



MAPLE LEAF FOODS INC.

Management's Discussion and Analysis

For the First Quarter Ended

March 31, 2025

Management's Discussion and Analysis

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All dollar amounts are presented in Canadian dollars unless otherwise noted.

May 7, 2025

1. FINANCIAL AND OPERATING REVIEW

As part of the restructuring of its commercial and supply chain operations during 2024, Maple Leaf Foods Inc. ("Maple Leaf Foods" or the "Company") split its prepared foods operations into two operating units; Prepared Foods which encompasses its prepared meats and plant protein categories, and Poultry which encompasses its fresh poultry category. Maple Leaf Foods now consists of three operating units: Prepared Foods, Poultry, and Pork which represent approximately 55%, 20%, and 25% of total Company revenue respectively.

(\$ millions except earnings per share) (Unaudited)	As at or for the three months ended March 31,		
	2025	2024	Change
Sales ⁽ⁱ⁾	\$ 1,241.3	\$ 1,147.3	8.2 %
Gross profit	\$ 217.8	\$ 226.3	(3.8)%
Selling, general and administrative expenses	\$ 114.8	\$ 110.0	4.4 %
Earnings	\$ 49.6	\$ 51.6	(3.9)%
Basic Earnings per Share	\$ 0.40	\$ 0.42	(4.8)%
Adjusted Operating Earnings ⁽ⁱⁱ⁾	\$ 95.7	\$ 53.0	80.8 %
Adjusted EBITDA ⁽ⁱⁱ⁾	\$ 166.3	\$ 116.4	42.9 %
Adjusted EBITDA Margin ⁽ⁱⁱ⁾	13.4%	10.1%	330 bps
Adjusted EBT ⁽ⁱⁱⁱ⁾	\$ 74.7	\$ 10.4	nm ⁽ⁱⁱⁱ⁾
Adjusted Earnings per Share ⁽ⁱⁱⁱ⁾	\$ 0.43	\$ 0.04	nm ⁽ⁱⁱⁱ⁾
Free Cash Flow ⁽ⁱⁱⁱ⁾	\$ (13.6)	\$ 73.6	nm ⁽ⁱⁱⁱ⁾
Net Debt ⁽ⁱⁱⁱ⁾	\$ 1,553.7	\$ 1,722.8	(9.8)%

⁽ⁱ⁾ Quarterly amounts for 2024 have been adjusted to eliminate new sales agreements entered into during the year that contained an expectation of repurchase, which had previously been reported as external sales.

⁽ⁱⁱ⁾ Refer to section 16. Non-IFRS Financial Measures of this document for the definition of these non-IFRS measures.

⁽ⁱⁱⁱ⁾ Not meaningful.

Sales for the first quarter of 2025 were \$1,241.3 million compared to \$1,147.3 million last year, an increase of 8.2%. Prepared Foods sales increased by 7.1% driven by volume growth and improved product mix, pricing, and favourable foreign exchange impacts related to US sales, which were partially offset by increased trade promotions. Poultry sales increased by 6.0% driven by improved channel mix tied to retail volume growth and reduced industrial sales. Pork sales increased by 12.0% due to an increase in the number of hogs processed and higher average hog weights, favourable foreign exchange impacts, and higher market pricing.

Gross profit for the first quarter of 2025 decreased to \$217.8 million (gross margin⁽ⁱ⁾ of 17.5%) compared to \$226.3 million (gross margin⁽ⁱ⁾ of 19.7%) last year. The decrease in gross profit was driven by a reduction in mark to market valuation of biological assets and unrealized losses on commodity futures contracts, as well as increased trade promotions. These factors were partially offset by improved pork market conditions, favourable volume and mix impacts in Prepared Foods and Poultry, operating efficiencies inclusive of benefits from the investments in London poultry and Bacon Centre of Excellence facilities, and lower start-up expenses.

Selling, General and Administrative ("SG&A") expenses for the first quarter of 2025 were \$114.8 million compared to \$110.0 million last year. The increase in SG&A expenses was primarily driven by higher advertising and promotional expenses, and higher variable compensation.

Earnings for the first quarter of 2025 were \$49.6 million (\$0.40 per basic share) broadly consistent with \$51.6 million (\$0.42 per basic share) last year. Earnings were impacted by the same factors as noted above for gross profit and SG&A, as well as reduced interest expense, lower other expenses, and incremental costs associated with the upcoming spin-off of the Pork operations which were recorded outside of Adjusted Operating Earnings.

Adjusted Operating Earnings for the first quarter of 2025 were \$95.7 million compared to \$53.0 million last year. The increase was driven by factors consistent with those noted above for gross profit and SG&A expenses, excluding the impact of unrealized mark to market valuation adjustments and start-up costs.

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Adjusted EBITDA for the first quarter was \$166.3 million, compared to \$116.4 million last year, driven by factors consistent with those noted above for Adjusted Operating Earnings along with lower other expense, largely a result of timing and non-recurring items. Adjusted EBITDA Margin was 13.4% compared to 10.1% last year, also driven by factors consistent with those noted above.

Adjusted Earnings Before Taxes ("Adjusted EBT") for the first quarter of 2025 were \$74.7 million compared to \$10.4 million last year, due to similar factors as noted above for Adjusted EBITDA, along with a reduction in interest expense.

Adjusted Earnings per Share for the first quarter of 2025 was \$0.43 compared to \$0.04 last year, consistent with factors noted above for Adjusted EBT.

Free Cash Flow for the first quarter of 2025 was an outflow of \$13.6 million compared to an inflow of \$73.6 million in the prior year. Free Cash Flow decreased largely as a result of timing of investment in seasonal working capital offsetting increased cash earnings and lower interest payments.

Net Debt as at March 31, 2025 was \$1,553.7 million, a decrease of \$169.1 million compared to the prior year. For discussion of changes in Net Debt see section 7. Cash Flow and Financing.

⁽ⁱ⁾ Gross margin is defined as gross profit divided by sales.

2. RESTRUCTURING AND OTHER RELATED COSTS

During the three months ended March 31, 2025, the Company recorded restructuring and other related costs of \$1.5 million. Of this, \$0.3 million in severance and other employee related costs related to the reorganization of its commercial and operations teams. A further \$1.1 million in accelerated depreciation related to the announced closure of the Company's further processed poultry facility in Brantford, Ontario. The remaining amount of \$0.1 million was related to other previous organizational restructuring initiatives.

