



CANADA PACKERS INC.

ANNUAL INFORMATION FORM  
For the year ended December 27, 2025

**MARCH 3, 2026**



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**CANADA PACKERS INC.  
ANNUAL INFORMATION FORM**

Unless otherwise indicated, the information in this Annual Information Form is given as of December 27, 2025 and all amounts are in Canadian dollars. Unless the context otherwise requires, references herein to “Canada Packers” or the “Company” are to Canada Packers Inc. and its consolidated subsidiaries.

**FORWARD-LOOKING INFORMATION**

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, judgments 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 operating capacity of the processing facilities; expected sales channels; 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 including the Canada Packers capital investment program, operating obligations and dividends; the anticipated future financial performance of the Company; implications associated with the spread of foreign animal disease (such as African Swine Fever); 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; terms; 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; the amount and timing of dividend payments including the tax treatment thereof; the adoption of new accounting standards and the impact of such adoption on the financial position of the Company; and competitive conditions and the Company’s ability to position itself competitively in the markets in which it competes.

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, 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, implications of tariffs, interest rates, tax rates and exchange rates; 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 African Swine Fever) preparedness strategies to manage such spread, and implications for the global pork market; access to export markets; availability of and access to capital to fund future capital requirements and ongoing operations; prevailing regulatory, tax and environmental laws; and 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 the assumptions on which this information is based may prove to be incorrect in whole or in part, and actual outcomes 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 results of Canada Packers’ execution of its business plan, the degree to which benefits are realized or not and the timing to realize those benefits, including the implications on the financial results; 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; 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; 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; cyclical nature of the cost and supply of hogs and the competitive nature of the pork market generally; the effectiveness of commodity and interest rate hedging strategies; impact of changes in the market value of the biological assets and hedging instruments; intellectual property rights and licensing; reputation; weather; compliance with government regulation and adapting to changes in laws; compliance with the tax ruling received from the CRA in relation to the Spin-Off (as defined herein); actual and threatened legal claims; consumer trends and changes in consumer buying patterns; environmental regulation and potential environmental liabilities; 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; changes in International Financial Reporting Standards and other accounting standards that the Company is required to adhere to for regulatory purposes; and other factors as set out under the heading "Risk Factors" of the Company's 2025 Annual MD&A (the "MD&A") which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Company cautions readers that the foregoing list of factors is not exhaustive.

Additional information concerning the Company can be found in the MD&A. Specific additional information about these and other risk factors can be found under the heading "Risk Factors" in the MD&A and readers should review this section in detail.

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.

#### **NON-IFRS MEASURES**

This document makes reference to certain non-IFRS measures and ratios, including Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT, Free Cash Flow and Net Debt to Adjusted EBITDA. These measures and ratios are not recognized measures under IFRS, and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other companies.

Refer to the heading "Non-IFRS Financial Measures" in the MD&A for more information about these measures and ratios, including reconciliations to the most directly comparable IFRS measures.

#### **MARKET DATA AND INDUSTRY DATA**

This document includes market and industry data obtained from third-party sources, industry publications, and publicly available information, as well as industry and other data prepared by Canada Packers on the basis of its knowledge of the Canadian, U.S. and international markets and economies (including Canada Packers' estimates and assumptions relating to these markets and economies based on that knowledge). Canada Packers believes that such market and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data used throughout this AIF are not guaranteed, and Canada Packers does not make any representation as to the accuracy of such information. Although Canada Packers believes it to be reliable, it has not independently verified any of the data from third-party sources referred to in this AIF, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources.

#### **CORPORATE STRUCTURE**

Canada Packers is a public company that was incorporated under the *Canada Business Corporations Act*. The Company's common shares trade on the TSX under the symbol "CPKR" and its registered and principal office is located at 6985 Financial Drive, Mississauga, Ontario L5N 0A1. Copies of the Company's constituting documents, including its articles and bylaws are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.canadapackers.com](http://www.canadapackers.com). None of Canada Packers' subsidiaries have total assets exceeding 10% of the consolidated assets of Canada Packers or revenues that exceed 10% of the consolidated revenues of Canada Packers.

#### **GENERAL DEVELOPMENT OF THE BUSINESS**

The following is a summary of significant developments in Canada Packers history over the last three years, including the history of the Pork Operations (as defined below) that were part of Maple Leaf Foods Inc. prior to completion of the Spinoff (as defined below).

##### **The Spin-Off**

The predecessors to the Company - one being a corporation also named Canada Packers Inc. ("Subco") and the other being a corporation named 16923534 Canada Inc. ("Newco") were incorporated under the *Canada Business Corporations Act* (the "CBCA") on December 9,

2024 and April 17, 2025, respectively, in connection with Maple Leaf Foods Inc.'s ("Maple Leaf Foods") spin-off of the Pork Operations (as defined below) into an independent, publicly traded company, pursuant to a plan of arrangement under section 192 of the CBCA and an arrangement agreement, as amended, (the "Arrangement Agreement") entered into among the parties (the "Spin-Off").

Before July 28, 2025, the business that is now operated by the Company consisted of the pork operations that were at the time operated by Maple Leaf Foods and its affiliates consisting of, among other things, agricultural and hog production operations, primary pork processing, and a national and global sales and distribution network for fresh and frozen pork products, and included all the assets and liabilities pertaining thereto that were held, directly or indirectly, by Maple Leaf Foods and its affiliates excluding the ham boning operations at the Lagimodiere prepared meats facility (the "Pork Operations").

On July 28, 2025, in contemplation of the separation of the Pork Operations from Maple Leaf Foods pursuant to the Spin-Off, Canada Packers entered into a Separation Agreement and various other agreements with Maple Leaf Foods transferring the Pork Operations to Subco, as a predecessor to Canada Packers, and providing a framework for Canada Packers' relationship with Maple Leaf Foods going forward, including a Supply Agreement, a Long-Term Services Agreement, a Support Services Agreement, a Pensions and Benefits Agreement and an Employment Matters Agreement.

The Spin-Off was subsequently completed effective October 1, 2025 pursuant to a plan of arrangement and arrangement agreement ("Arrangement Agreement"). The material Spin-Off Agreements were filed on SEDAR+ on October 1, 2025. Highlights of each of the material Spin-Off Agreements are included below. These summaries are qualified in their entirety by the full agreements available on SEDAR+.

#### *Separation Agreement*

- The Separation Agreement sets out the terms pursuant to which the assets and certain liabilities related to the Pork Operations were transferred from Maple Leaf Foods to Canada Packers and certain transitional arrangements governing the relationship between Maple Leaf Foods and Canada Packers following the completion of the Arrangement. The purchased assets were transferred on an "as-is", "where-is" basis.
- Pursuant to the Separation Agreement, Canada Packers is required to indemnify Maple Leaf Foods and its affiliates from and against any assumed liabilities, and Maple Leaf Foods is required to indemnify Canada Packers and its affiliates from and against any specified excluded liabilities. Maple Leaf Foods and Canada Packers will indemnify each other with respect to breaches of representations or warranties or non-performance of their respective obligations under the Separation Agreement.
- Other matters governed by the Separation Agreement include responsibility for taxes, access to books and records, confidentiality and insurance.

#### *Arrangement Agreement*

- The Arrangement Agreement contains certain customary covenants for the parties to cooperate to complete the Spin-Off including, among other things (i) cooperation with each other in dealing with transitional and other matters relating to or arising from the Spin-Off and the transactions associated therewith, and (ii) not to perform any act or enter into any transaction that could interfere or be inconsistent with the completion of the Spin-Off or the application of the ruling received from the Canada Revenue Agency related to the butterfly structure of the Spin-Off (the "Tax Ruling").
- In addition there are a number of specific covenants related to the Tax Ruling, including covenants by Maple Leaf Foods and Canada Packers (as the successor to Subco and Newco), that for a period of two years after the effective date of the Spin-Off, it will not (and will cause its subsidiaries to not) take any action, omit to take any action or enter into any transaction that could cause the Spin-Off and the transactions associated therewith, to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling without obtaining a tax ruling or an opinion of a nationally recognized law firm that such action, omission or transaction will not have such effect, and also provides for a representation by party to the Arrangement Agreement that it has no present intention to take any action, omit to take any action, or enter into any transaction that could cause the Spin-Off or any related transaction to be taxed in a manner that is inconsistent with that provided for in the Tax Ruling. Each party to the Arrangement Agreement indemnifies the other parties against any loss suffered or incurred, directly or indirectly, that results from, or is in connection with, the indemnifying party's breach of this covenant.

