any contract, charter or by-law or applicable laws that would be violated, breached by or under which a default would occur as a result of the execution and delivery of, or the performance of obligations under, this Agreement, other than such violations, breaches or defaults which would not affect the ability of such person to perform its obligations under this Agreement.
- 2.4 All representations and warranties made in this Agreement shall survive the execution of this Agreement and shall be deemed to be continuing until the earlier of (a) termination of this Agreement, and (b) two (2) years following completion of the Spin-Off.

ARTICLE 3 **GENERAL**

- 3.1 This Agreement will terminate and be of no further force and effect:
- (a) automatically upon the earliest to occur of:
 - (i) the date on which the Arrangement Agreement is terminated in accordance with section 7.02 of the Arrangement Agreement;
 - (ii) 11:59 P.M. (EST) on December 31, 2026 if the Spin-Off has not been completed by such date; and
 - (iii) MLF publicly announcing its intention not to proceed with the Arrangement;
 - (b) upon the mutual agreement in writing of the Parties.
- 3.2 Each of MHM, JM and MCI hereby consents to the disclosure of the substance of this Agreement in any press release, management information circular, prospectus or other document of MLF or Canada Packers and to the filing of this Agreement as may be required pursuant to applicable laws. MHM, JM and MCI shall be given a reasonable opportunity to review and comment on any such disclosure, and the parties shall co-ordinate in the making and dissemination of any such disclosure.
- 3.3 Each of MLF and Canada Packers hereby consents to the disclosure of the substance of this Agreement in any press release, early warning report or other document of MHM, JM or MCI as may be required pursuant to applicable laws. MLF and Canada Packers shall be given a reasonable opportunity to review and comment on any such disclosure, and the parties shall co-ordinate in the making and dissemination of any such disclosure.
- 3.4 All references in this Agreement to dollars, unless otherwise specifically indicated, are expressed in Canadian dollars.
- 3.5 This Agreement shall not be assigned by any Party hereto without the prior written consent of the other Parties hereto.
- 3.6 References in this Agreement to a Party shall include such Party's predecessors and successors, as the context may require. Each Party acknowledges and agrees that, in connection with the Spin-Off and pursuant to the Plan of Arrangement, the Amalgamation will occur and that following completion of the Amalgamation, Amalco

will assume the rights, including the benefit of all covenants, agreements, obligations, terms, conditions and representations and warranties of the other Parties to this Agreement, and obligations, including all covenants and liabilities, of Canada Packers pursuant to this Agreement.

3.7 This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained herein.

3.8 This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein.

3.9 Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

3.10 Each Party agrees that, in the event of any breach of any covenants or other commitments contained in this Agreement, the non-breaching party shall be entitled to seek the remedy of specific performance of such covenants or commitments and preliminary and permanent injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

3.11 This Agreement may be executed in one or more counterparts, each of which shall conclusively be deemed to be an original and all such counterparts collectively shall be conclusively deemed to be one and the same. Delivery of an executed counterpart of the signature page to this Agreement by electronic mail shall be as effective as delivery of a manually executed counterpart of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the Parties have signed this Agreement.

(signed) "Michael Harrison McCain"

Michael Harrison McCain

(signed) "Jonathan W.F. McCain"

Jonathan W.F. McCain

MCCAIN CAPITAL INC.

By: (signed) "Michael Harrison McCain"

Name: Michael Harrison McCain

Title: Chief Executive Officer

MAPLE LEAF FOODS INC.

By: (signed) "David Smales"

Name: David Smales

Title: Chief Financial Officer

By: (signed) "Suzanne Hathaway"

Name: Suzanne Hathaway

Title: SVP, General Counsel,
Communications and
Corporate Secretary

CANADA PACKERS INC.

By: (signed) "Dennis Organ"

Name: Dennis Organ

Title: Authorized Signatory

By: (signed) "Deepak Bhandari"

Name: Deepak Bhandari

Title: Authorized Signatory

Schedule A

Property (other than money, indebtedness that is not convertible into other property, a share of the capital stock of Canada Packers and property more than 10% of the fair market value of which is attributable to one or more such shares):

- (A) that was received by Canada Packers on the distribution (as such term is defined for purposes of section 55 of the Tax Act) as part of the Spin-Off,
- (B) more than 10% of the fair market value of which was, at any time after the Spin-Off and before the end of the series of transactions or events that includes the Spin-Off, attributable to property (other than money and indebtedness that is not convertible into other property) described in clause (A) or (C), or
- (C) to which, at any time during the course of the series of transactions or events that includes the Spin-Off, the fair market value of property described in clause (A) was wholly or partly attributable.

Schedule B

Property (other than money, indebtedness that is not convertible into other property, a share of the capital stock of MLF and property more than 10% of the fair market value of which is attributable to one or more such shares):

- (A) that was owned by MLF immediately before the distribution (as such term is defined for purposes of section 55 of the Tax Act) as part of the Spin-Off and not disposed of by MLF on such distribution,
- (B) more than 10% of the fair market value of which was, at any time after the Spin-Off and before the end of the series of transactions or events that includes the Spin-Off, attributable to property (other than money and indebtedness that is not convertible into other property) described in clause (A) or (C), or
- (C) to which, at any time during the course of the series of transactions or events that includes the Spin-Off, the fair market value of property described in clause (A) was wholly or partly attributable.



**QUESTIONS MAY BE DIRECTED TO THE
PROXY SOLICITATION AGENT**



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1-416-304-0211**

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