During the three months ended March 31, 2024, the Company recorded a net provision reversal for restructuring and other related costs of \$0.7 million. Of this, \$0.9 million of net reversals related to the closures of the Brampton, Toronto, St. Mary's, and Schomberg poultry plants and was comprised of \$0.5 million of decommissioning costs, offset by a reversal of \$1.3 million related to severance and other employee related costs and a reversal of \$0.1 million related to asset impairments. The remaining amount of \$0.2 million related to employee related costs and inventory impairment for other organizational restructuring initiatives.

3. INCOME TAXES

The Company's effective rate of income tax expense in the first quarter of 2025 differed from the Canadian statutory tax rate of 26.2% primarily due to the Company not recognizing a deferred tax recovery on losses of its Plant Protein subsidiary. The effective rate of tax recovery in the first quarter of 2024 differed from the Canadian statutory tax rate of 26.2% for the same reason. The effective rate of tax expense in the first quarter of 2025 used in determining Adjusted Earnings per Share is 29.0% (2024: 57.4%). In the first quarter of 2025, the effective tax rate on restructuring charges used in the computation of Adjusted Earnings per Share is 26.0% (2024: 27.6%).

4. CAPITAL RESOURCES AND LIQUIDITY

The consumer foods industry in which the Company operates is generally characterized by high sales volume and high turnover of inventories and accounts receivable. In general, accounts receivable and inventories are readily convertible into cash. Investment in working capital is affected by fluctuations in the price of raw materials as well as seasonal and other market-related fluctuations. The Company has consistently generated a strong base level of operating cash flow which provides a base of underlying liquidity that the Company supplements with credit facilities and cash on hand to provide longer-term funding and to finance fluctuations in working capital levels.

The Company's cash balance as at March 31, 2025 was \$119.1 million (March 31, 2024: \$206.4 million; December 31, 2024: \$175.9 million). Cash is held in demand and short-term investment deposits with Canadian financial institutions having long-term debt ratings of A or higher.

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The composition of long-term debt is shown below:

(\$ thousands) (Unaudited)	As at March 31, 2025	As at March 31, 2024	As at December 31, 2024
Revolving line of credit	\$ 633,602	\$ 813,400	\$ 652,000
U.S. term credit Tranche 1	380,951	358,943	381,030
Canadian term credit Tranche 2	350,000	350,000	350,000
Canadian term credit Tranche 3	300,000	400,000	300,000
Government loans	6,042	7,046	6,208
Supplier financing	4,760	3,570	6,167
Deferred financing charges	(2,645)	(3,756)	(3,448)
Total long-term debt	\$ 1,672,710	\$ 1,929,203	\$ 1,691,957
Current	\$ 302,009	\$ 401,538	\$ 301,478
Non-current	1,370,701	1,527,665	1,390,479
Total long-term debt	\$ 1,672,710	\$ 1,929,203	\$ 1,691,957

The Company has a syndicated sustainability-linked credit facility (the "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 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 Company amended its Credit Facility, downsizing Tranche 3 to \$300.0 million, and extending the maturity date to June 20, 2025. The Company is expected to fully repay Tranche 3 at maturity.

The Credit Facility may be drawn in Canadian or U.S. dollars and bears interest payable monthly, 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. The Credit Facility is intended to meet the Company's funding requirements for capital investments in addition to providing appropriate levels of liquidity for general corporate purposes. The interest rate on the Credit Facility may be adjusted up or down by a maximum of 5 basis points based on the Company's performance compared to specified sustainability targets.

In addition to the borrowings on the revolving facility and the term credit, as at March 31, 2025 the Company had drawn letters of credit of \$9.1 million on the Credit Facility (March 31, 2024: \$9.1 million; December 31, 2024: \$9.1 million).

The Credit Facility requires the maintenance of certain covenants. As at March 31, 2025, the Company was in compliance with all of these covenants. The primary financial covenant requires that the Company maintain a net debt to capitalization ratio below a specified threshold.

The Company has additional uncommitted credit facilities for issuing letters of credit up to a maximum of \$105.0 million (March 31, 2024: \$105.0 million; December 31, 2024: \$105.0 million). As at March 31, 2025, \$47.6 million in letters of credit had been issued thereon (March 31, 2024: \$46.7 million; December 31, 2024: \$47.6 million).

As at March 31, 2025, the Company has one non-interest bearing government loan of \$6.0 million (March 31, 2024: \$7.0 million; December 31, 2024: \$6.2 million) still outstanding and maturing in 2033. The facility is committed.

On May 31, 2024, the Company renewed its account receivable securitization facility (the "Securitization Facility") extending its maturity to May 31, 2026. The maximum cash advance available to the Company under the Securitization Facility is \$150.0 million (March 31, 2024: \$135.0 million; December 31, 2024: \$150.0 million). The Securitization Facility provides cash funding with a proportion of the Company's receivables being sold, provides the Company with competitively priced financing and further diversifies its funding sources. Under the Securitization Facility, the Company has sold certain of its trade accounts receivable, with very limited recourse, to an unconsolidated third-party trust financed by an international financial institution with a long-term AA- debt rating, for cash and short-term notes back to the Company. The receivables are sold at a discount to face value based on prevailing money market rates. The Company retains servicing responsibilities for these receivables.

As at March 31, 2025, the Company had \$167.9 million (March 31, 2024: \$101.1 million; December 31, 2024: \$129.2 million) of trade accounts receivable serviced under the Securitization Facility. As consideration for the sale of its trade receivables, the Company will receive cash advances of \$129.2 million (March 31, 2024: \$68.5 million; December 31, 2024: \$91.2 million) and notes receivable in the amount of \$38.7 million (March 31, 2024: \$32.6 million; December 31, 2024: \$38.0 million). The notes receivable are non-interest bearing and are settled on the settlement dates of the securitized accounts receivable. Due to the timing of receipts and disbursements, the Company may, from time to time, also record a receivable or payable related to the Securitization Facility. As at March 31, 2025, the Company recorded a net payable in the amount of \$30.4 million (March 31, 2024: \$66.5 million net payable; December 31, 2024: \$59.8 million net payable). The facility is accounted for as an off-balance sheet transaction in accordance with IFRS Accounting Standards.