#### *Supply Agreement*

- Pursuant to the Supply Agreement, Canada Packers provides Maple Leaf Foods with a secure supply of high-quality, sustainable pork, which Maple Leaf Foods will purchase from Canada Packers at United States Department of Agriculture (USDA) based prices, to meet the needs of Maple Leaf Foods' prepared foods portfolio and to provide Canada Packers with a reliable source of business; (ii) Maple Leaf Foods licenses certain intellectual property rights and trademarks to Canada Packers; and (iii) Maple Leaf Foods provides Canada Packers with North American customer brokerage services.
- Maple Leaf Foods provides a five-year hog forecast updated annually on a rolling basis, to Canada Packers and Canada Packers is responsible for raising, or causing to be raised, such number of hogs, specified in each annual hog forecast, up to an agreed upon maximum number of hogs. In particular, the Supply Agreement provides, among other things, that, (i)

Maple Leaf Foods pays a premium upcharge for each raised without antibiotic (“RWA”) hog raised by Canada Packers in the forecast intended to cover the incremental cost to raise an RWA hog (the “RWA Upcharge”) plus a margin (the “Margin”). Each of the RWA Upcharge and the Margin is based on a pricing grid set on or before September 30th of each year established in accordance with the terms of the Supply Agreement. To the extent that Canada Packers sells pork to other customers from these RWA hogs with an RWA claim, reimburses Maple Leaf Foods for a proportionate amount of the RWA Upcharge. If any component of the RWA Upcharge becomes an industry requirement, such component’s cost will be removed from the RWA Upcharge and if the RWA specifications become an industry requirement, the RWA Upcharge will be eliminated;

- Maple Leaf Foods also pays a premium for each open pen gestation (“OPG”) hog raised by Canada Packers in the forecast (the “OPG Upcharge”) and to the extent Canada Packers sells pork to other customers from these OPG hogs with an “OPG” claim, it reimburses Maple Leaf Foods for a proportionate amount of the OPG Upcharge. If the OPG specifications become an industry requirement, the OPG Upcharge will be eliminated;
- Canada Packers is entitled to retain a minimum number of kilograms of bone-in ham each year and Maple Leaf Foods provides ham boning services to Canada Packers on a cost-plus basis;
- If Maple Leaf Foods seeks to increase hog production volumes beyond the agreed maximum, Canada Packers and Maple Leaf Foods would need to mutually agree on the requisite capital expenditures to increase production and Maple Leaf Foods will reimburse Canada Packers for its pre-agreed portion of the requisite capital expenditures; and
- Maple Leaf Foods provides Canada Packers with broker services with North American customers, other than certain excluded accounts (e.g., industrial, pet food) for a monthly fee.
- Certain events, including market disruption events and material adverse events (e.g., force majeure) entitle a party to relief from performance.
- Canada Packers has a limited, non-transferable, non-sublicensable license to certain intellectual property including (i) processes for RWA programs for feed formulas, genetics and know-how; gestation crate fee programs; African Swine Fever prevention programs; animal care; sow density methodologies; specialization processes for Japanese markets; hog raising methods; quality assurance management; biosecurity programs; and food-safety and quality assurance programs; and (ii) trademarks for “Lethbridge Heritage Pork”; “Lethbridge Pork”; “Heritage Lethbridge Pork, Premium”; “Maple Leaf Foods”, “MLQA”; “Greenfield Natural Meat Co.” and certain other marks (collectively, the “Licensed Intellectual Property”). In consideration for the grant of the Licensed Intellectual Property, Canada Packers makes annual royalty payments, payable in quarterly installments.
- Canada Packers indemnifies Maple Leaf Foods and its affiliates and their respective officers, directors, employees, agents and representatives from and against any and all losses relating to (i) conduct, negligence, misfeasance or non-feasance of Canada Packers, its agents, contractors, officers or employees including any breach by Canada Packers of the Supply Agreement; (ii) any shut down of the facilities or barns or substantial reduction in Canada Packers’ capacities in Canada and/or the US; and (iii) use by Canada Packers of any Licensed Intellectual Property other than in accordance with the Supply Agreement.
- Maple Leaf Foods indemnifies Canada Packers from and against any and all losses relating to conduct, negligence, misfeasance or non-feasance of Maple Leaf Foods, its agents, contractors (other than Canada Packers), officers or employees including any breach by Maple Leaf Foods of the Supply Agreement.
- Maple Leaf Foods has certain step-in rights, whereby it can step in to mitigate, rectify or protect against a circumstance, if, acting reasonably, it believes that (i) a breach of the Supply Agreement by Canada Packers (A) is likely to create an immediate and serious threat to health or safety or Maple Leaf Foods’ reputation or (B) is prejudicial to the ability to carry on Maple Leaf Foods’ business to a material degree; or (ii) Canada Packers is otherwise in material breach of its obligations under the Supply Agreement; or (iii) Canada Packers accumulates continuing and material service, quality or safety level failures.
- Maple Leaf Foods has the right to terminate the Supply Agreement upon written notice if (i) Canada Packers becomes insolvent, consents to or makes a general assignment for the benefit of creditors; (ii) Canada Packers is in material default of any of its obligations under the Supply Agreement and fails to cure such default within 30 days; (iii) proceedings are commenced by Canada Packers for the winding-up or dissolution of Canada Packers; or (iv) certain events of payment default by Canada Packers have occurred under its material debt financing documentation (or certain other events of default that have resulted in the acceleration of such debt).
- Maple Leaf Foods is granted an option to purchase the Canada Packers’ assets which are reasonably required to satisfy Canada Packers’ obligations under the Supply Agreement at fair market value (subject to a formal independent appraisal process if such value cannot be mutually agreed) upon the occurrence of certain trigger events, including (i) certain events of payment default by Canada Packers under its material debt financing documentation (or certain other events of default that have resulted in the acceleration of such debt), (ii) Canada Packers becomes insolvent, consents to or makes

a general assignment for the benefit of creditors, or (iii) if any proceedings are commenced by Canada Packers for the winding-up or dissolution of Canada Packers (the “Option to Purchase”). Any purchase and sale pursuant to an exercise of the Option to Purchase shall be subject to customary closing conditions, including satisfaction of any required consents or approvals.

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

See “Description of Capital Structure – Governance Agreement” below for a summary of the Governance Agreement entered into among Canada Packers, Maple Leaf Foods, McCain Capital Inc. and Michael H. McCain.

References herein to Maple Leaf Foods, where the context requires, refer only to the non-Canada Packers activities of Maple Leaf Foods. References below to the Company or Canada Packers include (1) prior to July 28, 2025, the Pork Operations, and (2) on and after July 28, 2025, but prior to October 1, 2025, Subco (as a predecessor to the Company), in each case except where the context otherwise requires.

## DESCRIPTION OF THE BUSINESS

### Overview

Canada Packers is a global leader in sustainably produced, premium quality, value-added pork products, built on a legacy of excellence and innovation. As a vertically integrated pork production and processing company, Canada Packers’ diversified business mix and differentiated business strategy has demonstrated resiliency through market cycles. Canada Packers has established a track record of delivering margins that management believes compare favourably to many of its peers. It is among North America’s largest producers of RWA pork and is a key supplier of RWA and conventional pork products to customers in Canada, the U.S., Japan, China and other international markets. Canada Packers prides itself on industry leading best practices in sustainability, animal care and worker safety. It views excellence and sustainability as key to its growth and competitive edge, forming the basis of its premium programs and commitment to shared value.

### Principal Operations of Canada Packers

Canada Packers’ operations principally include: (i) hog production and procurement; (ii) primary processing; and (iii) North American and global pork sales and distribution.

#### *Hog Production and Procurement*

Canada Packers operates one of the largest hog production operations in Canada, with a history dating back more than 97 years. Canada Packers has sow, nursery and finishing operations across approximately 200 production locations in Manitoba, Saskatchewan and Alberta. With approximately 74,000 sow spaces under management at the end of 2025, Canada Packers owns all of the sows in the barns it manages and places hogs in owned barns as well as contracted or leased nursery and finishing barns to raise hogs to market weight.

In total, approximately 45% of the roughly 4 million hogs per year that Canada Packers processes at its two processing facilities in Brandon and Lethbridge will be raised by Canada Packers, and approximately 55% are sourced from third-party suppliers. Canada Packers has long-standing relationships with many of its third-party hog suppliers. It contracts for hog supply through an established strategy, with contracts ranging from two to five years. In total, Canada Packers has hog supply contracts with approximately 220 suppliers across the prairie region of Western Canada.

