



HIGH LINER FOODS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the thirteen and thirty-nine weeks ended September 27, 2025

(All amounts are in United States dollars unless otherwise stated)

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INTRODUCTION

This Management's Discussion and Analysis ("MD&A"), dated November 5, 2025, relates to the consolidated financial condition and results of operations of High Liner Foods Incorporated for the thirteen and thirty-nine weeks ended September 27, 2025, compared to the thirteen and thirty-nine weeks ended September 28, 2024. Throughout this discussion, "We", "Us", "Our", "Company" and "High Liner Foods" refer to High Liner Foods Incorporated and its businesses and subsidiaries.

This document should be read in conjunction with the Company's 2024 Annual Consolidated Financial Statements, 2024 Annual MD&A, and Unaudited Condensed Interim Consolidated Financial Statements as at and for the thirty-nine weeks ended September 27, 2025 ("Condensed Consolidated Financial Statements"), prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. The information contained in this document, including forward-looking statements, is based on information available to Management as of November 5, 2025, except as otherwise noted.

Currency

All amounts in this MD&A are in United States dollars ("USD") unless otherwise noted. Although the functional currency of High Liner Foods' Canadian company (the "Parent") is the Canadian dollar ("CAD"), management believes the USD presentation better reflects the Company's overall business activities and improves investors' ability to compare the Company's consolidated financial results with other publicly traded businesses in the packaged foods industry (most of which are based in the United States ("U.S.") and report in USD) and should result in less volatility in reported sales and income on the conversion into the presentation currency.

For the purpose of presenting the Condensed Consolidated Financial Statements in USD, CAD-denominated assets and liabilities in the Parent's operations are converted using the exchange rate at the reporting date, and revenue and expenses are converted at the average exchange rate of the month in which the transaction occurs. As such, foreign currency fluctuations affect the reported values of individual lines on our balance sheet and income statement. When the USD strengthens (weakening CAD), the reported USD values of the Parent's CAD-denominated items decrease in the Condensed Consolidated Financial Statements, and the opposite occurs when the USD weakens (strengthening CAD).

In some parts of this document, the impact of foreign currency fluctuations are discussed to demonstrate how changes in the exchange rate affect operating results. The Company's share price and dividend rate are referenced in the CAD functional currency in parts of this document, as the Company's shares are traded and dividends are paid in Canadian dollars.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking information" within the meaning of applicable securities laws, including the provincial securities laws in Canada, and are based on expectations, estimates and projections as of the date on which the statements are made in this MD&A. These statements relate to future events or future performance and reflect the Company's expectations and assumptions regarding the growth, results of operations, performance, business prospects and opportunities of the Company. Forward-looking statements are often, but not always, identified by the use of words such as "may", "would", "could", "will", "should", "expect", "expects", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", "pursue", "continue", "seek", or the negative of these terms or other similar expressions concerning matters that are not historical facts. Specific forward-looking statements in this MD&A include, but are not limited, to statements regarding: imposed and threatened tariffs, including in the U.S. and Canada, and the impact, timing and resolution thereof; future growth strategies and their impact on the Company's market share and shareholder value; sustainability goals and targets; achievement, and timing of achievement, of strategic goals and publicly stated financial targets, including to increase our market share, acquire and integrate other businesses and reduce operating and supply chain costs; the ability to develop new and innovative products that result in increased sales and market

share; increased demand for the Company's products whether due to the recognition of the health benefits of seafood or otherwise; inflation, changes in costs for seafood and other raw materials; increases or decreases in processing costs; the USD/CAD exchange rate; percentage of sales from the Company's brands; expectations with regards to sales volume, earnings, product margins, product innovations, brand development and anticipated financial and operating performance, including Adjusted EBITDA; competitor reaction to Company strategies and actions; impact of price increases or decreases on future profitability; sufficiency of working capital facilities; future income tax rates; the expected amount and timing of integration activities related to acquisitions; expected leverage levels and expected Net Debt to Adjusted EBITDA; demand expectations; sales of new product; the efficiency of plant production; economic and geopolitical conditions such as Russia's invasion of Ukraine and the implementation and/or expansion of related sanctions; impact of the inflationary environment; expected amount and timing of cost savings related to the optimization of the Company's structure; estimated capital spending; future inventory trends and seasonality; market forces and the maintenance of existing customer and supplier relationships; availability of credit facilities; the projection of excess cash flow and minimum repayments under the Company's long-term loan facility; expected decreases in debt-to-capitalization ratio; dividend payments; the amount and timing of the capital expenditures in excess of normal requirements to allow the movement of production between plants; expectations regarding the potential future impact of a global pandemic on the Company's operations and performance, customer and consumer behavior and economic patterns; mergers and acquisitions and other investment and growth strategies; product innovation and distribution, consumer preferences and purchasing decisions; growth in alternative species and other diversification of products and the Company's supply chain; the markets and industries in which the Company operates; and the business strategies and operational activities of the Company.

Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this MD&A, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect. In addition to any other factors and assumptions set forth in this MD&A, the material factors and assumptions used to develop the forward-looking information include, but are not limited to: availability, demand and prices of raw materials, energy and supplies; the ability of the Company to mitigate the impacts of tariffs; expectations with regards to sales volume, earnings, product margins, product innovations, brand development and anticipated financial performance; the ability to develop new and innovative products that result in increased sales and market share; the maintenance of existing customer and supplier relationships; manufacturing facility efficiency; the ability of the Company to reduce operating and supply chain costs; the condition of the Canadian and American economies; product pricing; foreign exchange rates, especially the rate of exchange of the CAD to the USD; the ability to attract and retain customers; operating costs and improvement to operating efficiencies; interest rates; continued access to capital; the competitive environment and related market conditions; and the general assumption that none of the risks identified below or elsewhere in this document will materialize.

Forward-looking information is inherently subject to risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections, or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A number of known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, could cause actual events, performance, or results to differ materially from what is projected in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: compliance with food safety laws and regulations; timely identification of and response to events that could lead to a product recall; volatility in the CAD/USD exchange rate; competitive developments including increases in overseas seafood production and industry consolidation; ability to import seafood into North America while adhering to updated government sanctions; ability to adapt to regulatory changes and increase flexibility on seafood substitutions in certain products with customers; availability and price of seafood raw materials and finished goods and the impact of geopolitical events (and related economic sanctions) on the same; tariffs, trade wars and other trade barriers (including in the U.S. and Canada) and the associated impacts,

including on certain seafood products and other supplies; costs of commodity products, freight, storage and other production inputs, and the ability to pass cost increases on to customers; successful integration of acquired operations and other acquisition-related risk; potential increases in maintenance and operating costs; shifts in market demands for seafood; performance of new products launched and existing products in the market place; changes in laws and regulations, including environmental, taxation and regulatory requirements; technology changes with respect to production and other equipment and software programs; enterprise resource planning system risk; adverse impacts of cybersecurity attacks or breach of sensitive information; supplier fulfillment of contractual agreements and obligations; competitor reactions; completion and/or advancement of sustainability initiatives, including, without limitation, initiatives relating to the carbon workplan, waste reduction and/or seafood sustainability and traceability initiatives; High Liner Foods' ability to generate adequate cash flow or to finance its future business requirements through outside sources; credit risk associated with receivables from customers; volatility associated with the funding status of the Company's post-retirement pension benefits; adverse weather conditions and natural disasters; the availability of adequate levels of insurance; management retention and development; economic and geopolitical conditions such as Russia's invasion of Ukraine and the implementation and/or expansion of related sanctions; and the potential impact of a pandemic outbreak of a contagious illness, on general economic and business conditions and therefore the Company's operations and financial performance. In evaluating these forward-looking statements, investors and prospective investors should specifically consider these and various other risks, uncertainties and other factors which may cause actual events, performance, or results to differ materially from any forward-looking statement and not put undue reliance on forward-looking statements.

The risk factors below are not intended to represent a complete list of the factors that may affect the Company and its forward-looking statements. For further details concerning these factors and other risks applicable to the Company refer to our 2024 Annual MD&A.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are made as of the date of this MD&A or, in the case of documents referenced herein, as of the date of such documents and are provided for the purpose of providing information about management's expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. All forward-looking statements in this MD&A are qualified by these cautionary statements.

COMPANY OVERVIEW

High Liner Foods, through its predecessor companies, has been in business since 1899 and has been a publicly traded Canadian company since 1967, trading under the symbol 'HLF' on the Toronto Stock Exchange ("TSX"). We are a leading North American processor and marketer of value-added (i.e. processed) frozen seafood, producing a wide range of products from breaded and battered items to seafood entrées, that are sold to North American food retailers and foodservice distributors. In addition, we are a major supplier of commodity products in the North American market. The retail channel includes grocery and club stores, and our products are sold throughout the U.S. and Canada under the **High Liner**, **Fisher Boy**, **Sea Cuisine**, **C. Worthy** and **Catch of the Day** labels. Most recently, the Company acquired **Mrs. Paul's**[®] and **Van de Kamp's**[®] frozen seafood brands from Conagra Brands, Inc. The foodservice channel includes sales of seafood that is usually eaten outside the home, and our branded products are sold through distributors to restaurants and institutions under the **High Liner**, **Mirabel**, **Icelandic Seafood**¹ and **FPI** labels. The Company is also a major supplier of private-label value-added frozen premium seafood products to North American food retailers and foodservice distributors.