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The Securitization Facility is subject to certain restrictions, including the maintenance of covenants. The Company was in compliance with all of the requirements of this facility as at March 31, 2025. If the Securitization Facility were to be terminated, the Company would recognize the related amounts on the unaudited condensed consolidated interim balance sheets ("Consolidated Interim Balance Sheets") and consider alternative financing if required.

5. CAPITAL EXPENDITURES

Capital expenditures in the first quarter of 2025 were \$25.1 million compared to \$24.1 million last year and are consistent with the prior year.

The Company's capital expenditure estimate for 2025 remains unchanged in the range of \$175 million to \$200 million with approximately \$130 million comprised of maintenance capital with the remainder being growth capital. The growth capital will consist of projects focused on continued capacity optimization and cost efficiency and to drive growth opportunities.

6. NORMAL COURSE ISSUER BID

On March 11, 2025 the Toronto Stock Exchange ("TSX") accepted the Company's notice of intention to commence a Normal Course Issuer Bid ("NCIB"), allowing the Company to repurchase, at its discretion, up to 7.3 million 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 Company are cancelled. The program commenced on March 13, 2025 and will terminate on March 12, 2026. Under this bid, during the three months ended March 31, 2025, no shares were repurchased for cancellation.

On May 20, 2023 the Toronto Stock Exchange ("TSX") accepted the Company's notice of intention to commence a NCIB, allowing the Company to repurchase, at its discretion, up to 7.2 million 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 Company are cancelled. The program commenced on May 25, 2023 and terminated on May 24, 2024. Under this bid, during the three months ended March 31, 2024, no shares were repurchased for cancellation.

7. CASH FLOW AND FINANCING

Cash and cash equivalents were \$119.1 million at the end of the first quarter of 2025, compared to \$206.4 million at the end of the first quarter of 2024, and \$175.9 million as at December 31, 2024. The decrease in cash and cash equivalents for the three months ended March 31, 2025 was primarily due to the timing of investment in seasonal working capital, interest and dividend payments, and investment in property and equipment as well as loan repayments on the Credit Facility, partially offset by cash earnings and proceeds from the sale of long-term assets.

Cash Flow from Operating Activities

Cash flow from operating activities for the first quarter of 2025 was an inflow of \$9.9 million compared to an inflow of \$87.3 million in 2024. The change was mainly due to the timing of investment in seasonal working capital, partially offset by improved cash earnings and lower interest payments.

Cash Flow from Investing Activities

Cash used in investing activities for the first quarter of 2025 was \$12.1 million compared to \$23.3 million in 2024. The improvement was mainly due to proceeds from the sale of long-term assets in the current quarter.

Cash Flow from Financing Activities

Cash used in financing activities for the first quarter of 2025 was \$54.6 million compared to \$61.0 million in 2024. The change was mainly due to lower loan repayments on the Credit Facility in the current year, partially offset by higher dividend payments as a result of less participation in the Company's Dividend Reinvestment Plan program.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company applies hedge accounting as appropriate and uses derivatives and other non-derivative financial instruments to manage its exposures to fluctuations in foreign exchange rates, interest rates, and commodity prices.

During the three months ended March 31, 2025, the Company recorded a pre-tax loss of \$2.7 million (2024: gain of \$6.0 million) on non-designated financial instruments held for trading.

During the three months ended March 31, 2025, hedge ineffectiveness was negligible.

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The table below sets out fair value measurements of derivative financial instruments as at March 31, 2025 using the fair value hierarchy:

(\$ thousands) (Unaudited)		Level 1	Level 2	Level 3	Total
Assets:					
Foreign exchange contracts	\$	—	315	—	\$ 315
Interest rate swaps		—	5,454	—	5,454
	\$	—	5,769	—	\$ 5,769
Liabilities:					
Foreign exchange contracts	\$	—	1,761	—	\$ 1,761
Commodity contracts ⁽ⁱ⁾		257	—	—	257
Interest rate swaps		—	6,983	—	6,983
	\$	257	8,744	—	\$ 9,001

⁽ⁱ⁾ Level 1 commodity contracts are net settled and recorded as a net asset or liability on the Consolidated Interim Balance Sheets.

There were no transfers between levels for the three months ended March 31, 2025. 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, the Company 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

During the three months ended March 31, 2025, a loss of \$0.9 million, net of tax of \$0.3 million, was released to earnings from accumulated other comprehensive income and included in the net change for the year (2024: gain of \$3.6 million, net of tax of \$0.2 million).

During the three months ended March 31, 2025, the gain on the net investment hedge recorded in other comprehensive income was \$0.1 million, net of tax of \$0.0 million (2024: loss of \$6.6 million, net of tax of \$1.2 million).

9. TRANSACTIONS WITH RELATED PARTIES

The Company sponsors a number of defined benefit, defined contribution and post-retirement benefit plans. During the three months ended March 31, 2025, the Company contributed \$8.3 million (2024: \$7.4 million) to these plans.

The Company's largest shareholder is McCain Capital Inc. ("MCI"). The Company has been informed that Mr. Michael H. McCain, Executive Chairman of the Board, is the controlling shareholder of MCI. For the three months ended March 31, 2025, the Company received services from MCI and companies directly or indirectly owned by MCI in the amount of \$0.1 million (2024: \$0.1 million), which represented the market value of these transactions. As at March 31, 2025, \$0.2 million (March 31, 2024: \$0.1 million; December 31, 2024: \$0.2 million) was owed to MCI and companies directly or indirectly owned by MCI relating to these transactions.

McCain Financial Advisory Services ("MFAS"), is an entity jointly controlled by individuals including Mr. Michael H. McCain. For the three months ended March 31, 2025 and 2024, the Company provided services to and received services from MFAS for a nominal amount which represented the market value of the transactions.

10. SHARE CAPITAL

As at April 30, 2025, there were 123,956,991 common shares issued and outstanding.