A leader in sustainability practices and animal care, Canada Packers is North America’s largest producer of RWA hogs, with approximately 0.9 million of the 1.94 million hogs raised by Canada Packers being RWA. In addition, 93% of its owned and controlled barns have already been converted to gestation crate free, and the balance meet open pen gestation standards. Canada Packers employs high standards in animal care, leveraging the humane hog raising and handling techniques, enrichment programs and best in class biosecurity protocols. In addition, all hogs are Canadian Pork Excellence certified, including with respect to “Pig Trace, Pig Care and Pig Safe” criteria,<sup>1</sup> and are 100% ractopamine free.

#### *Primary Processing*

Canada Packers has two pork processing plants located in Brandon, Manitoba and Lethbridge, Alberta. These processing facilities are strategically located, affording procurement and production advantages. For example, the Brandon plant is located in one of the agriculture capitals of North America, with close proximity to feed sources, land supply and skilled labour. Brandon’s operations have the capacity to process up to 4.5 million hogs annually, with current throughput being approximately 3.6 million hogs annually. Given this strategic location

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<sup>1</sup> The Canadian Quality Assurance program is an on-farm assessment program that provides assurance to pork processors, retailers and consumers about on-farm food safety and animal care practices.

and available processing capacity, the opportunities to increase hog supply while focusing on enhancing operational efficiencies will be a key driver of growth. Historically, the number of hogs processed has been generally aligned with the volume of pork required for Maple Leaf Foods' prepared meats operations. As Maple Leaf Foods only required certain portions of each hog, Canada Packers would optimize use of the whole hog by selling the other cuts of pork within North America and internationally. As an independent and focused company, Canada Packers will have greater potential to add incremental hog supply and increase processing utilization rates to meet North American and global customer demand.

The key features of each plant are summarized below:

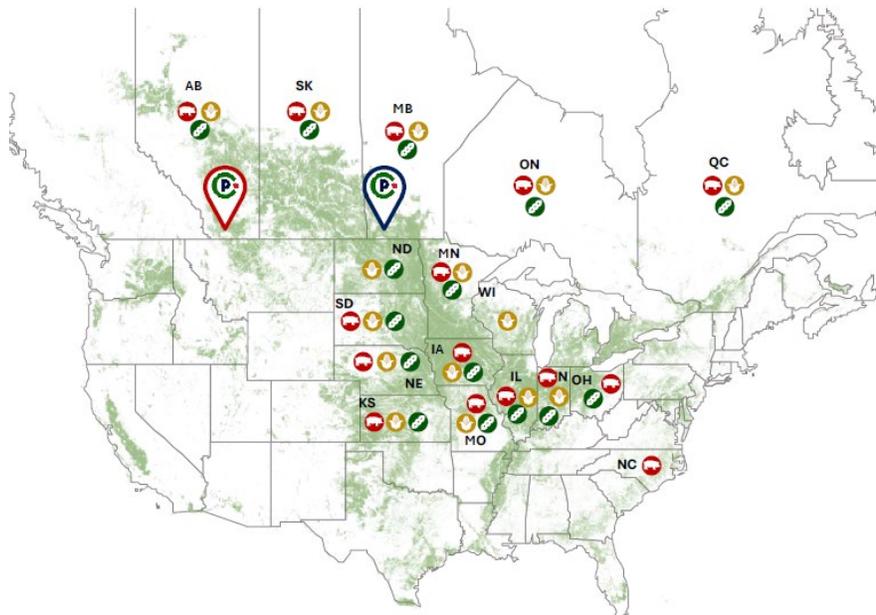
Brandon

- Built in 1999 and expanded in 2007
- Canada's largest primary pork processing facility (650,000 square feet) with approximately 2,000 employees
- Features controlled atmosphere stunning and fully automated hog movement system
- Snap chill processing capabilities providing longer shelf-life
- Currently processing approximately 3.6 million hogs annually, with the potential capacity to process up to 4.5 million hogs annually
- Strategically located
- Value-added offerings for retail customers with product that is case ready and retail ready

Lethbridge

- Designed in 1998
- Niche facility mirroring a traditional Japanese-style pork plant
- 45,000 square feet with approximately 400 employees
- Japanese-style hand butchery
- Currently operating at capacity, processing approximately 0.4 million hogs annually

The following map illustrates the strategic location of the plants.



*North American and Global Pork Sales and Distribution*

Canada Packers produces and sells fresh, frozen and chilled pork cuts to a diversified global customer base. Its processing capabilities allow it to meet customer and region-specific demand and to offer specialty and value-added pork products.

Canada Packers is a key supplier of pork to customers across the globe. Maple Leaf Foods is Canada Packers' anchor customer in North America, primarily purchasing conventional and RWA bellies, hams and trims. Sales to Maple Leaf Foods account for approximately 20% of Canada Packers' total annual sales. Canada Packers also continues to build on its established track-record with other major North American strategic customers in both retail and food service channels. Sales to these North American customers are primarily loin, rib and trim cuts, with some sales of other cuts that contribute to maximizing carcass utilization. North American markets (excluding sales to Maple Leaf Foods) account for approximately 40% of total annual sales.

International markets, including Asia, value Canada Packers' high-quality pork and customer service. Japan is a market with exacting product specifications that Canada Packers has served for decades, with value-added long-shelf-life chilled pork and frozen offerings. With an established on-the-ground team, Canada Packers has developed deep relationships with leading importers and end-users, with co-branded lines that highlight the unique story, flavour, taste and quality of Canada Packers pork.

Access to international markets offers flexibility, enables whole-hog optimization, and allows for greater optionality to maximize margins. Canada Packers has access to all major pork importing countries, with an established sales and marketing presence in Japan, China, South Korea, and the Philippines. These Asian markets account for approximately 40% of total annual sales.

As illustrated below, the demand for different cuts of pork varies by region, and therefore access to multiple markets facilitates optimization opportunities. Balanced exposure across these markets, together with a diverse sales mix across multiple distribution channels, including retail, foodservice and industrial, contribute to the resilience and durability of Canada Packers' business model. This resilience and durability is further enabled by Canada Packers' local sales and product optimization teams located in Japan, South Korea, China and the Philippines.



## Raw Material Supply

The principal raw materials used by Canada Packers in its business are feed and hogs.

### Feed

Canada Packers purchases a variety of feed ingredients, which are readily available at competitive prices. Canada Packers owns five feed mills in Manitoba which are used primarily to service the animal feed requirements of its hog operations. The mills purchase grains, proteins and pre-mixes which they use to manufacture finished feed rations.

### Hogs

Hogs for pork processing are supplied by Canada Packers' internal supply and third-party producers. Canada Packers raises approximately 45% of the hogs that it processes in its hog processing facilities, with the remainder of the hogs sourced from third-party farmers through direct contracts with producers. The terms of these contracts are from two to five years and have varying pricing mechanisms and premiums for hogs with specific quality characteristics.

## Competitive Environment and Market Conditions

Canada Packers sees significant opportunities for growth in the global pork market, based on expectations for increasing overall protein as anticipated by the OECD-FAO. In 2024, the size of the global protein industry was approximately \$1.3 trillion, of which pork represented approximately \$400 billion, according to Euromonitor International. Demand for protein is expected to increase, driven by such factors as: population growth; rising affluence and associated increased demand; dietary shift toward protein-rich foods; and demand for premium sustainably raised food. Canada Packers' strategic locations, its premium pork offerings, together with its access to international markets, positions it well to take advantage of this growing protein demand.

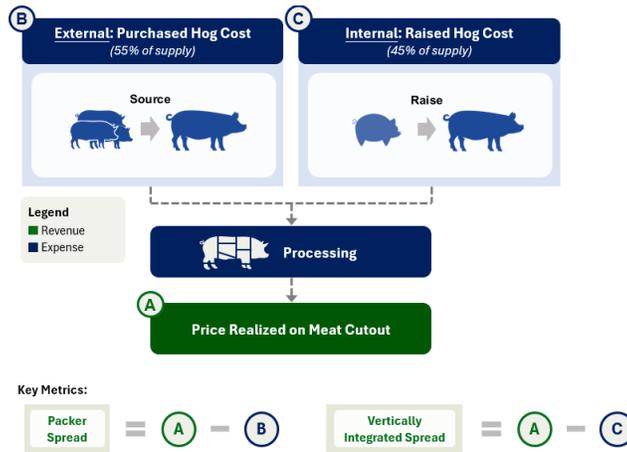
The location of Canada Packers' operations provides it with a geographic strategic advantage. However, markets for fresh pork are global, and Canada Packers competes with large pork processors located in the United States and throughout the world. In addition, as Canada Packers is a significant purchaser of live hogs in Canada, it competes with both Canadian and U.S. processors for hog supply, and its own hog growing operations faces competition from other hog production systems for nursery and finishing barn spaces.