¹ In December 2011, as part of the acquisition of the U.S. subsidiary of Icelandic Group h.f, the Company acquired several brands and agreed to a seven year royalty-free licensing agreement with Icelandic Group for the use of the Icelandic Seafood brand in the U.S., Canada and Mexico. In April 2018, the Company executed a seven-year brand license agreement for the continued use of the Icelandic Seafood brand in the U.S. and Canada with royalty payments effective January 2019 (1.5% on net sales of products sold under the Icelandic Seafood brand).

We own and operate three food-processing plants located in Lunenburg, Nova Scotia ("N.S."), Portsmouth, New Hampshire, and Newport News, Virginia.

Although our roots are in the Atlantic Canadian fishery, we purchase all our seafood raw materials and some finished goods from around the world. From our headquarters in Lunenburg, N.S., we have transformed our long and proud heritage into global seafood expertise. We deliver on the consumers' expectations by selling seafood products that respond to their demands for sustainable, convenient, tasty, and nutritious seafood, at good value.

Additional information relating to High Liner Foods, including our most recent Annual Information Form ("AIF"), is available on SEDAR+ at www.sedarplus.ca and in the Investors section of the Company's website at www.highlinerfoods.com.

RECENT DEVELOPMENTS

Tariffs

In September 2018, the U.S. Trade Representative ("USTR") commenced trade discussions with China that resulted in various actions impacting the Company related to additional tariffs on goods imported to the U.S., including a 25% tariff on certain raw material imports used by the Company (the "2018 US-China Tariffs"). During March 2022, the Company received notice of approval of an exclusion extension request submitted to the USTR regarding tariffs on a certain subset of raw material used by the Company imported to the U.S. from China, while the remaining raw material imports were still subject to the 25% tariff. The extension applied to tariffs already incurred, or that would otherwise have been incurred, on specific goods from October 12, 2021 to December 31, 2022. Since December 16, 2022 the USTR has extended this exclusion multiple times, including most recently on September 2, 2025, which further extended the exclusion to November 29, 2025.

On February 1, 2025 an Executive Order was signed by the U.S. President enacting measures which would impose additional tariffs on Chinese and Canadian imports into the United States. Since that date, there have been several announcements of additional global tariffs, retaliatory tariffs, and pauses on tariffs. As at September 27, 2025, the imposed tariffs included 20% on all Chinese goods imported into the United States and an additional 10% tariff on certain Chinese goods imported into the United States. These tariffs are incremental to the 2018 U.S.-China tariffs, bringing total tariffs on certain Chinese imports to 55%. On April 10, 2025 the U.S. issued increased "reciprocal" tariffs on certain goods from China totaling 170% (including all other applicable tariffs). A subsequent trade agreement on May 14, 2025 led to a temporary reduction of the reciprocal tariff back to 55%. This temporary reduction now expires on November 10, 2025.

On April 2, 2025 the U.S. announced reciprocal tariffs declaring a 10 percent baseline tariff on imports from all countries, as well as higher rates for additional countries that run trade surpluses with the U.S. Additional higher reciprocal tariff rates were announced on July 31, 2025. Food products originating from Canada remain exempt from these tariffs under USMCA.

The Company is actively assessing the impact of these evolving tariff regimes on its global supply chain, cost structure, macroeconomic environment and customer and consumer sentiment. While the full financial implications are still being evaluated, preliminary analysis indicates that these new tariffs could materially increase the cost of certain imported raw materials and finished goods, in addition to other potential impacts. The Company continues to implement mitigation strategies—including pricing adjustments, supply chain optimization, and sourcing diversification—to reduce the impact on its operations and customers.

The Company will continue to monitor trade developments and adjust its mitigation strategies as necessary to address additional tariff risks or policy changes that may change in 2025. However, the amount and timing for implementation of the tariffs described above and their impact on the Company, its supply chains, and the

macroeconomic environment are inherently difficult to predict given the high level of uncertainty regarding trade negotiations and responses that may occur in the future.

Acquisition of U.S. Retail Brands

On June 30, 2025, the Company completed the acquisition of the Mrs. Paul's® and Van de Kamp's® frozen seafood brands from Conagra Brands, Inc. ("Conagra") for total consideration of \$41.9 million ("Conagra Brands Acquisition"). In connection with this asset acquisition, the Company recognized \$23.3 million of inventories, \$16.4 million of intangible assets in the form of brands and \$4.5 million of intangible assets in the form of customer relationships.

These established U.S. retail brands have recently been largely manufactured at High Liner's U.S. facilities under a co-manufacturing arrangement, with average annual volumes of approximately 25 million pounds. The Company expects this acquisition to secure and expand that volume to a total of approximately 29 million pounds per year, supporting its strategy to grow and diversify its branded product offering in the U.S. retail market.

The transaction was funded through the Company's existing asset-based lending facility.

Change in Senior Management

On September 3, 2025, the Company appointed Kimberly Stephens as Chief Financial Officer ("CFO"), replacing Darryl Bergman who left the Company on October 3, 2025.

New Production Innovation

During the quarter, the Company advanced its initiative to introduce fully cooked products, planned for the first quarter of 2026. Efforts focused on finalizing product formulations, preparing production capabilities, and developing marketing plans to support the launch. Investment in the initiative continued as part of the Company's broader strategy to expand its portfolio into higher-value, convenience-oriented categories.

PERFORMANCE

This discussion and analysis of the Company's financial results focuses on the performance of the consolidated North American operations, the Company's single operating and reporting segment.

Seasonality

Overall, the first quarter of the year is historically the strongest for both sales and profit, and the second quarter is the weakest. Both our retail and foodservice businesses traditionally experience a strong first quarter due to retailers and restaurants promoting seafood during the Lenten period. As such, the timing of Lent can impact our quarterly results. Lent began later in 2025 than in the prior year, starting in early March and extending into April. As a result, a portion of the typical seasonal lift associated with Lent shifted from the first quarter into the second quarter, which impacted the year-over-year comparability of the Q1 2025 and Q2 2025 performance.

A significant percentage of advertising and promotional activity is typically done in the first quarter. Customer-specific promotional expenditures such as trade spending, listing allowances and couponing are deducted from "Sales" and non-customer-specific consumer marketing expenditures are included in selling, general and administrative expenses.

Inventory levels fluctuate throughout the year, most notably increasing to support strong sales periods such as the Lenten period. In addition, the timing of ordering raw materials is earlier than typically required in order to have adequate quantities available during the seasonal closure of plants in Asia during the Lunar New Year period. These

events typically result in significantly higher inventories in December, January, February and March than during the rest of the year.

Consolidated Performance

The table below summarizes key consolidated financial information for the relevant periods:

(in \$000s, except sales volume, per share amounts, percentage amounts, and exchange rates)	Thirteen weeks ended			Thirty-nine weeks ended		
	September 27, 2025	September 28, 2024	Change	September 27, 2025	September 28, 2024	Change
Sales volume (millions of lbs)	55.8	56.8	(1.0)	176.6	175.4	1.2
Average foreign exchange rate (USD/CAD)	1.3763	1.3641	\$0.0122	1.3988	1.3604	\$0.0384
Sales	\$248,619	\$228,884	\$19,735	\$756,665	\$724,179	\$32,486
Gross profit	\$ 46,276	\$ 48,346	\$(2,070)	\$163,101	\$166,306	\$(3,205)
Gross profit as a percentage of sales	18.6%	21.1%	(2.5%)	21.6%	23.0%	(1.4%)
Distribution expenses	\$ 12,055	\$ 11,136	\$ 919	\$ 35,981	\$ 33,899	\$ 2,082
Selling, general and administrative expenses	\$ 24,748	\$ 21,824	\$ 2,924	\$ 76,271	\$ 73,972	\$ 2,299
Adjusted EBITDA ⁽¹⁾	\$ 15,232	\$ 21,493	\$(6,261)	\$ 72,455	\$ 79,557	\$(7,102)
Adjusted EBITDA as a percentage of sales	6.1%	9.4%	(3.3%)	9.6%	11.0%	(1.4%)
Net income	\$ 4,767	\$ 18,347	\$(13,580)	\$ 28,532	\$ 54,236	\$(25,704)
Basic Earnings per Share ("EPS")	\$ 0.16	\$ 0.61	\$ (0.45)	\$ 0.95	\$ 1.69	\$ (0.74)
Diluted EPS	\$ 0.16	\$ 0.61	\$ (0.45)	\$ 0.95	\$ 1.69	\$ (0.74)
Adjusted Net Income ⁽¹⁾	\$ 4,074	\$ 5,601	\$(1,527)	\$ 32,125	\$ 35,430	\$(3,305)
Adjusted Diluted EPS ⁽¹⁾	\$ 0.14	\$ 0.20	\$ (0.06)	\$ 1.07	\$ 1.10	\$ (0.03)
Total assets				\$941,263	\$830,466	\$110,797
Total long-term financial liabilities				\$313,192	\$228,817	\$84,375
Dividends paid per common share (in CAD)	\$ 0.17	\$ 0.15	\$ 0.02	\$ 0.51	\$ 0.45	\$ 0.06

⁽¹⁾ Refer to the *Non-IFRS Financial Measures* section starting on page 18 for further explanation of Adjusted EBITDA, Adjusted Net Income, and Adjusted Diluted EPS.