11. OTHER MATTERS

On May 7, 2025, the Board of Directors approved a quarterly dividend of \$0.24 per share (an increase of \$0.02 per share from the 2024 first quarter dividend), \$0.96 per share on an annual basis, payable June 30, 2025, to shareholders of record at the close of business on June 6, 2025. Unless indicated otherwise by the Company at or before the time the dividend is paid, the dividend will be considered an eligible dividend for the purposes of the "Enhanced Dividend Tax Credit System". The Company's Dividend Reinvestment Plan ("DRIP") permits eligible shareholders to direct their cash dividends to be reinvested in additional common shares of the Company. The Company eliminated the 2% discount on the treasury shares issued under the DRIP beginning in 2025. Therefore, for shareholders who wish to reinvest their dividends under the DRIP, Maple Leaf Foods intends to issue 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. Full details of the DRIP, including how to enroll in the program, are available at <https://www.mapleleaffoods.com/>.

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12. SUMMARY OF QUARTERLY RESULTS

The following is a summary of unaudited quarterly financial information for each quarter in the last two fiscal years:

	First Quarter		Fourth Quarter		Third Quarter		Second Quarter	
(\$ millions except earnings per share and margin) (Unaudited)	2025	2024	2024	2023	2024	2023	2024	2023
Sales⁽ⁱ⁾	\$1,241.3	\$1,147.3	\$1,237.1	\$1,186.0	\$1,255.5	\$1,231.4	\$1,255.2	\$1,259.7
Gross Profit	\$ 217.8	\$ 226.3	\$ 236.3	\$ 135.5	\$ 186.2	\$ 145.9	\$ 131.2	\$ 93.6
SG&A	\$ 114.8	\$ 110.0	\$ 101.9	\$ 101.3	\$ 108.5	\$ 94.9	\$ 116.6	\$ 106.2
Earnings (Loss)	\$ 49.6	\$ 51.6	\$ 53.5	\$ (9.3)	\$ 17.7	\$ (4.3)	\$ (26.2)	\$ (53.7)
Earnings (Loss) Per Share								
Basic	\$ 0.40	\$ 0.42	\$ 0.43	\$ (0.08)	\$ 0.14	\$ (0.04)	\$ (0.21)	\$ (0.44)
Diluted	\$ 0.40	\$ 0.42	\$ 0.43	\$ (0.08)	\$ 0.14	\$ (0.04)	\$ (0.21)	\$ (0.44)
Adjusted Earnings (Loss) per Share⁽ⁱⁱ⁾	\$ 0.43	\$ 0.04	\$ 0.38	\$ 0.08	\$ 0.18	\$ 0.13	\$ 0.18	\$ 0.00
Adjusted Operating Earnings⁽ⁱⁱ⁾	\$ 95.7	\$ 53.0	\$ 88.7	\$ 57.5	\$ 73.6	\$ 70.5	\$ 78.1	\$ 45.9
Adjusted EBITDA⁽ⁱⁱ⁾	\$ 166.3	\$ 116.4	\$ 155.1	\$ 120.2	\$ 140.8	\$ 129.0	\$ 140.9	\$ 103.1
Adjusted EBITDA Margin⁽ⁱ⁾⁽ⁱⁱ⁾	13.4 %	10.1 %	12.5 %	10.1 %	11.2 %	10.5 %	11.2 %	8.2 %

⁽ⁱ⁾ Quarterly amounts for 2024 and 2023 have been adjusted to eliminate sales agreements that contained an expectation of repurchase, which had previously been reported as external sales.

⁽ⁱⁱ⁾ Refer to section 16. Non-IFRS Financial Measures of this document.

Fluctuations in quarterly sales can be attributed to changes in pricing, volume, sales mix, and the impact of foreign currency.

Fluctuations in quarterly earnings can be attributed to similar factors as noted above, pork and poultry industry processing margins, restructuring and other related costs, operating efficiencies, changes in the fair value of derivative and non-derivative financial instruments and biological assets, transitional costs incurred, provision adjustments, impairment losses, gains/losses on disposal of assets, and changes in interest rates and long-term debt.

The Company is sufficiently large and diversified, with a balanced portfolio, that seasonal factors within various parts of its operations tend to largely offset each other. For example, in general, margins on fresh pork products tend to be higher in the second half of the year when hog prices historically decline which in turn reduces earnings from raising hogs, maintaining balance within the Company's integrated pork business during this period. Variations in quarterly sales patterns can occur from year to year, however, over time the business shows consistent sales levels in the second quarter through the fourth, with typically lower sales in the first quarter of each year. Strong demand for grilled meat products positively affects categories such as wieners and fresh sausages in the summer, while back-to-school promotions support increased sales of sliced meats and lunch items in the fall. Higher demand for turkey and ham products occurs in the spring and fourth quarter holiday seasons.

For an explanation and analysis of quarterly results, refer to the Company's Management's Discussion and Analysis for each of the respective quarterly periods which are filed on SEDAR+ and also available on the Company's website at www.mapleleaffoods.com.

13. MATERIAL ACCOUNTING POLICIES

The Company did not adopt any new accounting standards or policies during the quarter ended March 31, 2025.

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. The Company currently intends to adopt this amendment in its Consolidated Interim Financial Statements for the period beginning January 1, 2027. The Company has yet to assess the impact of adoption on the Consolidated Interim Financial Statements.

All other IFRSs and amendments issued but not yet effective have been assessed by the Company and are not expected to have a material impact on the Consolidated Interim Financial Statements.

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14. INTERNAL CONTROLS OVER FINANCIAL REPORTING

There has been no change in the Company's internal control over financial reporting during the period beginning on January 1, 2025 and ended on March 31, 2025, that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

15. OUTLOOK

Maple Leaf Foods is a leading protein company built on a powerful portfolio of brands, with a leading voice in sustainability and food security. The Company continues to execute against its strategic Blueprint, which defines how it intends to advance its vision to be the Most Sustainable Protein Company on Earth and deliver on its commercial and financial objectives. A key deliverable in 2025 is the execution of the previously announced spin-off of the Pork Operations, unlocking value for all stakeholders by creating two robust, independent public companies: Maple Leaf Foods as a protein focused consumer packaged goods company, and Canada Packers as a leading global pork company. Until the spin-off is completed, the Company continues to look at its business on a holistic basis.