Canada Packers is exposed to two key profitability drivers: the packer spread and vertically integrated spread.

**Packer Spread:** Represents the margin earned from externally purchased hogs. It is calculated as the difference between the price realized on the meat cutout (i.e., the aggregate value of the various meat products derived from processing a hog) and the cost of acquiring a live hog from the market. The key benchmark for the packer spread is the United States Department of Agriculture ("USDA") Cutout Price less the CME Spot Hog Price. The packer spread fluctuates based on factors such as meat demand, hog supply dynamics, and processing efficiency. The packer spread does not include the costs associated with the processing facility or selling, general, and administrative expenses ("SG&A").

**Vertically Integrated Spread:** Represents the margin generated from internally raised hogs. It is calculated as the difference between the price realized on the meat cutout and the internal cost of raising a hog. The key benchmark for the vertically integrated spread is the Iowa State Cost of Production farrow to finish model. Since Canada Packers is vertically integrated through the entire hog value chain (from breeding to entering processing), this spread is influenced by factors such as feed costs and efficiency, birth rates (farrowing), piglet weaning, mortality rates and processing efficiency. Similar to the packer spread, the vertically integrated spread does not include the costs associated with the processing facility or SG&A.

As illustrated below, these two spreads define Canada Packers' profitability over the long term, with the packer margin reflecting market-driven processing margins and the vertically integrated spread capturing the benefits and risks of internal hog raising.



Spreads have historically been within a relatively predictable range of volatility. However, in the years immediately following the COVID-19 pandemic, the market experienced unprecedented disruptions, primarily driven by sharp fluctuations in feed costs, supply chain disruptions and labour challenges, resulting in instances where the cost to raise a hog was greater than the value of the meat yielded. These disruptions led to heightened margin volatility and created short-term challenges for Canada Packers. These atypical conditions were transitory. Pork markets notably improved through 2024 and 2025 as supply chains stabilized, input cost pressures eased and industry fundamentals returned to more typical patterns.

Canada Packers has exposure to commodity markets, where financial performance is influenced by market prices for live hogs and feed costs. Various strategies are available to Canada Packers to manage commodity exposure in its raw material supply, including forward contracting and risk management contracts. Canada Packers' risk management approach involves hedging to manage price, market and foreign exchange risks associated with core operating exposures and it does not engage in significant speculative trading activity. Canada Packers also seeks to mitigate the influence of underlying commodity prices by increasing operating efficiencies to improve its competitive position.

The Company has established a risk management committee that meets frequently to discuss the market conditions, review hedging program and trading activity, and approve any new hedging and trading strategies. At this time, Canada Packers' strategy generally involves fixed price contracts with suppliers as well as exchange-traded and over-the-counter futures and options to manage Canada Packers' exposure to price fluctuations, and foreign exchange forward contracts to manage foreign exchange transaction exposures. Canada Packers performs quantitative assessments of the effectiveness of its positions, with a view to managing the value of the futures contracts and the value of the corresponding hedged items. See "Financial Instruments and Risk Management Activities" in the MD&A.

## History

Canada Packers' business has demonstrated resilience and durability during market cycles. Due to Canada Packers' flexibility and access to markets around the world, it has had the ability to deliver margins that management believes compare favourably to many of Canada Packers' peers. The following is a summary of key historical developments in the Pork Operations.

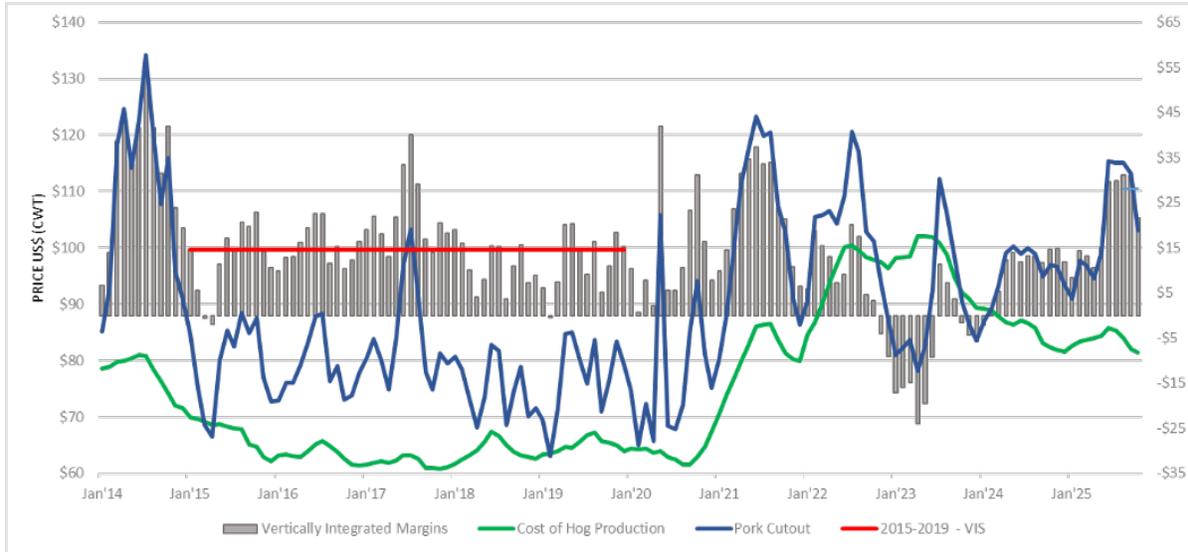
From 2015 to 2024, exclusive of the material impacts of the global market disruptions in 2022 and 2023 discussed below, the pork complex within Maple Leaf Foods maintained robust profitability, delivering, on average, double-digit Adjusted EBITDA margins. Over this period, management believes that the pork complex within Maple Leaf Foods has generally outperformed many of its industry peers.<sup>2</sup> This performance underscores the effectiveness of Canada Packers' integrated business model, global reach, focus on distinctive, sustainable, and premium product offerings, and unwavering commitment to operational excellence.

Starting in 2022 and extending through 2023, global pork markets faced unprecedented volatility due to a confluence of external factors, including the COVID-19 pandemic and the emergence of a post-pandemic economy marked by supply chain disruptions, labour

<sup>2</sup> Based on publicly reported segment data of certain industry peers related to operating earnings margins for North American pork operations of such peers over this period.

shortages, historically high feed costs, and the global impact of African Swine Fever (“ASF”), particularly in China, followed by China’s significant pork supply recovery. The financial impact on the industry was most pronounced starting in Q4 2022 to Q1 2024.

**Vertically Integrated Spread - USDA Pork Cutout – Industry Hog Production Cost**



Source: USDA, CME Group, ISU Return Model: <http://www2.econ.iastate.edu/estimated-returns>

During this period of global market disruptions, Canada Packers’ business demonstrated resilience. Neither the Brandon Plant nor the Lethbridge plant were mandated to shut down and Canada Packers’ comprehensive employee safety and COVID-19 protocols ensured continuity of plant and farm operations. Strong customer relationships in North American and international markets and value-added product offerings further resulted in a more optimized sales mix.

Looking ahead, Canada Packers is strategically focused on expanding its hog supply to drive growth across North American and international markets, while carefully preserving an optimized business mix anchored in sustainably produced, value-added offerings. This, combined with a proven track record in executing targeted cost-saving initiatives to enhance operational efficiency, is the basis for its confidence in its ability to deliver sustainable value to shareholders.

**Strategic Priorities**

Canada Packers is focused on advancing growth and value creation by pursuing the following key strategic priorities:

*Unlocking latent capacity within its existing manufacturing footprint*

Canada Packers has available capacity within its existing processing facilities that provide opportunities to increase volumes, improve plan throughput and lower costs to enhance profitability with limited capital investment. The Company seeks to increase its hog processing volumes by 2-3% a year to fill its existing processing capacity. As part of increasing hog volumes, it has a multi-pronged approach to securing additional hogs. As part its external hog procurement strategy, it is targeting independent hog farmers in Manitoba and Saskatchewan to procure additional hogs and is partnering with landowners to build finishing barns that the Company could lease back, enabling a capital-light approach to increasing external hog supply. The Company is also working with Canadian industry leaders to purchase weanlings and feeders from them that otherwise would have been exported for finishing, as there are roughly 4 to 5 million weanlings and feeders being exported to the United States annually. In addition to these external sourcing strategies, Canada Packers is also focused on improving the on-farm performance at its Company-owned barns through its operational excellence initiatives discussed further below.