Sales

Thirteen weeks

Sales volume for the thirteen weeks ended September 27, 2025, or the third quarter of 2025, decreased by 1.0 million pounds, or 1.8%, to 55.8 million pounds compared to 56.8 million pounds in the thirteen weeks ended

September 28, 2024, due mainly to customer and consumer pull back and uncertainty related to the global trade environment, as well as timing on the United States Department of Agriculture ("USDA") contract.

Sales in the third quarter of 2025 increased by \$19.7 million, or 8.6%, to \$248.6 million compared to \$228.9 million in the same period last year, driven by increased pricing reflecting inflationary markets.

Thirty-nine weeks

Sales volume in the first three quarters of 2025 increased by 1.2 million pounds, or 0.7%, to 176.6 million pounds compared to 175.4 million pounds in the same period in the prior year. In retail, the Company's growth is a result of a continued targeted approach to value-driven promotions and product innovation, supporting expanded distribution and growth in the club channel. The foodservice business experienced slowdowns as consumers continue to pull back on dining outside of the home.

Sales in the first three quarters of 2025 increased by \$32.5 million, or 4.5%, to \$756.7 million compared to \$724.2 million in the same period in the prior year. The increase in sales is mainly driven by inflationary pricing and increased volumes, as well as a favourable product mix supporting the Company's branded value added strategy.

Gross Profit

Thirteen weeks

Gross profit decreased in the third quarter of 2025 by \$2.0 million, or 4.1%, to \$46.3 million compared to \$48.3 million in the same period in 2024, and gross profit as a percentage of sales decreased to 18.6% compared to 21.1%. The decrease in gross profit is driven by increased expenses related to the introduction of tariffs on seafood imported into the U.S. and higher raw material pricing on select species, as well as targeted promotional activity and negative impact of foreign exchange. Gross profit was also impacted by the increased costs of inventory related to the Conagra Brands Acquisition, resulting in temporary margin contraction of approximately \$2.5 million as the Company sells through the acquired inventory. Plant utilization was temporarily impacted by lower volumes during the quarter, compounded by planned downtime related to automation upgrades intended to drive further efficiency gains.

Thirty-nine weeks

Gross profit decreased in the first three quarters of 2025 by \$3.2 million, or 1.9%, to \$163.1 million compared to \$166.3 million in the same period in the prior year, and gross profit as a percentage of sales decreased to 21.6%, compared to 23.0%. The decrease in gross profit reflects increased costs driven by tariffs, raw material pricing, promotional activity, plant inefficiencies and the impact of the Conagra Brands Acquisition, previously discussed, partially mitigated by the increase in sales.

Distribution Expenses

Thirteen weeks

Distribution expenses, consisting of freight and storage, increased in the third quarter of 2025 by \$1.0 million or 9.0% to \$12.1 million compared to \$11.1 million in the same period in the prior year. The increase in distribution expenses reflects increased storage costs, resulting from higher levels of inventory, higher rates and temporary storage costs related to the Conagra Brands Acquisition. As a percentage of sales, distribution expenses decreased favourably to 4.8% in the third quarter of 2025 compared to 4.9% in the same period in 2024.

Thirty-nine weeks

Distribution expenses increased in the first three quarters of 2025 by \$2.1 million, or 6.2%, to \$36.0 million compared to \$33.9 million in the same period in the prior year. This increase reflects higher storage costs in the first three quarters of 2025, while freight expenses remained flat year-over-year. This increase in storage is attributed to

higher external warehousing costs due to increased inventory levels to mitigate tariff and supply chain risk, as well as temporary storage costs related to the Conagra Brands Acquisition and higher rates. As a percentage of sales, distribution expenses increased unfavourably to 4.8% in the first three quarters of 2025 compared to 4.7% in the same period in 2024.

Selling, General and Administrative ("SG&A") Expenses

(Amounts in \$000s)	Thirteen weeks ended		Thirty-nine weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
SG&A expenses, as reported	\$ 24,748	\$ 21,824	\$ 76,271	\$ 73,972
Less:				
Share-based compensation expense (recovery) ⁽¹⁾	(672)	55	3,194	3,582
Depreciation and amortization expense ⁽¹⁾	2,253	2,510	6,936	7,224
SG&A expenses, net ⁽²⁾	\$ 23,167	\$ 19,259	\$ 66,141	\$ 63,166
SG&A expenses, net as a percentage of sales	9.3%	8.4%	8.7%	8.7%

⁽¹⁾ Represents share-based compensation expense and depreciation and amortization expense that is allocated to SG&A only. The remaining expense is allocated to the cost of sales and distribution expenses.

⁽²⁾ Net SG&A expenses is a non-IFRS financial measure representing the selling, general and administrative expenses that impact Adjusted EBITDA. Refer to the *Non-IFRS Financial Measures* section starting on page 18 for further explanation of Adjusted EBITDA.

SG&A Expenses

Thirteen weeks

SG&A expenses increased in the third quarter of 2025 by \$2.9 million to \$24.7 million compared to \$21.8 million in the same period last year. SG&A expenses included a share-based compensation recovery of \$0.7 million in the third quarter of 2025, compared with an expense of \$0.1 million in the third quarter of 2024. This is primarily due to a decreased expected performance multiplier for performance-based awards and a lower change in the weighted average share price compared to the prior year, partially offset with a higher number of units outstanding compared to the same period last year. SG&A expenses also included depreciation and amortization expense of \$2.3 million in the third quarter of 2025 compared to \$2.5 million in the same period in 2024.

Excluding share-based compensation and depreciation and amortization expenses, SG&A expenses increased in the third quarter of 2025 by \$3.9 million to \$23.2 million compared to \$19.3 million in the same period last year. This is driven by higher consulting costs related to the investments in new product innovation and continuous improvement initiatives, increased salaries, benefits and other HR-related costs, and higher variable selling costs. As a percentage of sales, SG&A excluding share-based compensation and depreciation and amortization expense was 9.3% in the third quarter of 2025 compared to 8.4% in the same period last year.

Thirty-nine weeks

SG&A expenses increased by \$2.3 million, or 3.1%, to \$76.3 million in the first three quarters of 2025 as compared to \$74.0 million in the same period in the prior year. SG&A expenses included share-based compensation expense of \$3.2 million in the first three quarters of 2025 compared to \$3.6 million in the same period in the prior year, driven by the same factors described above for the thirteen weeks ended September 27, 2025. SG&A expenses also included depreciation and amortization expense of \$6.9 million in the first three quarters of 2025, compared to an expense of \$7.2 million in the same period in the prior year.

Excluding share-based compensation and depreciation and amortization expenses, SG&A expenses increased in the first three quarters of 2025 by \$2.9 million, or 4.6%, to \$66.1 million compared to \$63.2 million in 2024, driven by higher consulting costs related to the investments in new product innovation, increased salaries, benefits and other HR-related costs, partially offset with savings in consumer marketing and IT-related costs. As a percentage of sales,

SG&A excluding share-based compensation and depreciation and amortization expense remained at 8.7% for the first three quarters of 2025 and the same period in 2024.

Adjusted EBITDA

We refer to Adjusted EBITDA throughout this MD&A in discussing our results for the thirteen and thirty-nine weeks ended September 27, 2025. See the *Non-IFRS Financial Measures* section starting on page 18 for further explanation of this non-IFRS measure.

Thirteen weeks

Adjusted EBITDA decreased in the third quarter of 2025 by \$6.3 million, or 29.3%, to \$15.2 million compared to \$21.5 million in the same period in the prior year. As a percentage of sales, Adjusted EBITDA decreased to 6.1% compared to 9.4%. The decrease in Adjusted EBITDA reflects the decrease in gross profit previously mentioned, as well as expenses related to the advancement of strategic initiatives and innovations across the business, along with certain corporate-level costs tied to termination benefits and foreign-exchange losses.