For the full year 2025, the Company expects:

- Mid-single-digit revenue growth.
- Significant improvement from 2024 Adjusted EBITDA, which is expected to meet or exceed \$634 million, supported by:
 - a full year of benefits related to the London poultry and Bacon Centre of Excellence large capital projects, as well as benefits from the further processed poultry expansion at the Walker Road plant;
 - continuing to adapt to the consumer environment, supported by brand and revenue management plans to optimize volume and mix and capitalize on growing consumer demand for protein;
 - a return to more normal levels of profitability in the Pork operating unit; and
 - the Company's *Fuel for Growth* initiative which will accelerate Maple Leaf's cost reduction focus and competitive edge through supply chain savings, SG&A reductions, and completion of a strategic manufacturing review.
- Continued focus on using Free Cash Flow to further strengthen the balance sheet, facilitating more choice for capital allocation in the future:
 - focus remains on maintaining an investment-grade balance sheet⁽ⁱ⁾;
 - capital expenditures will remain disciplined and within a range of \$175 million to \$200 million, with approximately \$130 million comprised of maintenance capital, and the remainder being growth capital; and
 - initiatives to create value for shareholders including; executing the spin-off of Canada Packers, recent announcement of a nine per cent increase in the annual dividend and the elimination of the discount on the Company's dividend reinvestment plan, as well as evaluating future capital allocation alternatives.

Maple Leaf Foods recognizes that macro-economic factors continue to strongly influence the current operating environment, creating uncertainty and potential volatility. This has a number of implications for the Company's business, including the influence these dynamics have on consumer sentiment, supply chain activity, access to markets, barriers to trade, and foreign exchange rates. The Company leverages its data-driven insights to stay close to these evolving circumstances and is confident in the resilience of its brands, business model and strategy to manage through prevailing economic conditions. At the same time, it recognizes that its ability to deliver its 2025 guidance could be impacted by these conditions, including the impact of tariffs between Canada and the U.S. The Company is continuing to closely monitor the evolving tariff landscape so that it is prepared to adapt quickly as circumstances change. It has already adapted to changes in consumer sentiment that have emerged, including launching brand campaigns in Canada that respond to the "buy Canadian" movement.

⁽ⁱ⁾Maple Leaf defines investment grade leverage as typically operating below 3.0x Net Debt to Trailing Twelve Months Adjusted EBITDA

Update on the pork spin-off

The Company is continuing to advance the spin-off of its pork operations. The transaction will be implemented as a tax-free "butterfly reorganization" by way of a plan of arrangement under the Canada Business Corporations Act. As part of advancing this structure, the Company has entered into two agreements: the first being an arrangement agreement (the "Arrangement Agreement") which, among other things, sets out the steps to effect the Transaction; and the second being a tax matters agreement (the "Tax Matters Agreement") with Michael H. McCain, McCain Capital Inc. and Jonathan W.F. McCain (the "McCain Parties") which contains a number of covenants and representations related to compliance with the "butterfly" rules in Section 55 of the Income Tax Act (Canada). In addition, the Company and the McCain Parties have entered into voting support agreements (the "Voting Support Agreements") pursuant to which, among other things, each McCain Party has agreed to vote or cause to be voted the Maple Leaf Foods common shares owned, directly or indirectly, by each such McCain Party in favour of the special resolution to approve the Transaction at the Meeting. The McCain Parties currently collectively own an aggregate of 49,088,794 shares, representing approximately 39.60% of the outstanding shares. Copies of these agreements will be available on SEDAR+ at www.sedarplus.ca when the Company files its Management Information

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Circular (the "Circular") on May 12, 2025, with the Arrangement Agreement and the Tax Matters Agreement being schedules to the Circular and the Voting Support Agreements being filed separately.

The Company has also secured the interim court order for the plan of arrangement authorizing, among other things, the holding of the annual and special meeting of shareholders on June 11, 2025 at which shareholders will be asked to approve the transaction. Assuming shareholder approval is received, and subject to timely satisfaction of the closing conditions, including TSX approval and receipt of the advance tax ruling from the Canada Revenue Agency, the Company is on track to complete the transaction in the back half of 2025 as planned.

16. NON-IFRS FINANCIAL MEASURES

The Company uses the following non-IFRS measures: Adjusted Operating Earnings, Adjusted Earnings per Share, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT, Construction Capital, Net Debt, Net Debt to Trailing Four Quarters Adjusted EBITDA, Free Cash Flow and Return on Net Assets. Management believes that these non-IFRS measures provide useful information to investors in measuring the financial performance of the Company 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 certain 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 intangible asset amortization, adjusted for items included in other expense that are 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 the Company 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 plus interest income, less depreciation and amortization, and interest expense and other financing costs.

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The table below provides a reconciliation of earnings before income taxes as reported under IFRS in the Consolidated Interim Financial Statements to Adjusted Operating Earnings, Adjusted EBITDA and Adjusted EBT for the three months ended March 31 as indicated below. Management believes that these non-IFRS measures are useful in assessing the performance of the Company's ongoing operations and its ability to generate cash flows to fund its requirements.

(\$ millions) ⁽ⁱ⁾ (Unaudited)	Three months ended March 31,	
	2025	2024
Earnings before income taxes	\$ 70.6	\$ 73.8
Interest expense and other financing costs	29.6	42.1
Other expense	1.2	1.2
Restructuring and other related costs (reversals)	1.5	(0.7)
Earnings from operations	\$ 103.0	\$ 116.3
Start-up expenses from Construction Capital ⁽ⁱⁱ⁾	1.4	11.4
Increase in fair value of biological assets	(16.4)	(69.1)
Decrease (increase) in derivative contracts	7.8	(5.6)
Adjusted Operating Earnings	\$ 95.7	\$ 53.0
Depreciation and amortization ⁽ⁱⁱⁱ⁾	62.6	65.0
Items included in other income (expense) representative of ongoing operations ^(iv)	8.0	(1.5)
Adjusted EBITDA	\$ 166.3	\$ 116.4
Adjusted EBITDA Margin^(v)	13.4%	10.1%
Interest expense and other financing costs	(29.6)	(42.1)
Interest income	0.7	1.0
Depreciation and amortization	(62.6)	(65.0)
Adjusted EBT	\$ 74.7	\$ 10.4

⁽ⁱ⁾ Totals may not add due to rounding.

⁽ⁱⁱ⁾ Start-up expenses are temporary costs as a result of operating new facilities that are or were previously classified as Construction Capital. These costs can include training, product testing, yield and labour efficiency variances, duplicative overheads including depreciation and other temporary expenses required to ramp-up production.