*Driving Operational Excellence*

Canada Packers has identified for key operational levers to drive operational excellence. These levers include initiatives designed to increase the premium to USDA pricing that it receives for the pork it sells, lowering its hog raising costs, lowering its total delivered costs and managing overhead and administrative costs. Among the initiatives that support this strategy include:

- pursuing internal hog production improvements through the utilization of comprehensive key-performance-indicator benchmarking against the industry’s top players, to identify gaps and implement initiatives across its hog barns ;
- advancing initiatives within its processing plants to enhance productivity, achieve efficiencies and manage costs;
- continuing to optimize its whole-hog utilization strategy to improve profitability by selling into a diverse mix of markets;

- targeting sales of premium, value-added products across its strategic customer base, including accessing premium markets in Japan, tailored value-added offerings for key Canadian retail customers, and premium sustainable meat sales to its anchor customer Maple Leaf Foods; and
- closely monitoring feed market conditions, pork markets and foreign currency exchange rates to implement effective risk management strategies.

#### *Optimizing the Balance Sheet and Disciplined Capital Allocation*

Canada Packers intends to maintain a prudent capital structure to support financial flexibility, growth and sustainable shareholder returns. In the fourth quarter of 2025, the Company declared its first dividend of \$0.23/share and plans to maintain its focus on delivering strong cash flow to support sustainable returns of capital to shareholders. While Canada Packers' leverage ratio is expected to vary over time, it believes that a Net Debt to Adjusted EBITDA ratio of between 1.5x to 2.5x is an optimal range for its business. The Company exited 2025 at the low end of this range. Looking ahead to future growth opportunities, Canada Packers intends to take a highly selective approach to mergers and acquisitions by focusing on targets that will fit withing its existing operations and strategic priorities.

### **OTHER INFORMATION ABOUT CANADA PACKERS**

#### **Foreign Operations**

Revenues earned outside of Canada for the year ended December 27, 2025 were approximately \$983 million. Of the total amount earned outside of Canada, approximately \$430 million was earned in Japan. Revenue by geographic area is determined based on the ship-to location. The Company operates an international business through a network of offices located in Canada, Japan, South Korea, Philippines and China. With this international presence, it is able to access important markets for the sale of a range of its products, including chilled and frozen pork. There are significant sales of pork products to Japan, the United States, Mexico, China and Korea. See "Description of the Business – Business of Canada Packers – Principal Operations of Canada Packers – North American Global Pork Sales and Distribution" above.

#### **Currency**

A portion of Canada Packers' revenues and costs are either denominated in, or directly linked to, currencies other than Canadian dollars (primarily U.S. dollars and Japanese yen). In periods when the Canadian dollar appreciates both rapidly and materially against these foreign currencies, revenues linked to U.S. dollars or Japanese yen are immediately reduced, while Canada Packers' ability to change prices or realize natural hedges may lag the immediate currency change. The effect of such sudden changes in exchange rates can have a significant, immediate impact on Canada Packers' earnings, particularly to the extent that Canada Packers raises hogs itself rather than sourcing them from third-party suppliers, as the costs of those inputs are in Canadian dollars, while sales may be in U.S. dollars or Japanese yen. However, as Canada Packers competes in international markets, and faces competition in its domestic markets from U.S. competitors, significant changes in the Canadian to U.S. dollar exchange rate could have significant effects on Canada Packers' relative competitiveness in its domestic and international markets, as well as on its financial condition and results of operations.

In general, a stronger U.S. dollar increases the value of Canada Packers' U.S. dollar denominated sales and the sales prices achieved by Canada Packers' primary pork processing and hog production operations. Conversely, it increases the cost of raw materials and ingredients across the business. Over the longer-term, a stronger U.S. dollar increases the relative competitiveness of the domestic Canadian packaged goods operation, as imports of competing products from the U.S. become less competitive, and exporting into the U.S. market becomes more attractive to Canada Packers. In general, a weaker Japanese yen reduces export margins to Japan in Canada Packers' fresh pork operations. For more information, see "Factors Affecting Results of Operations – Impact of Currency" and "Financial Instruments and Risk Management Activities – Financial Instruments" in the MD&A.

#### **Pricing**

Pricing for pork sold by Canada Packers is driven by market dynamics. Sales in Canada and the U.S. are typically tied to USDA pricing. Pricing to Maple Leaf Foods, Canada Packers' anchor customer, will be based on USDA formula pricing under the Supply Agreement. In Japan, pricing is subject to "gate pricing," which imposes a minimum price on imported pork, but which has in recent years not had any impact on Canada Packers' sales in Japan, as the market price for pork has been higher than the "gate price" set by the Japanese government.

As discussed under "Description of the Business – Business of Canada Packers – Principal Operations of Canada Packers – North American Global Pork Sales and Distribution" above, Canada Packers has flexibility to choose which markets it pursues based on market dynamics. It employs a dynamic pricing strategy, integrating market-based formulas with transactional optimization. These strategies draw on the expertise of its market specialists based in Canada combined with the local sales teams in key markets.

#### **Safety**

Canada Packers prioritizes people safety and food safety within its operations. The Company's people safety programs designed with the of achieve a goal of zero occupational injuries in the workplace. The Company also has robust food safety programs and aspires to



be a global leader in food safety. Given that this commitment to food and people safety, Canada Packers will continue to integrate its health and safety mandate into its ongoing continuous improvement initiatives and operational excellence. Detailed performance metrics are monitored and measured and learnings are shared with the organization as part of the training, prevention and safety reinforcement efforts. Results are also reported to the Safety and Sustainability Committee of the Board of Directors who oversees the Company's safety performance and the Board receives quarterly reports from the Safety and Sustainability Committee.

### **Sustainability**

Canada Packers is committed to sustainability, both because it believes it is the right thing to do and because it contributes to Canada Packers' ability to offer differentiated, sustainably-produced products that are valued by customers and which it believes is difficult for competitors to replicate. Canada Packers believes in operating in a way that balances both economic and environmental performance. At Canada Packers, sustainability covers a range of activities and outcomes, including safety, environmental, animal welfare performance, as well as having a positive impact in our communities.

The Company believes that demand for sustainability produced meat will continue to increase, including emphasis on factors such as animal welfare, environmental impact and natural feeding practices. With its strategic focus on sustainability practices, Canada Packers is able to offer differentiated product offerings that are valued by customers through programs that are difficult to replicate. Among the capabilities that the Company has developed include: top producer of RWA hogs in North America; 93% of its owned and controlled barns are gestation crate free and the balance meet open pen gestation criteria; best-in-class biosecurity (including remote video auditing, sanitation, training and audits), humane hog handling, ractopamine free diet for all hogs, and programs to reduce or offset its carbon footprint.

Since completing of the Spin-Off, Canada Packers is continuing to advance a refresh of its multi-year environmental sustainability strategy as a stand-alone company, including updating its performance indicators, metrics and priorities. As it advances the strategic refresh, it is continuing to execute ongoing operational sustainability initiatives and is exploring larger scale greenhouse gas reduction initiatives such as bio-digestion, all of which are designed to reduce its environmental footprint. In addition, the Company has completed a refresh of its Animal Care Strategy focusing on animal welfare risk reduction, audit and regulatory readiness, and employee engagement and accountability, all of which underpin its commitment to be a global leader in animal care.

The Company's sustainability strategies and its sustainability performance are overseen by the Safety and Sustainability Committee of the Board of Directors, and the Board of Directors receives quarterly reports from the Safety and Sustainability Committee.

### **Intellectual Property**

Canada Packers licenses a number of brands from Maple Leaf Foods under the terms of the Supply Agreement. It also has co-brands with strategic customers targeting premium Japanese market segments.

### **Employees**

Canada Packers has a total of approximately 3,700 employees, substantially all of whom are employed in Canada, and of which approximately 2,500 are covered by collective agreements. In addition, Canada Packers are highly dependent on key members of management who are part of its executive team, as well as specialized sales and animal care team members.

### **Credit Facilities**

On October 1, 2025, Canada Packers entered into a four-year senior secured credit agreement maturing on October 1, 2029 ("the Credit Agreement") with a syndicate of Canadian financial institutions led by Bank of Montreal, under which it had the capacity to incur indebtedness of up to \$615.0 million, consisting of \$415.0 million in aggregate initial principal amount of term loans ("Term Loan") and a \$200.0 million revolving credit facility ("Revolving Facility"). Borrowings under the Credit Agreement may be drawn in Canadian or U.S. dollars and bear interest payable monthly, based on Canadian Prime Loan, Canadian Overnight Repo Rate Average ("CORRA"), Secured Overnight Financing Rate ("SOFR") or US Base Rate rates, depending on the borrowings made. Letters of credit are available under the Credit Agreement in an aggregate amount of up to \$50.0 million. Pursuant to its Credit Agreement, Canada Packers is required to maintain compliance with certain covenants and was in compliance with such covenants at December 27, 2025.