Thirty-nine weeks

Adjusted EBITDA decreased in the first three quarters of 2025 by \$7.1 million, or 8.9%, to \$72.5 million compared to \$79.6 million in the same period in the prior year, and as a percentage of sales, Adjusted EBITDA decreased to 9.6% compared to 11.0%. The decrease in Adjusted EBITDA is a result of the decreased gross profit and increased distribution expenses, discussed previously.

Net Income

We refer to Adjusted Net Income and Adjusted Diluted EPS throughout this MD&A. See the *Non-IFRS Financial Measures* section starting on page 18 for further explanation of these non-IFRS measures.

Thirteen weeks

Net income decreased in the third quarter of 2025 by \$13.5 million, or 73.8%, to net income of \$4.8 million compared to net income of \$18.3 million in the same period in the prior year, while diluted EPS decreased to \$0.16 compared to \$0.61 in 2024. The decrease in net income reflects the decrease in Adjusted EBITDA (as discussed previously in the *Adjusted EBITDA* section above), as well as finance income recorded in the third quarter of 2024 as a result of the long-term debt modification, as compared to a net expense in 2025. This is partially offset by lower income tax expense.

In the third quarter of 2025, net income included "business acquisition, integration and other (income) expense" (as explained in the *Business Acquisition, Integration and Other (Income) Expense* section on page 11 of this MD&A) related to certain non-routine expenses. Excluding the impact of these non-routine items or other non-cash expenses and share-based compensation, Adjusted Net Income in the third quarter of 2025 decreased by \$1.5 million, or 26.8%, to \$4.1 million compared to \$5.6 million in the same period in the prior year. Refer to the *Non-IFRS Financial Measures* section starting on page 18 for further explanation of Adjusted Net Income.

Adjusted Diluted EPS decreased to \$0.14 from \$0.20 in 2024.

Thirty-nine weeks

Net income decreased in the first three quarters of 2025 by \$25.7 million, or 47.4%, to \$28.5 million compared to \$54.2 million in the same period in the prior year, while diluted EPS decreased to \$0.95 compared to \$1.69 in 2024. The decrease in net income is due to the decrease in Adjusted EBITDA (as discussed previously in the *Adjusted EBITDA* section above), the increase in business acquisition, integration, and other expense (income), which was in an income position in 2024 as a result of the Rubicon legal settlement, and the increase in finance costs (as discussed previously in the section above).

In the first three quarters of 2025, net income included "business acquisition, integration and other (income) expense" (as explained in the *Business Acquisition, Integration and Other (Income) Expense* section on page 11 of this MD&A) related to certain non-routine expenses. Excluding the impact of these non-routine items, other non-cash expenses, and share-based compensation, Adjusted Net Income in the first three quarters of 2025 decreased by \$3.3 million, or 9.3%, to \$32.1 million compared to \$35.4 million in the same period in the prior year.

Adjusted Diluted EPS decreased \$0.03 in the first three quarters of 2025 to \$1.07 compared to \$1.10 in the same period in the prior year.

RESULTS BY QUARTER

The following table provides summarized financial information for the last nine quarters:

(Amounts in \$000s, except per share amounts)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Sales	\$248,619	\$239,610	\$268,436	\$235,039	\$228,884	\$218,323	\$276,972	\$237,126	\$259,699
Adjusted EBITDA ⁽¹⁾	\$ 15,232	\$ 25,075	\$ 32,147	\$ 23,782	\$ 21,493	\$ 23,824	\$ 34,240	\$ 21,887	\$ 19,974
Net Income	\$ 4,767	\$ 8,470	\$ 15,295	\$ 5,928	\$ 18,347	\$ 19,291	\$ 16,598	\$ 6,416	\$ 5,486
Adjusted Net Income ⁽¹⁾	\$ 4,074	\$ 11,497	\$ 16,554	\$ 12,533	\$ 5,601	\$ 11,237	\$ 18,590	\$ 7,293	\$ 4,906
EPS, based on Net Income									
Basic	\$ 0.16	\$ 0.28	\$ 0.51	\$ 0.20	\$ 0.61	\$ 0.59	\$ 0.49	\$ 0.19	\$ 0.16
Diluted	\$ 0.16	\$ 0.28	\$ 0.51	\$ 0.20	\$ 0.61	\$ 0.59	\$ 0.49	\$ 0.20	\$ 0.16
EPS, based on Adjusted Net Income ⁽¹⁾									
Diluted ⁽¹⁾	\$ 0.14	\$ 0.38	\$ 0.55	\$ 0.41	\$ 0.20	\$ 0.35	\$ 0.55	\$ 0.23	\$ 0.14
Dividends paid per common share (CAD)									
	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.13
Net non-cash working capital ⁽²⁾									
	\$301,711	\$270,724	\$268,584	\$235,914	\$241,392	\$237,221	\$262,840	\$255,151	\$306,131

⁽¹⁾ See the *Non-IFRS Financial Measures* section starting on page 18 for further explanation of Adjusted EBITDA, Adjusted Net Income and Adjusted Diluted EPS.

⁽²⁾ Net non-cash working capital is a non-IFRS financial measure comprised of accounts receivable, inventories and prepaid expenses, less accounts payable and accrued liabilities, contract liabilities and provisions.

As discussed in the *Performance* section on page 5 of this MD&A, the first quarter of the year historically emerges as the peak period for both sales and profit. This pattern holds true for both our retail and foodservice businesses, strengthened by heightened seafood promotion during the Lenten period.

During the third quarter of 2024, the Company completed the early refinancing of its term loan facility. As the net present value of the cash flows of the modified debt are less than the carrying value of the original facility before the amendments, a one-time modification gain of \$12.7 million was recorded as a reduction of the finance costs on the condensed consolidated statements of income during the third quarter of 2024.

During the second quarter of 2024, the Company recorded \$9.8M in *Business acquisition, integration and other expense (income)* relating to the shares that were surrendered, and subsequently cancelled, in connection with the litigation settlement reached with the former shareholders of Rubicon. This amount is reflected in net income and earnings per share in the second quarter of 2024.

Throughout the first three quarters of fiscal 2023, net non-cash working capital levels were heightened, largely stemming from increased inventory investments aimed at mitigating global supply chain disruptions during fiscal 2022. Subsequently, as supply chain challenges eased, the Company progressively reduced inflated inventory levels, returning to normal inventory levels by the end of fiscal 2023. Net non-cash working capital increased again in Q1 2025, driven by higher inventory levels resulting from elevated tariff and raw material costs.

During the third quarter of 2025, the Company completed the acquisition of the Mrs. Paul's® and Van de Kamp's® frozen seafood brands from Conagra Brands, Inc. As a result of the acquisition, as well as opportunistic buying ahead of increased raw material costs, net non-cash working capital increased primarily in inventories, during the third quarter of 2025.

During the third quarter of 2025, the Company experienced pressures on gross profit due to tariffs and raw material price increases that were not fully recovered in pricing to customers. Plant inefficiencies and negative impact of foreign exchange further compressed margins, and higher strategic spend further reduced Adjusted EBITDA and net income.

BUSINESS ACQUISITION, INTEGRATION AND OTHER (INCOME) EXPENSE

The Company reports expenses associated with business acquisition and integration activities, and certain other non-routine costs separately in its condensed consolidated statements of income as follows:

(Amounts in \$000s)	Thirteen weeks ended		Thirty-nine weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Business acquisition, integration and other (income) expense	\$ (307)	\$ 232	\$ 1,623	\$ (8,760)

Business acquisition, integration and other (income) expense for the thirteen and thirty-nine weeks ended September 27, 2025, and September 28, 2024, also included certain non-routine expenses, such as legal and consulting fees, that are not representative of the Company's ongoing operational activities. During the thirteen weeks ended September 27, 2025, the Company realized a one-time benefit related to the capitalization of certain costs associated with the Conagra Brands Acquisition (refer to *Recent Developments* above) which were capitalized upon closing the transaction as part of the asset acquisition accounting and had been previously expensed. During the thirteen and thirty-nine weeks ended September 27, 2025, this expense included costs associated with the Conagra Brands Acquisition, as well as other non-routine expenses. During the thirty-nine weeks ended September 28, 2024, the Company recognized a gain of \$9.8M relating to the shares reacquired in result of the litigation settlement reached between High Liner Foods and the former shareholders of Rubicon. This gain was offset by legal and consulting fees relating to the lawsuit, as well as other legal and consulting costs associated with the Company's business acquisition activities.