⁽ⁱⁱⁱ⁾ Depreciation included in start-up expenses and restructuring and other related costs is excluded from this line.

^(iv) Primarily includes certain costs associated with sustainability projects, gains and losses on the impairment and sale of long-term assets, and other miscellaneous expenses.

^(v) Amounts for 2024 have been adjusted to eliminate sales agreements that contained an expectation of repurchase, which had previously been reported as external sales.

Adjusted Earnings per Share

Adjusted Earnings per Share, a non-IFRS measure, 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 Consolidated Interim Financial Statements to Adjusted Earnings per Share for the three months ended March 31 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 the Company.

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(\$ per share) (Unaudited)	Three months ended March 31,	
	2025	2024
Basic earnings per share	\$ 0.40	\$ 0.42
Restructuring and other related costs ⁽ⁱ⁾	0.01	0.00
Items included in other expense not considered representative of ongoing operations ⁽ⁱⁱ⁾	0.06	0.00
Start-up expenses from Construction Capital ⁽ⁱⁱⁱ⁾	0.01	0.07
Change in fair value of biological assets	(0.10)	(0.42)
Change in unrealized fair value on derivatives	0.05	(0.03)
Adjusted Earnings per Share^(iv)	\$ 0.43	\$ 0.04

⁽ⁱ⁾ Includes per share impact of restructuring and other related costs, net of tax.

⁽ⁱⁱ⁾ Primarily includes legal fees, vacancy costs on investment property, and transaction related costs, net of tax.

⁽ⁱⁱⁱ⁾ Start-up expenses are temporary costs as a result of operating new facilities that are or were previously classified as Construction Capital. These costs can include training, product testing, yield and labour efficiency variances, duplicative overheads and other temporary expenses required to ramp-up production, net of tax.

^(iv) Totals may not add due to rounding.

Construction Capital

Construction Capital, a non-IFRS measure, is used by Management to evaluate the amount of capital resources invested in specific strategic development projects that are not yet operational. It is defined as investments and related financing charges in projects over \$50 million that are related to longer-term strategic initiatives, with no returns expected for at least 12 months from commencement of construction and the asset is re-categorized from Construction Capital once operational. There were no Construction Capital projects during the three months ended March 31, 2025 or March 31, 2024 as all projects had been completed and recategorized as regular property and equipment.

Net Debt

The following table reconciles Net Debt to amounts reported under IFRS in the Company's Consolidated Interim Financial Statements and calculates the Net Debt to trailing twelve months Adjusted EBITDA ratio as at March 31 as indicated below. The Company calculates Net Debt as cash and cash equivalents, less current and long-term debt and bank indebtedness. Management believes this measure is useful in assessing the amount of financial leverage employed.

(\$ thousands) (Unaudited)	As at March 31,	
	2025	2024
Cash and cash equivalents	\$ 119,051	\$ 206,393
Current portion of long-term debt	\$ (302,009)	\$ (401,538)
Long-term debt	(1,370,701)	(1,527,665)
Total debt	\$(1,672,710)	\$(1,929,203)
Net Debt	\$(1,553,659)	\$(1,722,810)
Adjusted EBITDA	\$ 166,347	\$ 116,446
Trailing twelve months Adjusted EBITDA⁽ⁱ⁾	\$ 603,125	\$ 468,738
Net Debt to trailing twelve months Adjusted EBITDA	2.6	3.7

⁽ⁱ⁾ Trailing twelve months includes Q2 2024, Q3 2024, Q4 2024 and Q1 2025 for 2025; and Q2 2023, Q3 2023, Q4 2023 and Q1 2024 for 2024.

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Free Cash Flow

Free Cash Flow, a non-IFRS measure, is used by Management to evaluate cash flow after investing in the maintenance of the Company's asset base. It is defined as cash provided by operations, less Maintenance Capital⁽ⁱ⁾ and associated interest paid and capitalized. The following table calculates Free Cash Flow for the periods indicated below:

(\$ thousands) (Unaudited)	Three months ended March 31,	
	2025	2024
Cash provided by operating activities	\$ 9,883	\$ 87,325
Maintenance Capital ⁽ⁱ⁾	(23,240)	(13,436)
Interest paid and capitalized related to Maintenance Capital	(270)	(263)
Free Cash Flow	\$ (13,627)	\$ 73,626

⁽ⁱ⁾ Maintenance Capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position. For the three months ended March 31, 2025, total capital spending of \$24.9 million (2024: \$23.8 million) shown on the Consolidated Interim Statements of Cash Flows is made up of Maintenance Capital of \$23.2 million (2024: \$13.4 million), and Growth Capital of \$1.7 million (2024: \$10.4 million). Growth Capital is defined as discretionary investment meant to create stakeholder value through initiatives that for example, expand margins, increase capacities or create further competitive advantage.

Return on Net Assets ("RONA")

RONA is calculated by dividing tax effected earnings from operations (adjusted for items which are not considered representative of the underlying operations of the business) by average monthly net assets. Net assets are defined as total assets (excluding cash and deferred tax assets) less non-interest bearing liabilities (excluding deferred tax liabilities). Management believes that RONA is an appropriate basis upon which to evaluate long-term financial performance.