### **Reliance on Key Customers**

For the year ended December 27, 2025, the Company reported sales to Maple Leaf Foods representing 23.8% of its total sales. No other sales were made to any one customer that represented in excess of 10.0% of total sales.

## **RISK FACTORS**

In carrying out its business and operations, the Company faces many risks. Further, through the normal course of business the Company is exposed to financial and market risks that have the potential to affect its operating results.

These risk factors, along with other risks and uncertainties not currently known to the Company, or that the Company currently considers immaterial, could materially and adversely affect the Company's performance, operating results and ability to pay dividends or return capital to shareholders. Such risks could cause actual events to differ materially from those described in any forward-looking statements, including any financial outlooks, targets or goals. Many of the risks are beyond the Company's control and, despite any efforts the Company may make to manage or mitigate its risk exposure, there is no guarantee that such risk management or mitigation activities will be successful. Readers should carefully consider the risk factors set out below, along with the other information contained in this document and the Company's other public filings before making an investment decision. The identified risks and uncertainties are described under the headings "Financial Instruments and Risk Management Activities" and "Risk Factors" in the MD&A which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website.

## DESCRIPTION OF CAPITAL STRUCTURE

### Authorized Capital

Canada Packers' authorized share capital consists of an unlimited number of common shares, and an unlimited number of preferred shares issuable in series.

As of March 1, 2026, the issued capital of the Company consisted of 29,736,736 common shares. There are no preferred shares issued and outstanding. The key features of each of these classes of securities is included below. Full details of the rights, privileges and restrictions are contained in the articles of the Company which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### *Common Shares*

The rights, privileges, restrictions and conditions attaching to the common shares are as follows:

- **Voting:** Holders of common shares are entitled to one vote per share at all meetings of shareholders.
- **Dividends:** Holders of common shares are entitled to dividends if, as and when declared by the board of directors of the Company (subject to any preference accorded to the holders of shares ranking senior to the common shares).
- **Liquidation, Dissolution or Wind-Up:** In the event of the liquidation, dissolution or winding-up of its affairs, holders of common shares are entitled to a pro rata share of the assets of the Company after payment of all liabilities and obligations of the Company (subject to any preference accorded to the holders of shares ranking senior to the common shares).
- **Other:** There are no pre-emptive, conversion or redemption rights attaching to the common shares.

As of the date hereof, the common shares are the only class of shares issued and outstanding and there are no shares issued and outstanding ranking senior to the common shares.

#### *Preferred Shares*

The preferred shares are issuable in one or more series. As of the date hereof, no series of preferred shares has been created and no preferred shares have been issued. The key features of the preferred shares are described below:

- **Rights:** Prior to the issue of preferred shares of any series, the Canada Packers Board shall, subject to the rights, privileges, restrictions and conditions attached to the preferred shares as a class, Canada Packers' articles and the provisions of the CBCA, by resolution amend Canada Packers' articles to fix the number of preferred shares in such series and determine the designation of, and the rights, restrictions, privileges and conditions attached to, the preferred shares of such series, including any right to receive dividends (which may be cumulative or non-cumulative and variable or fixed) or the means of determining such dividends, the dates of payment thereof, any terms or conditions of redemption or purchase, any conversion rights, any retraction rights, any rights on Canada Packers' liquidation, dissolution or winding-up and any sinking fund or other provisions attached to the preferred shares of the series.
- **Voting:** Except as provided in any special rights or restrictions attaching to any series of preferred shares issued from time to time, the holders of preferred shares will not be entitled to receive notice of, attend or vote at any meeting of shareholders.
- **Dividends:** Preferred shares of each series, if and when issued, will, with respect to the payment of dividends, rank *pari passu* with the preferred shares of every other series and be entitled to preference over any other of Canada Packers' shares ranking junior to the preferred shares with respect to payment of dividends.
- **Liquidation, Dissolution or Wind-Up:** In the event of Canada Packers' liquidation, dissolution or winding-up, whether voluntary or involuntary, the holders of preferred shares will be entitled to preference with respect to distribution of Canada Packers' property or assets over any other of Canada Packers' shares ranking junior to the preferred shares with respect to the repayment of capital paid up on and the payment of unpaid dividends accrued on the preferred shares.

### Governance Agreement

On October 1, 2025, Canada Packers became party to a Governance Agreement (the "Governance Agreement") with Michael Harrison McCain, McCain Capital inc. (together, the "McCain Holders") and MLF (the McCain Holders and MLF, each a "Shareholder Party"). The following is a summary of the material terms of the Governance Agreement and is qualified in its entirety by reference to the

Governance Agreement, the full text of which has been filed and is publicly available under Canada Packers' SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca):

- Provided that a Shareholder Party beneficially owns, controls or directs, directly or indirectly, not less than 10% of the Canada Packers Common Shares (the "Specified Minimum Ownership Threshold"), each of the McCain Holders and MLF have the right to nominate that number of directors of Canada Packers proportionate to their ownership interest; provided, however, that the number of nominees nominated by the McCain Holders is capped at two, and the number of nominees nominated by MLF is capped at one.
- Subject to certain exceptions relating to the fiduciary duties of the Canada Packers' Board, all other nominees nominated by Canada Packers for election to the Board will be identified by Canada Packers' Corporate Governance Committee and, other than Canada Packers' Chief Executive Officer, will be "Independent," as defined under the Governance Agreement, and shall at all times constitute a majority of the directors on the Board.
- Provided that the McCain Holders satisfy the Specified Minimum Ownership Threshold, the McCain Holders shall have the right to (i) cause one of their nominees to serve as Chair (or Executive Chair, as applicable) of the Canada Packers board; and (ii) cause such number of their nominees (not less than one, and capped at the entitlement of the McCain Holders as of the closing of the Transaction) to be represented on each committee of the Canada Packers board as is proportionate to the aggregate number of common shares beneficially owned, controlled or directed by them, subject to compliance with applicable securities laws and certain other limitations.
- Provided that each of the McCain Holders and MLF (as applicable) satisfies the Specified Minimum Ownership Threshold, the approval of such parties shall be required before Canada Packers undertakes certain actions. Provided that the McCain Holders satisfy the Specified Minimum Ownership Threshold, the McCain Holders must be consulted by Canada Packers before it undertakes certain other actions.
- Provided that the McCain Holders and MLF (as applicable) satisfy the Specified Minimum Ownership Threshold, each will hold certain pre-emptive and "top-up" rights to maintain their then proportional non-diluted interest in Canada Packers, subject to certain exceptions.
- Canada Packers shall not adopt a shareholder rights plan, adopt a new bylaw, amend an existing bylaw or charter provision, or enter into any contract, that would reasonably be expected to limit, restrict, delay or impair the exercise by the parties' rights under the Governance Agreement.
- The Shareholder Parties are prohibited from acquiring beneficial ownership of, or control or direction over, more than 35% (in the case of the McCain Holders) or 25% (in the case of MLF) of the outstanding voting shares of Canada Packers, calculated on a modified fully diluted basis, subject to certain exceptions.
- Without the consent of Canada Packers, not to be unreasonably withheld, the Shareholder Parties will not transfer any Common Shares for a period of 24 months following the closing of the Spin-Off, subject to certain exceptions.
- The Shareholder Parties will not transfer beneficial ownership of, or control or direction over, any common shares to any other person who after the transfer would own 20% or more of the issued and outstanding common shares, subject to certain exceptions.
- The Governance Agreement will be submitted to Canada Packers shareholders for approval at every third annual meeting commencing with Canada Packers' 2028 annual meeting. To receive approval at each such meeting, the Governance Agreement must be ratified by a resolution passed by (i) a majority of the votes cast by the Canada Packers shareholders (excluding votes cast by the Shareholder Parties) and (ii) the McCain Holders (voting separately). If the Governance Agreement is not ratified in the foregoing manner, it will terminate from the date of termination of such annual meeting.
- The Governance Agreement will also terminate in certain other limited circumstances, including if the McCain Holders collectively cease to satisfy the Specified Minimum Ownership Threshold.

## DIVIDENDS

### Dividend Policy

The amount of dividends declared on the common shares, if any, is subject to the discretion of the Board of Directors and may vary depending on a variety of factors, including but not limited to current and expected cash flows, capital expenditures, borrowings and debt repayments and working capital requirements.

The Board of Directors of the Company intends to maintain a stable dividend and, where appropriate, change the dividend on the basis of the stability of the Company's earnings and stock price appreciation.