FINANCE COSTS (INCOME)

The following table shows the various components of the Company's finance costs:

(Amounts in \$000s)	Thirteen weeks ended		Thirty-nine weeks ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Interest paid in cash during the period	\$ 5,148	\$ 5,652	\$ 14,534	\$ 16,160
Change in cash interest accrued during the period	141	(1,516)	(950)	(1,962)
Total interest to be paid in cash	5,289	4,136	13,584	14,198
Modification gain related to debt refinancing activities	—	(13,033)	—	(13,033)
Interest expense on lease liabilities	124	236	554	777
Deferred financing cost & net modification amortization	837	664	2,524	1,090
Total finance costs (income)	\$ 6,250	\$ (7,997)	\$ 16,662	\$ 3,032

Finance costs were \$14.3 million higher in the third quarter of 2025 and \$13.7 million higher in the thirty-nine weeks ended September 27, 2025, compared to the same periods last year. During the thirteen and thirty-nine weeks ended September 28, 2024, finance costs included an accounting gain recognized due to the refinancing of the Long Term Debt, therefore decreasing the total net finance costs. The increase during the thirteen and thirty-nine weeks ended September 27, 2025 also reflects higher interest expense on bank loans due to higher balances outstanding, partially offset by the lower principal balance outstanding on long-term debt and lower interest rates.

INCOME TAXES

The Company's statutory tax rate for the thirteen and thirty-nine weeks ended September 27, 2025 was 28.0% (thirteen and thirty-nine weeks ended September 28, 2024: 28.1%). The Company's effective income tax rate for the thirteen and thirty-nine weeks ended September 27, 2025 was a recovery of 35.0% and an expense of 12.4% respectively (thirteen and thirty-nine weeks ended September 28, 2024: an expense of 20.7% and 15.5% respectively). The tax recovery in the thirteen weeks ended September 27, 2025 reflected the results of the Company's tax efficient financing structure on lower income for the period, combined with a revision to the estimate for the Global Minimum Tax, as described below, for the current year. The lower effective tax rate for the thirty-nine weeks ended September 27, 2025, reflects the Company's tax efficient financing structure on lower income combined with income tax effects from the Rubicon settlement in the thirty-nine weeks ended September 28, 2024, including the implications of the Global Minimum Tax. The effective tax rate remained lower than the statutory rate as a result of the Company's tax efficient financing structure offset with the implications of the Global Minimum Tax.

On June 20, 2024, the Global Minimum Tax Act was enacted by the Government of Canada. The Global Minimum Tax Act is the Canadian implementation of the Pillar Two model rules published by the Organization for Economic Co-operation and Development. The Company intends to rely on certain transitional safe harbours for certain jurisdictions in which it operates. For the thirteen and thirty-nine weeks ended September 27, 2025, a recovery of \$0.8 million and a provision of \$0.4 million was recorded, respectively (thirteen and thirty-nine weeks ended September 28, 2024: a provision of \$0.6 million and \$0.9 million, respectively).

OUTLOOK

Despite the challenges of the third quarter, High Liner Foods remains confident in the long-term outlook for the business, buoyed by a track record of navigating market challenges and the strong performance of the Company's brands in key growth markets, channels and species. Due to the higher than anticipated impact of the persistent macro headwinds previously outlined, the Company no longer expects to deliver year-over-year Adjusted EBITDA growth for 2025. High Liner Foods is however confident that the steps the Company is taking on pricing, efficiencies, and innovation will now position the business for long-term success.

The Company's ability to navigate market pressures is supported by its strong balance sheet, diverse global supply chain, and balanced pricing strategies.

CONTINGENCIES

The Company has no material outstanding contingencies.

LIQUIDITY AND CAPITAL RESOURCES

The Company's condensed consolidated statements of financial position are affected by foreign currency fluctuations, the effect of which is discussed in the Introduction section on page 1 of this MD&A (under the heading "Currency") and in the Foreign Currency risk section in the Annual 2024 MD&A.

Our capital management practices are described in Note 24, "Capital management" in the 2024 Annual Consolidated Financial Statements.

Bank Loans ("Working Capital Credit Facility")

The Company has a \$200.0 million asset-based working capital credit facility, with the Royal Bank of Canada as the Administrative and Collateral agent, which was amended on October 6, 2022, to increase the borrowing limit from \$150.0 million to \$200.0 million. Additionally, on April 28, 2022, the working capital credit facility was amended to extend the term expiry from April 2023 to April 2027. The amendment also included a necessary update from LIBOR to Secured Overnight Financing Rate ("SOFR") based loans. The working capital credit facility requires the Company to maintain certain financial and non-financial covenants. The primary financial covenant requires the Company to maintain, on a continual basis, the average adjusted aggregate availability above a certain threshold, or otherwise a fixed charge coverage ratio above a specified threshold. As at September 27, 2025, the Company was in compliance with all of these covenants.

The rates provided by the working capital credit facility are noted in the following table, based on the "Average Adjusted Aggregate Availability" as defined in the credit agreement. The Company's borrowing rates as of September 27, 2025 are also noted in the following table:

Per Credit Agreement	As at September 27, 2025	
Canadian Prime Rate, Canadian Base Rate and U.S. Prime Rate revolving loans, at their respective rates	plus 0.00% to 0.25%	plus 0.00%
CORRA revolving loans at CORRA rates ⁽¹⁾	plus 1.25% to 1.50%	plus 1.25%
SOFR revolving loans at SOFR rates ⁽²⁾	plus 1.25% to 1.50%	plus 1.25%
Letters of credit, with fees	of 1.25% to 1.50%	of 1.25%
Standby fees required to be paid on the unutilized facility	of 0.25%	of 0.25%

⁽¹⁾ "CORRA" is defined as Canadian Overnight Repo Rate Average

⁽²⁾ "SOFR" is defined as Secured Overnight Financing Rate

The working capital credit facility is classified as a non-current liability on the Company's condensed consolidated statements of financial position. Average working capital credit facility balances outstanding during the first three quarters of 2025 was \$43.0 million compared to \$3.9 million in the same period in the prior year. The \$39.1 million increase in the average working capital credit facility is primarily attributed to the financing of the Conagra Brands Acquisition and increased working capital requirements due to lower cash flows from operations, particularly due to higher inventory levels (discussed below on page 15).

As at September 27, 2025, the Company had \$101.1 million of unused borrowing availability (September 28, 2024: \$169.3 million), taking into account the current borrowing base and letters of credit, which reduce the availability

under the working capital credit facility. On September 27, 2025, letters of credit and standby letters of credit were outstanding in the amount of \$6.7 million (September 28, 2024: \$6.9 million) to secure certain contractual obligations, including those related to the Company's Supplemental Executive Retirement Plan ("SERP").

The working capital credit facility is asset-based and collateralized by the Company's inventories, accounts receivable and other personal property in North America. Under the Company's term loan facility, it is subject to a first charge on brands, trade names and related intangibles. A second charge over the Company's property, plant and equipment is also in place. Additional details regarding the Company's working capital credit facility are provided in Note 3 "Bank loans" to the Condensed Consolidated Financial Statements.

In the absence of any additional major acquisitions or significant adverse economic developments, we expect average working capital credit facility balances in Fiscal 2025 to be higher than in Fiscal 2024, due to funding the recently completed Conagra Brands Acquisition (see *Recent Developments* section), as well as investments in working capital, and we believe the asset-based working capital credit facility should be sufficient to fund all the Company's anticipated cash requirements.

Long-Term Debt ("Term Loan Facility")

As at September 27, 2025, the Company had a \$240.0 million term loan facility with an applicable interest rate of SOFR plus 3.25% (0.50% SOFR floor), maturing in July 2031.

Quarterly principal repayments of \$1.5 million are required on the term loan as regularly scheduled repayments. On an annual basis, based on a leverage test, additional prepayments could be required of up to 50% of the previous year's defined excess cash flow ("mandatory prepayments"). Any mandatory and voluntary repayments after the refinancing are applied to future regularly scheduled principal repayments. During the thirty-nine weeks ended September 27, 2025, regularly scheduled repayments of \$4.5 million were made. There are regularly scheduled repayments of \$7.5 million to be paid in the next fifty-three weeks. There are no mandatory prepayments to be paid in 2025 related to excess cash flows from 2024. Substantially all tangible and intangible assets (excluding working capital) of the Company are pledged as collateral for the term loan. The term loan facility requires the Company to maintain certain financial and non-financial covenants. The primary financial covenant requires the Company to maintain a total leverage ratio below a specified threshold as of the last day of each quarterly reporting period. As at September 27, 2025, the Company was in compliance with all of these covenants.

During the thirty-nine weeks ended September 27, 2025, the Company had the following interest rate swaps outstanding to hedge interest rate risk resulting from the term loan facility:

Effective date	Maturity date	Receive floating rate	Pay fixed rate	Notional amount (millions)
Designated in a formal hedging relationship:				
July 7, 2025	July 6, 2027	3-month SOFR (floor 0.50%)	3.6491 % \$	35.0
July 7, 2025	July 6, 2029	3-month SOFR (floor 0.50%)	3.5975 % \$	20.0
July 7, 2023	July 7, 2025	3-month SOFR (floor 0.75%)	4.9076 % \$	40.0
January 6, 2023	July 6, 2026	3-month SOFR (floor 0.75%)	1.1500 % \$	35.0
December 30, 2022	December 31, 2025	3-month SOFR (floor 0.75%)	1.0910 % \$	20.0

As of September 27, 2025, the combined impact of the outstanding interest rate swaps listed above effectively fix the interest rate on \$110.0 million of the \$240.0 million face value of the term loan, while the remaining portion of the debt continues to be at variable interest rates. As such, we expect that there will be fluctuations in interest expense due to changes in interest rates when SOFR is higher than the embedded floor of 0.50%.