Quarterly Non-IFRS Financial Measures

(\$ millions) ⁽ⁱ⁾ (Unaudited)	Three months ended June 30,		Three months ended September 30,		Three months ended December 31,	
	2024	2023	2024	2023	2024	2023
Earnings (loss) before income taxes	\$ (32.5)	\$ (63.7)	\$ 25.2	\$ (0.2)	\$ 74.4	\$ (8.7)
Interest expense and other financing costs	43.6	37.6	41.1	40.5	35.8	41.2
Other expense (income)	(3.5)	2.5	9.9	6.6	11.9	0.9
Restructuring and other related costs	6.9	11.0	1.4	4.1	12.4	0.8
Earnings from operations	\$ 14.5	\$ (12.6)	\$ 77.7	\$ 51.0	\$ 134.4	\$ 34.2
Start-up expenses from Construction Capital ⁽ⁱⁱ⁾	4.4	33.8	3.9	24.1	0.9	29.7
(Increase) decrease in fair value of biological assets	52.5	27.5	(3.7)	(0.3)	(43.2)	(8.9)
(Increase) decrease in derivative contracts	6.8	(2.8)	(4.3)	(4.3)	(3.3)	2.5
Adjusted Operating Earnings	\$ 78.1	\$ 45.9	\$ 73.6	\$ 70.5	\$ 88.7	\$ 57.5
Depreciation and amortization ^(iv)	63.7	59.7	68.6	65.7	63.5	63.6
Items included in other income (expense) representative of ongoing operations ⁽ⁱⁱⁱ⁾	(0.9)	(2.5)	(1.4)	(7.2)	2.9	(0.9)
Adjusted EBITDA	\$ 140.9	\$ 103.1	\$ 140.8	\$ 129.0	\$ 155.1	\$ 120.2
Adjusted EBITDA Margin^(iv)	11.2 %	8.2 %	11.2 %	10.5 %	12.5 %	10.1 %
Interest expense and other financing costs	(43.6)	(37.6)	(41.1)	(40.5)	(35.8)	(41.2)
Interest income	0.8	0.9	1.0	2.3	4.8	1.0
Depreciation and amortization	(63.7)	(59.7)	(68.6)	(65.7)	(63.5)	(63.6)
Adjusted EBT	\$ 34.4	\$ 6.7	\$ 32.1	\$ 25.1	\$ 60.7	\$ 16.4

Management's Discussion and Analysis

- (i) Totals may not add due to rounding.
- (ii) Start-up expenses are temporary costs as a result of operating new facilities that are or were previously classified as Construction Capital. These costs can include training, product testing, yield and labour efficiency variances, duplicative overheads and other temporary expenses required to ramp-up production.
- (iii) Primarily includes certain costs associated with sustainability projects, gains and losses on the impairment and sale of long-term assets, legal and insurance settlements, gains and losses on investments, and other miscellaneous expenses.
- (iv) Quarterly amounts for 2024 and 2023 have been adjusted to eliminate new sales agreements entered into during the year that contained an expectation of repurchase, which had previously been reported as external sales.
- (v) Depreciation included in start-up expenses and restructuring and other related costs is excluded from this line

17. FORWARD-LOOKING STATEMENTS

This document contains, and the Company's oral and written public communications often contain, "forward-looking information" within the meaning of applicable securities law. 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 Company'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. Forward-looking statements are typically 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 Company 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 terms, timing, receipt of all approvals, expected structure, expected benefits, risks, costs, dis-synergies and tax implications associated with the spin-off including the timely receipt of an advance tax ruling from the CRA in form and substance satisfactory to the Company;
- the anticipated future financial performance of the businesses following the spin-off, including post separation business structure, the operationalization of the proposed agreements to be entered into between the companies, and the ability of each company to execute their respective business and sustainability strategies;
- the entry into the tax matters agreement with Messrs. M H McCain, J McCain and McCain Capital Inc. (the "McCain Parties") and the satisfaction of the conditions of such agreement and future voting support for the spin-off;
- assumptions about the economic environment, including the implications of tariffs, inflationary pressures on customer and consumer behaviour, supply chains, global conflicts and competitive dynamics;
- expected future cash flows and the sufficiency thereof, sources of capital at attractive rates, future contractual obligations, future financing options, renewal of credit facilities, compliance with credit facility covenants, and availability of capital to fund growth plans, operating obligations and dividends;
- future performance, including future financial objectives, goals and targets, category growth analysis, expected capital spend and expected SG&A expenditures, global pork market dynamics, Japan export market margin outlook, labour markets, and inflationary pressures (including the ability to price for inflation);
- potential for a recurrence of a cybersecurity incident on the Company's systems, business and operations, as well as the ability to mitigate the financial and operational impacts, the success of remediation and recovery efforts, the implications of data breaches, and other ongoing risks associated with cybersecurity;
- the execution of the Company's business strategy, including the development and expected timing of business initiatives, brand expansion and repositioning, plant protein category investment and performance, market access in China and Japan, capital allocation decisions (including investment in share repurchases under a NCIB) and investment in potential growth opportunities and the expected returns associated therewith;
- the impact of international trade conditions, tariffs and markets on the Company's business, including access to markets, global conflict and other social, economic and political factors that affect trade;
- implications associated with the spread of foreign animal disease (such as African Swine Fever ("ASF")) and other animal diseases such as Avian Influenza;

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- competitive conditions and the Company's ability to position itself competitively in the markets in which it competes;
- capital projects, including planning, construction, estimated expenditures, schedules, approvals, expected capacity, in-service dates and anticipated benefits of construction of new facilities and expansions of existing facilities;
- the Company's dividend policy, including future levels and sustainability of cash dividends, the tax treatment thereof and future dividend payment dates;
- the impact of commodity prices and foreign exchange impacts on the Company's operations and financial performance, including the use and effectiveness of hedging instruments;
- operating risks, including the execution, monitoring and continuous improvement of the Company's food safety programs, animal health initiatives, cost reduction initiatives, and service levels (including service level penalties);
- the implementation, cost and impact of environmental sustainability initiatives, the ability of the Company to achieve its sustainability objectives, changing climate and sustainability laws and regulation, changes in customer and consumer expectations related to sustainability matters, as well as the anticipated future cost of remediating environmental liabilities;
- the adoption of new accounting standards and the impact of such adoption on the financial position of the Company;
- expectations regarding pension plan performance, including future pension plan assets, liabilities and contributions; and
- developments and implications of actual or potential legal actions.