It is currently anticipated that the full amount of the dividends to be paid in 2026 will be considered eligible dividends for the purposes of the "Enhanced Dividend Tax Credit System".



In addition to the standard legislated solvency and liquidity tests that must be met, Canada Packers' ability to declare and pay dividends is also dependent on its compliance with the covenants under its credit facility.

### Dividend History

On November 4, 2025, the Board of Directors declared a quarterly dividend of \$0.23 per common share (\$0.92 per common share per annum) which was paid on December 31, 2025.

The Board of Directors declared the first quarter 2026 dividend on March 3, 2026 payable March 31, 2026 to shareholders of record as of March 11, 2026.

The following table sets out the dividends declared per common share since becoming a reporting issuer (including the dividend declared in the first quarter of this year):

Date of Declaration (mm/dd/yyyy)	Amount of Dividend (\$/common share)
11/04/2025	0.23
3/4/2026	0.23

### MARKET FOR SECURITIES

No Common Shares of Canada Packers were issued prior to the completion of the Spin-Off. The Company's common shares are listed on the TSX under the stock market symbol "CPKR" and also trade on alternative Canadian marketplaces. The greatest trading volume is on the TSX. The common shares of Canada Packers commenced trading on an "if, as and when-issued" basis on the TSX on September 30, 2025 through October 1, 2025, and commenced trading regular-way on October 2, 2025. The following table outlines the price range and trading volume of the common shares for each month of the last fiscal year during which time the shares were traded on the TSX.

Month (2025)	High	Low	Volume Traded
December	\$16.32	\$15.27	1,936,266
November	\$16.98	\$15.25	1,640,545
October	\$19.44	\$13.63	4,151,216
September	N/A	N/A	Nil

### DIRECTORS AND OFFICERS

#### Directors

The following table sets forth each director's name and municipality of residence, the year in which he or she became a director, and their principal occupation for the last five years. Directors are elected to hold office until the next annual meeting of the shareholders or until a successor is elected or appointed:

Name and Municipality of Residence	Director Since	Principal Occupation
Michael H. McCain <sup>1</sup> Toronto, Ontario, Canada	2025	Executive Chair, Canada Packers Executive Chair, Maple Leaf Foods
Dennis Organ Toronto, Ontario, Canada	2025	President and Chief Executive Officer Canada Packers
Curtis Frank Carlisle, Ontario, Canada	2025	President and Chief Executive Officer Maple Leaf Foods Inc.
Gary Maksymetz Carlisle, Ontario, Canada	2025	Corporate Director
Jonathan W.F. McCain Toronto, Ontario Canada	2025	President McCain Capital Inc.

Name and Municipality of Residence	Director Since	Principal Occupation
Sarah Piper Hunt Valley, Maryland, USA	2025	Chief Human Relations Officer McCormick & Company, Incorporated
Meghan Roach Toronto, Ontario, Canada	2025	President and Chief Executive Officer Roots Corporation
Heather Stefanson Winnipeg, Manitoba, Canada	2025	Corporate Director
Michael Vels Hillsburgh, Ontario, Canada	2025	Corporate Director

Mr. M.H. McCain is the Executive Chair of the Board and Mr. M. Vels is the Independent Lead Director.

### Committees of the Board

Canada Packers has five standing committees of the Board: the Audit Committee, the Corporate Governance Committee, the Human Resources and Compensation Committee, the Safety and Sustainability Committee and the Conflicts Committee. The members of each of these committees, as of the date of this AIF, are identified below.

Audit Committee	Corporate Governance Committee	Human Resources and Compensation Committee	Safety and Sustainability Committee	Conflicts Committee
Michael Vels (Chair) Meghan Roach Heather Stefanson	Heather Stefanson (Chair) Michael Vels Sarah Piper	Sarah Piper (Chair) Gary Maksymetz Heather Stefanson	Meghan Roach (Chair) Gary Maksymetz Sarah Piper	Michael Vels (Chair) Heather Stefanson Meghan Roach

### Audit Committee

The Audit Committee Canada Packers consists of Michael Vels (Chair), Meghan Roach and heather Stefanson. Each member of the Audit Committee is independent within the meaning of applicable securities legislation, and none receive, directly or indirectly, any compensation from the Company other than for service as a member of the board of directors and its committees. Each member of the Audit Committee is financially literate as defined under National Instrument 52-110 – Audit Committees. In considering the criteria for determining financial literacy, the Board of Directors of the Company looks at the ability of a director to read and understand a balance sheet, an income statement and a cash flow statement of a company of a complexity comparable to that of the Company. In addition, each of Mr. Vels and Ms. Roach are considered audit committee financial experts. A copy of the charter of the Audit Committee is attached as Appendix A hereto.

#### Relevant Education and Experience of Audit Committee Members

##### Michael Vels

Michael Vels is the former Executive Vice President, Chief Development Officer and Chief Financial Officer of Empire Company Limited and Sobeys Inc., also within Empire Company Limited, where he was responsible for leading Empire's real estate, technology, strategic sourcing, enterprise project management and mergers, and acquisitions activities. Before his tenure at Empire, Mr. Vels was the Chief Financial Officer at Hydro One from 2015 to 2017.

Prior to joining Hydro One, Mr. Vels held several progressive roles at Maple Leaf Foods from 1991 to 2014, including Executive Vice President and Chief Transition Officer, Executive Vice President of Finance, and Vice President of Finance. Before Canada Bread Company Ltd. was acquired by Grupo Bimbo S.A.B., Mr. Vels was its Chief Financial Officer. Mr. Vels began his early career in various roles at KPMG and Ernst & Whinney Chartered Accountants (now Ernst & Young LLP).

He currently serves on the board of directors for Crombie Real Estate Investment Trust.

Mr. Vels holds a Bachelor of Accounting degree from University of the Witwatersrand. He has also earned his ICD.D designation. He is a Chartered Accountant and is considered to be a financial expert.

##### Meghan Roach

Meghan Roach is the President and Chief Executive Officer of Roots Corporation, a position she has held since 2020. Prior to her current role, Ms. Roach served as both the Interim Chief Executive Officer and Interim Chief Financial Officer at Roots Corporation.

Before joining Roots, Ms. Roach was a Managing Director at Searchlight Capital Partners, L.P., where she played a vital role in the firm's growth and in executing successful transactions. In 2008, she joined Teachers' Private Capital, the private equity arm of the

Ontario Teachers' Pension Plan, where she showcased her capability in handling complex transactions and supporting strategic growth. She also worked in Transaction Advisory and Assurance Services at KPMG.

Ms. Roach holds an MBA from the University of Oxford and a Bachelor of Commerce from Queen's University, along with an FCPA, FCA designation.

Ms. Roach currently serves on the board of Roots Corporation and the Business Council of Canada. She has also served on the Board of Directors and Audit Committee of M&M Food Market and has held board positions at Wellington A & B Limited and the Holland Bloorview Kids Rehabilitation Hospital Foundation, where she was a Vice Chair and a member of the Investment Committee. Ms. Roach acts as the Co-Chair of the Asia-Pacific working group for the Business Council of Canada and is Vice Chair of the Investment Committee of the Nature Conservancy of Canada. She is considered to be a financial expert.

**Heather Stefanson**

Ms. Stefanson has had a distinguished career in public service and governance. In 2021, she was elected as Manitoba's 24th Premier, making history as the first woman to hold this position, and she remained in office as an MLA until she retired from politics in 2024.

Ms. Stefanson was elected to the Legislative Assembly of Manitoba, representing the Tuxedo constituency in 2000. She served as a Cabinet Minister for the Province of Manitoba from 2016 to 2021, holding several key positions, including Deputy Premier, Minister of Justice, Attorney General, Minister of Health and Minister of Families.

Ms. Stefanson began her public service career as a Special Assistant in the Office of the Prime Minister of Canada, Brian Mulroney and later worked in the Office of the Minister of Agriculture. She then joined the Manitoba provincial government as a Special Assistant to the Minister of Education.

Before her political career, Ms. Stefanson worked as an Investment Advisor at Midland Walwyn and Wellington West Capital. She also helped run her family business, McDonald Grain Company Ltd., where she served as Vice-President and Director.

Ms. Stefanson is a member of the Board of Directors at WestJet and Fourthlane Partners Ltd. She holds a Bachelor of Arts degree in Political Science from the University of Western Ontario.