Additional details regarding the Company's term loan are provided in Note 4, "Long-term debt" to the Condensed Consolidated Financial Statements.

Net Debt

The Company's Net Debt (as calculated in the *Non-IFRS Financial Measures* section on page 22 of this MD&A) is comprised of the working capital credit and term loan facilities (excluding deferred finance costs and modification gains/losses) and lease liabilities, less cash. Net Debt increased by \$100.2 million to \$333.4 million at September 27, 2025, compared to \$233.2 million at December 28, 2024, reflecting higher bank loans and a lower cash balance, partially offset by lower long-term debt and lease liabilities as at September 27, 2025, as compared to December 28, 2024.

Net Debt to Rolling fifty-two weeks Adjusted EBITDA (see the *Non-IFRS Financial Measures* section on page 22 of this MD&A) increased to 3.5x at September 27, 2025, compared to 2.3x at December 28, 2024, and 2.6x at December 30, 2023. We expect the ratio to be above Company's long-term target of 3.0x at the end of Fiscal 2025 due to the recently announced Conagra Brands Acquisition (see *Recent Developments*) and higher inventory levels due to opportunistic buying ahead of increased raw material costs.

(Amounts in \$000s, except as otherwise noted)	Fifty-two weeks ended	
	September 27, 2025	December 28, 2024
Net Debt	\$ 333,414	\$ 233,206
Adjusted EBITDA	\$ 96,236	\$ 103,339
Net Debt to Adjusted EBITDA ratio (times)	3.5	2.3

Capital Structure

At September 27, 2025, Net Debt was 44.7% of total capitalization compared to 36.6% at December 28, 2024 and 37.0% at September 28, 2024.

(Amounts in \$000s)	September 27, 2025	December 28, 2024	September 28, 2024
Net Debt	\$ 333,414	\$ 233,206	\$ 239,634
Shareholders' equity	413,278	405,729	409,798
Unrealized gains on derivative financial instruments included in AOCI	(202)	(1,708)	(1,093)
Total capitalization	\$ 746,490	\$ 637,227	\$ 648,339
Net Debt as a percentage of total capitalization	44.7%	36.6%	37.0%

Using our September 27, 2025 market capitalization of \$346.1 million, based on the TSX closing share price of CAD\$16.69 on June 28, 2025 (USD\$11.97 equivalent), instead of the book value of equity, Net Debt as a percentage of total capitalization increased to 49.1% (September 28, 2024: 46.4%).

Cash Flow

(Amounts in \$000s)	Thirteen weeks ended			Thirty-nine weeks ended		
	September 27, 2025	September 28, 2024	Change	September 27, 2025	September 28, 2024	Change
Net cash flows (used in) provided by operating activities	\$ (25,038)	\$ 13,423	\$(38,461)	\$ (20,099)	\$ 69,962	\$(90,061)
Net cash flows provided by (used in) financing activities	52,558	(12,270)	64,828	63,332	(34,693)	98,025
Net cash flows used in investing activities	(26,570)	(7,066)	(19,504)	(59,092)	(32,163)	(26,929)
Foreign exchange decrease on cash	(974)	(44)	(930)	709	(777)	1,486
Net change in cash during the period	\$ (24)	\$ (5,957)	\$ 5,933	\$ (15,150)	\$ 2,329	\$(17,479)

Cash Flows from Operating Activities

Cash flows from operating activities were \$90.1 million lower in the first three quarters of 2025 compared to the same period in the prior year. The decrease is primarily driven by lower cash flows from operations and unfavourable changes in non-cash working capital balances, specifically an increase in inventory balances compared to a decrease in the prior year as well as unfavourable changes in accounts receivable balances, and higher taxes paid. This was partially offset with lower repayments of accounts payable balances and lower interest paid.

Cash Flows from Financing Activities

Cash flows provided by financing activities were \$98.0 million higher in the first three quarters of 2025 compared to the same period in the prior year driven by an increase in bank loans and lower deferred financing costs compared to the same period in the prior year. This was partially offset by increased cash outflows from dividends paid and common share repurchases.

Cash Flows from Investing Activities

Cash outflows from investing activities were \$26.9 million higher in the first three quarters of 2025 compared to the same period last year primarily due to the capital assets acquired from the Conagra Brands Acquisition, as well as the additional investments in Norcod and Andfjord in the first three quarters of 2025.

Standardized Free Cash Flow

Standardized Free Cash Flow (see the *Non-IFRS Financial Measures* section on page 22 for further explanation of Standardized Free Cash Flow) for the fifty-two weeks ended September 27, 2025 decreased by \$154.4 million to an outflow of \$40.6 million compared to an inflow of \$113.8 million for the fifty-two weeks ended September 28, 2024. This decrease is due to unfavourable changes in non-cash working capital balances, higher capital expenditures (as defined further below), higher income taxes paid and decreased cash flows from operations; partially offset by lower interest paid during the last fifty-two weeks as compared to the fifty-two weeks ended September 28, 2024.

Net Non-Cash Working Capital

(Amounts in \$000s)	September 27, 2025	December 28, 2024	Change
Accounts receivable	\$ 106,325	\$ 92,218	\$ 14,107
Inventories	337,492	289,162	48,330
Prepaid expenses	6,341	4,550	1,791
Accounts payable and accrued liabilities	(148,321)	(149,895)	1,574
Provisions	(126)	(121)	(5)
Net non-cash working capital	\$ 301,711	\$ 235,914	\$ 65,797

Net non-cash working capital consists of accounts receivable, inventories and prepaid expenses, less accounts payable and accrued liabilities, and provisions. Net non-cash working capital increased by \$65.8 million to \$301.7 million at September 27, 2025, as compared to \$235.9 million at December 28, 2024, primarily reflecting higher accounts receivable and inventories.

The Company's working capital requirements fluctuate during the year, usually peaking between December and March as our inventory is the highest at that time, as described in the "Seasonality" section on page 5 of this MD&A. Going forward we do expect the trend of inventory peaking between December and March to continue, and believe we have sufficient availability on our working capital credit facility to finance our working capital requirements throughout the remainder of 2025.

Capital Expenditures

Capital expenditures (including computer software) were \$26.6 million and \$34.5 million during the thirteen and thirty-nine weeks ended September 27, 2025, respectively, as compared to capital expenditures of \$7.1 million and \$17.2 million during the thirteen and thirty-nine weeks ended September 28, 2024, respectively. Capital expenditures increased in the first three quarters of 2025 compared to the same period in the prior year, due to \$21.0 million of intangible assets and property, plant and equipment acquired as part of the Conagra Brands Acquisition.

Excluding strategic initiatives that may arise, management expects that capital expenditures in 2025 will be between \$20.0 million to \$24.0 million, funded by cash generated from operations and working capital credit facility borrowings.

Dividends

The Company paid a CAD \$0.17 per share quarterly dividend on September 15, 2025 to common shareholders of record on September 1, 2025.

On November 5, 2025, the Company's Board of Directors approved a quarterly dividend of CAD \$0.175 per share on the Company's common shares, payable on December 15, 2025 to holders of record as of December 1, 2025. These dividends are considered "eligible dividends" for Canadian income tax purposes.

Dividends and Normal Course Issuer Bids ("NCIB"), if applicable, are subject to the following restrictions in our credit agreements:

- Under the working capital credit facility, Average Adjusted Aggregate Availability, as defined in the credit agreement, needs to be \$25.0 million or higher and was \$99.2 million on September 27, 2025, and NCIBs are subject to an annual limit of \$10.0 million with a provision to carry forward unused amounts subject to a maximum of \$20.0 million per annum; and
- Under the term loan facility, annual dividends cannot exceed the greater of \$32.5 million or 32.5% of EBITDA, as defined in the loan agreement. This amount can be increased to include any defined excess cash flows when the defined total leverage ratio is below 4.0x and becomes unlimited when the defined total leverage ratio is below 3.0x. The defined total leverage ratio was 3.15x on September 27, 2025. NCIBs are subject to an annual limit of \$10.0 million under the term loan facility with a provision to carry forward unused amounts subject to a maximum of \$20.0 million per annum.