Various factors or assumptions are typically applied by the Company 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 Company, including information obtained by the Company from third-party sources and include but are not limited to the following:

- expectations and assumptions concerning the timing and completion of the spin-off, including securing all necessary shareholder, court, and other third party approvals; future voting support for the spin-off; implications of the risks, benefits, costs, dis-synergies, tax structure, future business performance of each company; the impact of the operationalization of the proposed agreements to be entered into between the companies; and ability of each company to execute their respective business and sustainability strategies to generate returns;
- expectations and assumptions as to the timely receipt of an advance tax ruling from the CRA in form and substance satisfactory to the Company which is not altered or withdrawn; satisfaction of the conditions necessary to proceed with tax matters agreement; compliance by Maple Leaf Foods, Canada Packers and "specified shareholders", as defined in the Income Tax Act ("ITA"), with the rules related to butterfly transactions under the ITA both before and after the completion of the spin-off;
- expectations regarding the adaptations in operations, supply chain, customer and consumer behaviour, economic patterns (including but not limited to global pork markets), foreign exchange rates, tariffs and other international trade dynamics, access to capital, and potential structural changes in global economic patterns;
- 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;
- the success of the Company's business strategy and the relationship between pricing, inflation, volume and sales of the Company's products;
- prevailing commodity prices (especially in pork and feed markets), implications of tariffs, interest rates, tax rates and exchange rates;
- potential impacts related to cybersecurity matters, including security costs, the potential for a future incident, the risks associated with data breaches, the availability of insurance, the effectiveness of remediation and prevention activities, third party activities, ongoing impacts, customer, consumer and supplier responses and regulatory considerations;
- the economic condition of and the sociopolitical dynamics between Canada, the U.S., Japan and China, and the ability of the Company 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;
- the spread of foreign animal disease (including ASF and Avian Influenza), preparedness strategies to manage such spread, and implications for all protein markets;
- the availability of and access to capital to fund future capital requirements and ongoing operations;
- expectations regarding participation in and funding of the Company's pension plans;
- the availability of insurance coverage to manage certain liability exposures;
- the extent of future liabilities and recoveries related to legal claims;
- prevailing regulatory, tax and environmental laws; and

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- future operating costs and performance, including the Company's ability to achieve operating efficiencies and maintain sales volumes, turnover of inventories and turnover of accounts receivable.

Readers are cautioned that these assumptions may prove to be incorrect in whole or in part. The Company'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, risks associated with the following:

- the spin-off not proceeding as expected (within the expected timeline or at all), including as a result of the conditions of the transaction, including receipt of all third-party consents and approvals, not being satisfied;
- the spin-off not delivering the intended benefits, including the ability of the separated companies to each succeed as a standalone publicly trading company;
- unanticipated effects of the announcement of the spin-off, and/or changes in transaction structure, on the market price for the Company's securities or the financial performance of the Company;
- the results of each of the separated companies' execution of their respective business plans, the degree to which benefits are realized or not and the timing to realize those benefits, including the implications on the financial results of each;
- failure to satisfy the conditions contained in the tax matters agreement with the McCain Parties;
- failure to receive an advance tax ruling from the CRA on terms acceptable to the Company in form and substance satisfactory to the Company, that is not altered or withdrawn;
- failure of the Company, Canada Packers or a "specified shareholder," as defined in the ITA, to comply with the rules related to butterfly transactions under the ITA which could result in significant tax becoming payable by the Company and/or Canada Packers;
- failure to satisfy the conditions to secure voting support for the spin-off;
- potential structural changes in global economic patterns which may have implications for the operations and financial performance of the Company, as well the ongoing implications for macro socio-economic trends, trade action and global conflict;
- macro economic trends, including inflation, consumer behaviour, recessionary indicators, labour availability and labour market dynamics and international trade trends, including tariffs, duties and global pork markets;
- the results of the Company's execution of its business plans, the degree to which benefits are realized or not, and the timing associated with realizing those benefits, including the implications on cash flow;
- competition, market conditions, and the activities of competitors and customers, including the expansion or contraction of key categories, inflationary pressures, pork market dynamics and Japan export margins;
- cybersecurity and maintenance and operation of the Company's information systems, processes and data, recovery, restoration and long term impacts of the cybersecurity event, the risk of future cybersecurity events, actions of third parties, risks of data breaches, effectiveness of business continuity planning and execution, and availability of insurance;
- the health status of livestock, including the impact of potential pandemics;
- international trade and access to markets and supplies, as well as social, political and economic dynamics, including global conflicts;
- operating performance, including manufacturing operating levels, fill rates and penalties;
- availability of and access to capital, and compliance with credit facility covenants;
- decisions respecting the return of capital to shareholders;
- the execution of capital projects and investment in maintenance capital;
- food safety, consumer liability and product recalls;
- climate change, climate regulation and the Company's sustainability performance;
- strategic risk management;
- acquisitions and divestitures;
- fluctuations in the debt and equity markets;
- fluctuations in interest rates and currency exchange rates;
- pension assets and liabilities;
- cyclical nature of the cost and supply of hogs and the competitive nature of the pork market generally;

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- the effectiveness of commodity and interest rate hedging strategies;
- impact of changes in the market value of the biological assets and hedging instruments;
- the supply management system for poultry in Canada;
- availability of plant protein ingredients;
- intellectual property, including product innovation, product development, brand strategy and trademark protection;
- consolidation of operations and focus on protein;
- the use of contract manufacturers;
- reputation;
- weather;
- compliance with government regulation and adapting to changes in laws;
- actual and threatened legal claims;
- consumer trends and changes in consumer tastes and buying patterns;
- environmental regulation and potential environmental liabilities;
- consolidation in the retail environment;
- employment matters, including complying with employment laws across multiple jurisdictions, the potential for work stoppages due to non-renewal of collective agreements, recruiting and retaining qualified personnel, reliance on key personnel and succession planning;
- pricing of products;
- managing the Company's supply chain; and
- changes in International Financial Reporting Standards and other accounting standards that the Company is required to adhere to for regulatory purposes.

The Company cautions readers that the foregoing list of factors is not exhaustive.

Readers are further cautioned that some of the forward-looking information, such as statements concerning future capital expenditures, Adjusted EBITDA expectations, Adjusted EBITDA Margin expansion, and the Company's ability to achieve its financial targets or projections may be considered to be financial outlooks for purposes of applicable securities legislation. These financial outlooks are presented to evaluate potential future earnings and anticipated future uses of cash flows and may not be appropriate for other purposes. Readers should not assume these financial outlooks will be achieved.

All forward-looking statements included herein speak only as of the date hereof. Unless required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All forward-looking statements contained herein are expressly qualified by this cautionary statement.

18. ABOUT MAPLE LEAF FOODS INC.

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™. The Company's portfolio includes prepared meats, ready-to-cook and ready-to-serve meals, snack kits, value-added fresh pork and poultry, and plant protein products. The Company employs approximately 13,500 people and does business primarily in Canada, the U.S. and Asia. The Company is headquartered in Mississauga, Ontario and its shares trade on the Toronto Stock Exchange (MFI).