Contractual Obligations

Contractual obligations relating to our bank loans, long-term debt, lease liabilities, and purchase obligations as at September 27, 2025 were as follows:

(Amounts in \$000s)	Total	Less than 1 year	1–5 Years	Thereafter
Bank loans	\$ 92,357	\$ —	\$ 92,357	\$ —
Long-term debt	321,946	24,389	83,580	213,977
Lease liabilities	9,086	4,770	1,806	2,510
Purchase obligations	165,118	165,118	—	—
Total contractual obligations	\$ 588,507	\$ 194,277	\$ 177,743	\$ 216,487

Purchase obligations are for the purchase of seafood and other non-seafood inputs, including flour, paper products, and frying oils. For further details of *Procurement* and *Foreign Currency* risks, refer to the *Risk Factors* section of our 2024 Annual MD&A.

Financial Instruments and Risk Management

The Company has exposure to the following risks as a result of its use of financial instruments: foreign currency risk, interest rate risk, credit risk and liquidity risk. The Company enters into interest rate swaps, foreign currency contracts, and insurance contracts to manage these risks that arise from the Company's operations and its sources of financing, in accordance with a written policy that is reviewed and approved by the Audit Committee of the Board of Directors. The policy prohibits the use of derivative financial instruments for trading or speculative purposes.

Readers are directed to Note 9 "*Fair value measurement*" of the Condensed Consolidated Financial Statements for a complete description of the Company's use of derivative financial instruments and their impact on the financial results, and to Note 25 "*Financial risk management objectives and policies*" of the 2024 Annual Consolidated Financial Statements for further discussion of the Company's financial risks and policies.

Disclosure of Outstanding Share Data

On November 5, 2025, 28,815,296 common shares and 411,950 options were outstanding. The options are exercisable on a one-for-one basis for common shares of the Company.

RELATED PARTY TRANSACTIONS

The Company had no related party transactions, excluding key management personnel compensation, for the thirteen and thirty-nine weeks ended September 27, 2025 and September 28, 2024. Refer to Note 21, "*Related party disclosures*" to the 2024 Annual Consolidated Financial Statements, for a further description of the Company's related party transactions, which are substantially unchanged in 2025.

NON-IFRS FINANCIAL MEASURES

The Company uses the following non-IFRS financial measures and ratios (together, "measures") in this MD&A: Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"); Adjusted EBITDA as a Percentage of Sales; Adjusted Net Income; Adjusted Diluted Earnings per Share ("Adjusted Diluted EPS"); Standardized Free Cash Flow; Net Debt; and Net Debt to Rolling fifty-two weeks Adjusted EBITDA. The Company believes these non-IFRS financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Company for the reasons outlined below. These measures do not have any standardized meaning as prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS.

Adjusted EBITDA and Adjusted EBITDA as Percentage of Sales

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization adjusted for items that are not considered representative of ongoing operational activities of the business. The related margin, Adjusted EBITDA as a Percentage of Sales, is defined as Adjusted EBITDA divided by net sales, where net sales is defined as "Sales" on the condensed consolidated statements of income.

We use Adjusted EBITDA (and Adjusted EBITDA as a percentage of sales) as a performance measure as it approximates cash generated from operations before capital expenditures and changes in working capital, and it excludes the impact of expenses and recoveries associated with certain non-routine items that are not considered representative of the ongoing operational activities, as discussed above, and share-based compensation expense related to the Company's share price. We believe investors and analysts also use Adjusted EBITDA (and Adjusted EBITDA as a percentage of sales) to evaluate the performance of our business. The most directly comparable IFRS measure to Adjusted EBITDA is "Net income" on the condensed consolidated statements of income. Adjusted EBITDA is also useful when comparing to other companies, as it eliminates the differences in earnings that are due to how a company is financed. Also, for the purpose of certain covenants on our credit facilities, "EBITDA" is based on Adjusted EBITDA, with further adjustments as defined in the Company's credit agreements.

The following table reconciles Adjusted EBITDA with measures in our Condensed Consolidated Financial Statements and calculates Adjusted EBITDA as a Percentage of Sales.

(Amounts in \$000s)	Thirteen weeks ended September 27, 2025		Thirteen weeks ended September 28, 2024	
Net income	\$	4,767	\$	18,347
Add back:				
Depreciation and amortization expense		6,049		5,917
Finance costs ⁽¹⁾		6,250		(7,997)
Income tax (recovery) expense		(1,237)		4,804
Standardized EBITDA		15,829		21,071
Add back (deduct):				
Business acquisition, integration and other expenses (income) ⁽²⁾		(307)		232
Loss on disposal of assets		382		135
Share-based compensation (recovery) expense		(672)		55
Adjusted EBITDA	\$	15,232	\$	21,493
Net Sales	\$	248,619	\$	228,884
Adjusted EBITDA as a Percentage of Sales		6.1%		9.4%

(Amounts in \$000s)	Thirty-nine weeks ended September 27, 2025		Thirty-nine weeks ended September 28, 2024	
Net income	\$	28,532	\$	54,236
Add back:				
Depreciation and amortization expense		18,020		17,191
Finance costs ⁽¹⁾		16,662		3,032
Income tax expense		4,032		9,927
Standardized EBITDA		67,246		84,386
Add back (deduct):				
Business acquisition, integration and other expenses (income) ⁽²⁾		1,623		(8,760)
Loss on disposal of assets		392		349
Share-based compensation expense		3,194		3,582
Adjusted EBITDA	\$	72,455	\$	79,557
Net Sales	\$	756,665	\$	724,179
Adjusted EBITDA as a Percentage of Sales		9.6%		11.0%

⁽¹⁾ Finance costs for the thirteen and thirty-nine weeks ended September 28, 2024 include a gain of \$12.7 million on the modification of debt related to the debt refinancing completed in July 2024.

⁽²⁾ The business acquisition, integration and other expenses (income) for the thirteen weeks ended September 27, 2025 include a one-time benefit related to the capitalization of certain costs associated with the Conagra Brands Acquisition which were capitalized upon closing the transaction as a part of the asset acquisition accounting and had previously been expensed. For the thirty-nine weeks ended September 28, 2024, these costs included a gain of \$9.8M relating to the shares reacquired in result of the litigation settlement reached between High Liner Foods and the former shareholders of Rubicon, which was excluded in Adjusted EBITDA. This amount also included legal and consulting fees relating to the lawsuit.

Rolling fifty-two weeks Adjusted EBITDA

(Amounts in \$000s)	Rolling fifty-two weeks ended		
	September 27, 2025	December 28, 2024	September 28, 2024
Net income	\$ 34,460	\$ 60,164	\$ 60,652
Add back:			
Depreciation and amortization expense	23,834	23,005	25,168
Finance costs ⁽¹⁾	22,146	8,516	8,849
Income tax expense	5,972	11,867	10,593
Standardized EBITDA	86,412	103,552	105,262
Add back (deduct):			
Business acquisition, integration and other expenses (income) ⁽²⁾	1,854	(8,528)	(8,350)
Loss on disposal of assets	799	756	282
Share-based compensation expense	7,171	7,559	4,250
Rolling fifty-two weeks Adjusted EBITDA	\$ 96,236	\$ 103,339	\$ 101,444

⁽¹⁾ Finance costs for the rolling fifty-two weeks ended December 28, 2024 and September 28, 2024 include a gain of \$12.7 million on the modification of debt related to the debt refinancing completed in July 2024.

⁽²⁾ Business acquisition, integration and other expenses (income) for the rolling fifty-two weeks ended September 27, 2025 include costs associated with the Conagra Brands Acquisition, as well as other non-routine expenses. For the rolling fifty-two weeks ended September 28, 2024 and December 28, 2024 this expense includes a gain of \$9.8 million relating to the shares reacquired in result of the litigation settlement reached between High Liner Foods and the former shareholders of Rubicon.

Adjusted Net Income and Adjusted Diluted EPS

Adjusted Net Income is net income adjusted for the after-tax impact of items which are not representative of ongoing operational activities of the business and certain non-cash expenses or income. Adjusted Diluted EPS is Adjusted Net Income divided by the average diluted number of shares outstanding.

We use Adjusted Net Income and Adjusted Diluted EPS to assess the performance of our business without the effects of the above-mentioned items, and we believe our investors and analysts also use these measures. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. The most comparable IFRS financial measures are net income and EPS.

The table below reconciles our Adjusted Net Income with measures that are found in our Condensed Consolidated Financial Statements and calculates Adjusted Diluted EPS.

	Thirteen weeks ended September 27, 2025		Thirteen weeks ended September 28, 2024	
	\$000s	Adjusted Diluted EPS	\$000s	Adjusted Diluted EPS
Net income	\$ 4,767	\$ 0.16	\$ 18,347	\$ 0.61
Add back (deduct):				
Business acquisition, integration and other expenses (income) ⁽¹⁾	(307)	(0.01)	232	0.01
Share-based compensation (recovery) expense	(672)	(0.02)	55	—
Modification gain on debt refinancing activities	—	—	(13,033)	(0.42)
Tax impact of reconciling items	286	0.01	—	—
Adjusted Net Income	\$ 4,074	\$ 0.14	\$ 5,601	\$ 0.20
Weighted average shares for the period (000s)		29,811		30,509

	Thirty-nine weeks ended September 27, 2025		Thirty-nine weeks ended September 28, 2024	
	\$000s	Adjusted Diluted EPS	\$000s	Adjusted Diluted EPS
Net income	\$ 28,532	\$ 0.95	\$ 54,236	\$ 1.69
Add back (deduct):				
Business acquisition, integration and other expenses (income) ⁽¹⁾	1,623	0.05	(8,760)	(0.27)
Share-based compensation expense	3,194	0.11	3,582	0.11
Modification gain on debt refinancing activities ⁽²⁾	—	—	(13,033)	(0.41)
Tax impact of reconciling items	(1,224)	(0.04)	(595)	(0.02)
Adjusted Net Income	\$ 32,125	\$ 1.07	\$ 35,430	\$ 1.10
Weighted average shares for the period (000s)		30,022		32,180

⁽¹⁾ The business acquisition, integration and other expenses (income) for the thirteen weeks ended September 27, 2025 include a one-time benefit related to the capitalization of certain costs associated with the Conagra Brands Acquisition which were capitalized upon closing the transaction as part of the asset acquisition accounting and had previously been expensed. For the thirty-nine weeks ended September 28, 2024, this amount includes a gain of \$9.8 million relating to the shares reacquired in result of the litigation settlement reached between High Liner Foods and the former shareholders of Rubicon. For the thirteen and thirty-nine weeks ended September 28, 2024, this amount includes legal and consulting fees relating to the lawsuit High Liner Foods filed against Mr. Brian Wynn.

⁽²⁾ Modification gain on debt refinancing activities for the thirteen and thirty-nine weeks ended September 28, 2024 includes a gain of \$12.7 million on the modification of debt related to the debt refinancing completed in July 2024.

Standardized Free Cash Flow

Standardized Free Cash Flow is cash flow provided by operating activities less capital expenditures (net of investment tax credits) as reported in the condensed consolidated statements of cash flows. The capital expenditures related to business acquisitions are not deducted from Standardized Free Cash Flow.

We believe Standardized Free Cash Flow is an important indicator of the financial strength and performance of our business because it shows how much cash is available to pay dividends, repay debt (including lease liabilities) and reinvest in the Company. We believe investors and analysts use Standardized Free Cash Flow to value our business and its underlying assets. The most comparable IFRS financial measure is "cash flows provided by operating activities" in the condensed consolidated statements of cash flows.

The table below reconciles our Standardized Free Cash Flow calculated on a rolling fifty-two week basis, with measures that are in accordance with IFRS and as reported in the condensed consolidated statements of cash flows.

(Amounts in \$000s)	Fifty-two weeks ended		
	September 27, 2025	September 28, 2024	Change
Cash flows provided by operations before changes in non-cash working capital, interest and income taxes paid	\$ 93,057	\$ 99,703	\$ (6,646)
Net change in non-cash working capital balances	(66,014)	66,328	(132,342)
Interest paid	(16,861)	(21,985)	5,124
Income taxes paid	(9,656)	(7,143)	(2,513)
Cash flows provided by operating activities	526	136,903	(136,377)
Less:			
Purchase of property, plant and equipment, and intangible assets ⁽¹⁾	(41,113)	(23,102)	(18,011)
Standardized Free Cash Flow	\$ (40,587)	\$ 113,801	\$ (154,388)

⁽¹⁾ During the fifty-two weeks ended September 27, 2025, these purchases include the property, plant and equipment and intangible assets acquired as part of the Conagra Brands Acquisition (refer to *Recent Developments* above)

Net Debt and Net Debt to Rolling fifty-two weeks Adjusted EBITDA

Net Debt is calculated as the sum of bank loans, long-term debt (excluding deferred finance costs and modification gains/losses) and lease liabilities, less cash.

We consider Net Debt to be an important indicator of our Company's financial leverage because it represents the amount of debt that is not covered by available cash. We believe investors and analysts use Net Debt to determine the Company's financial leverage. Net Debt has no comparable IFRS financial measure, but rather is calculated using several asset and liability items in the condensed consolidated statements of financial position.

Net Debt to Rolling fifty-two weeks Adjusted EBITDA is calculated as Net Debt divided by Rolling fifty-two weeks Adjusted EBITDA. We consider Net Debt to Rolling fifty-two weeks Adjusted EBITDA to be an important indicator of our ability to generate sufficient earnings to service our debt, that enhances understanding of our financial performance, and highlights operational trends. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies; however, the calculations of Adjusted EBITDA may not be comparable to those of other companies, which limits their usefulness as comparative measures.

The following table reconciles Net Debt to IFRS measures reported as at the end of the indicated periods in the condensed consolidated statements of financial position and calculates Net Debt to Rolling fifty-two weeks Adjusted EBITDA.

(Amounts in \$000s)	September 27, 2025	December 28, 2024	September 28, 2024
Bank loans	\$ 92,130	\$ —	\$ —
Add-back: Deferred finance costs included in bank loans ⁽¹⁾	227	—	—
Total bank loans	92,357	—	—
Long-term debt	209,174	211,312	212,013
Current portion of long-term debt	7,500	7,500	6,000
Add-back: Deferred finance costs included in long-term debt ⁽²⁾	7,125	8,063	8,382
Net gain on modification of debt ⁽³⁾	10,200	11,625	12,106
Total term loan debt	233,999	238,500	238,501
Long-term portion of lease liabilities	3,062	5,799	6,690
Current portion of lease liabilities	4,309	4,370	4,072
Total lease liabilities	7,371	10,169	10,762
Less: Cash	(313)	(15,463)	(9,629)
Net Debt	\$ 333,414	\$ 233,206	\$ 239,634
Rolling fifty-two weeks Adjusted EBITDA	\$ 96,236	\$ 103,339	\$ 101,444
Net Debt to Rolling fifty-two weeks Adjusted EBITDA	3.5x	2.3x	2.4x

⁽¹⁾ Represents deferred finance costs that are included in "Bank loans" in the condensed consolidated statements of financial position. See Note 3 to the Condensed Consolidated Financial Statements.

⁽²⁾ Represents deferred finance costs that are included in "Long-term debt" in the condensed consolidated statements of financial position. See Note 4 to the Condensed Consolidated Financial Statements.

⁽³⁾ The net gain on modification of debt has been excluded from the calculation of Net Debt as it does not represent the expected cash outflows from the term loan facility. See Note 4 to the Condensed Consolidated Financial Statements.

GOVERNANCE

In accordance with National Instrument 52-109, "Certification of Disclosure in Issuers' Annual and Interim Filings", our certifying officers have evaluated the design effectiveness of Disclosure Controls and Procedures ("DC&P"), and our Company's Internal Control over Financial Reporting ("ICFR"). There were no changes in the Company's ICFR during the period beginning on June 29, 2025, and ending on September 27, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

ACCOUNTING ESTIMATES AND STANDARDS

Critical Accounting Estimates

Critical accounting judgments and estimates used in preparing our Condensed Consolidated Financial Statements are described in the Company's 2024 Annual Consolidated Financial Statements. The preparation of the Company's Condensed Consolidated Financial Statements requires management to make critical judgments, estimates and assumptions that affect the reported amounts of sales, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. On an ongoing basis, management evaluates its judgments, estimates and assumptions using historical experience and various other factors it believes to be reasonable under the given

circumstances. Actual outcomes may differ from these estimates under different assumptions and conditions that could require a material adjustment to the reported carrying amounts in the future.

Accounting Standards

The accounting policies used in the preparation of the Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Company's Audited Consolidated Financial Statements for the year ended December 28, 2024, except for the adoption of the following new amendments that were effective for annual periods beginning on or after January 1, 2024 and that the Company has adopted on December 29, 2024:

IAS 1, Presentation of Financial Statements

In January 2020 and October 2022, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are effective for annual periods beginning on or after January 1, 2024 and must be applied prospectively. Upon adoption of the amendments to IAS 1 in the current fiscal year, the Company classified bank loans as non-current liabilities and certain liabilities relating to share-based compensation to current liabilities.

RISK FACTORS

High Liner Foods is exposed to a number of risks, including in the normal course of business, that have the potential to affect operating performance. The Company takes a strategic approach to risk management. To achieve a superior return on investment, we have designed an enterprise-wide approach, overseen by the senior management of the Company and reported to the Board, to identify, prioritize and manage risk effectively and consistently across the organization.

Readers should refer to the risks discussed above in this MD&A and the 2024 Annual Consolidated Financial Statements, MD&A and AIF for a more detailed description of risk factors applicable to the Company, which are available at www.sedarplus.ca and at www.highlinerfoods.com.