**Fees paid to Auditors – KPMG LLP**

The fees paid by the Company for the services performed by KPMG LLP for the year ended December 27, 2025 are set out in the table below. At least annually, the Audit Committee reviews a summary of the services provided by the auditors to the Company and its subsidiaries. The Audit Committee adopted a requirement that all non-audit services to be provided by the external auditors be approved by the Audit Committee. Between meetings of the Audit Committee, authority for approval is delegated to the Audit Committee Chair. Approvals under the delegated authority are presented to the full Audit Committee at their next meeting. The policy also prohibits the engagement of KPMG LLP in a number of services that the Audit Committee believes may have the potential to impact KPMG LLP's independence. KPMG LLP has not provided any of the following services to the Company:

- (i) bookkeeping services and other services related to accounting records or financial statements;
- (ii) financial information systems design and implementation;
- (iii) appraisal or valuation services, fairness opinions or contribution-in-kind reports;
- (iv) actuarial services;
- (v) internal audit outsourcing services;
- (vi) management functions;
- (vii) human resources;
- (viii) broker-dealer, investment advisor or investment banking services; and
- (ix) legal services and expert services unrelated to the audit.

Description	2025 \$	2024
Audit fees <sup>(1)</sup>	1,223,694	N/A
Audit-related fees	Nil	N/A
Tax fees	Nil	N/A
All other fees	Nil	N/A
<b>TOTAL FEES</b>	1,223,694	N/A

**Notes:**

(1) Annual audit and quarterly review services related to Canada Packers' consolidated financial statements.

## Executive Officers

The names, municipalities of residence and principal occupations (for the preceding five years) of the executive officers of the Company and its principal subsidiaries are as follows:

Officer Name and Place of Residence	Office(s) held with Canada Packers	Principal Occupation (last 5 years)
<p>Deepak Bhandari <i>Oakville, Ontario, Canada</i></p>	<p>Chief Financial Officer</p>	<p>Chief Financial Officer, Canada Packers (July 2025 – Present); Chief Financial Officer, Pork Complex, Maple Leaf Foods (September 2024 to date); Interim Chief Financial Officer, Highliner Foods (January 2024 to September 2024); Vice President, FP&amp;A, Highliner Foods (September 2020 to December 2023); and Director FP&amp;A, Andrew Peller (November 2018 to September 2020)</p>
<p>Suzanne Hathaway <i>Toronto, Ontario, Canada</i></p>	<p>Interim Chief Legal Officer and Corporate Secretary</p>	<p>Interim Chief Legal Officer and Corporate Secretary, Canada Packers (January 2026 – Present); Senior Vice President, Senior Vice President, General Counsel, Communications and Corporate Secretary, Maple Leaf Foods (March 2019 – December 2025)</p>
<p>Katrina McFadden <i>Milton, Ontario, Canada</i></p>	<p>Senior Vice President, People and Culture</p>	<p>Senior Vice President, People and Culture (February 2026 – Present); Chief People Officer, Organigram Global Inc. (August 2022 – January 2026); VP Human Resources, Weston Foods (July 2021 – January 2022)</p>
<p>Lance Mistelbacher <i>Prairie Grove, Manitoba, Canada</i></p>	<p>Senior Vice President, Commodities and Risk Management</p>	<p>Senior Vice President, Commodities and Risk Management (July 2025 – Present) Vice President, Commodity Risk Management, Maple Leaf Foods (August 2003 to date)</p>
<p>Jonathan Sawatzky <i>Winnipeg, Manitoba, Canada</i></p>	<p>Senior Vice President, Hog Production and Procurement</p>	<p>Senior Vice President, Hog Production and Procurement (July 2025 – Present) Vice President, Maple Leaf Agri-Farms, Maple Leaf Foods (August 2019 to July 2025);</p>
<p>Andrew Scuccato <i>Morristown, New Jersey, USA</i></p>	<p>Senior Vice President, Supply Chain</p>	<p>Senior Vice President, Supply Chain, Canada Packers (January 2026 – Present); Vice President, Operations North America, Ferrero (2024 – January 2026); Vice President Manufacturing, L’Oreal (2022-2024); Global Head Operations, Mars Inc. (2018 – 2022)</p>
<p>Anthony Wu <i>London, Ontario, Canada</i></p>	<p>Senior Vice President, Sales, Marketing and Optimization</p>	<p>Senior Vice President, Sales, Marketing and Optimization, Canada Packers (January 2026 – Present); McDonalds Business Unit Canada Leader, Cargill (June 2023 – December 2025); President and Chief Executive Officer, C-Joy Poultry Meats Production (February 2021 – July 2023)</p>
<p>Mauricio Alanis <i>Toronto, Ontario, Canada</i></p>	<p>Vice President, Strategy and Sustainability</p>	<p>Vice President, Sustainability, Canada Packers (July 2025 – Present); Director, Sustainability, Strategy &amp; Regen Ag. Lead, Maple Leaf Foods (April 2024 to date); Director, Sustainability Strategy &amp; Partnerships, Maple Leaf Foods (February 2021 to April 2024); and Director Marketing, Maple Leaf Foods (November 2019 to February 2021)</p>
<p>LeeAnn Peters <i>Steinbach, Manitoba, Canada</i></p>	<p>Vice President, Food Safety, Quality Assurance and Animal Care</p>	<p>Vice President, Food Safety, Quality Assurance and Animal Care, Canada Packers (July 2025 – Present); Director, Technical Services, Maple Leaf Foods (March 2013 to date)</p>

Officer Name and Place of Residence	Office(s) held with Canada Packers	Principal Occupation (last 5 years)
Sean McKenna Toronto, Ontario, Canada	Vice President, Controller	Vice President, Controller Canada Packers (July 2025 – Present) Vice President, Controller Pork Complex, Maple Leaf Foods (January 2025 – July 2025); Vice President, Finance, Cineplex Inc. (January 2021 – December 2024)

**Ownership of Voting Securities by Directors and Executive Officers**

As at March 1, 2026, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, directly or indirectly, an aggregate of 53,500 common shares, representing less than 1% of the issued and outstanding common shares of the Company. The figure does not include the 9,789,758 common shares (approximately 33% of all issued common shares) of the Company reported to be held directly and indirectly by McCain Capital Inc., which the Company understands is beneficially owned or controlled by Mr. M.H. McCain.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

*Penalties or Sanctions*

None of the directors or executive officers of Canada Packers, and to the best of Canada Packers' knowledge, no shareholder holding a sufficient number of securities to affect materially the control of Canada Packers, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

*Individual Bankruptcies*

None of the directors or executive officers of Canada Packers, and to the best of Canada Packers' knowledge, no shareholder holding a sufficient number of securities to affect materially the control of Canada Packers, has, within the 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

*Corporate Cease Trade Orders and Bankruptcies*

Except as disclosed below, none of the proposed directors or executive officers of Canada Packers, and to the best of Canada Packers' knowledge, no shareholder expected to hold a sufficient number of securities to affect materially the control of Canada Packers is, as of the date of this AIF, or has been within the 10 years before the date of this AIF (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; (b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Meghan Roach was previously an executive officer of RTS USA Corp. (f/k/a Roots USA Corporation) ("Roots"), a position she had held since January 2020. On April 29, 2020, Roots announced the liquidation of RTS USA Corp. pursuant to Chapter 7 of Title 11 of the United States Code. The filing resulted in the permanent closure of Roots stores in Boston, Massachusetts, Washington, D.C. and Chicago, Illinois, as well as the pop-up location in Woodbury Commons, New York.

**DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The directors and officers of Canada Packers are covered by directors' and officers' liability insurance. Under this insurance coverage, Canada Packers will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of the directors and officers of Canada Packers, subject to a deductible for each loss, which will be paid by Canada Packers. Individual directors and officers of Canada Packers will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by Canada Packers. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

## CONFLICTS OF INTEREST

The CBCA provides that in the event that a director or an officer is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of their interest and shall refrain from voting to approve such contract or transaction, unless otherwise provided under the CBCA. In addition, pursuant to the terms of the Canada Packers Governance Agreement, the Canada Packers Board will be required to maintain, at all times, a conflicts review committee composed entirely of Independent Directors (as defined in the Canada Packers Governance Agreement), as well as a policy for dealing with actual, potential or perceived conflicts of interest (the “Conflicts Policy”). To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the CBCA and the Conflicts Policy.

The Supply Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Canada Packers Governance Agreement, Tax Matters Agreement and Canada Packers’ other arrangements with Maple Leaf Foods and MCI, as applicable, do not impose any duty on Maple Leaf Foods or MCI to act in the best interest of Canada Packers. Maple Leaf Foods is not prohibited from engaging in other business activities that may compete with those of Canada Packers.

## PROMOTER

Under applicable Canadian securities laws, Maple Leaf Foods may be considered a promoter of Canada Packers in that it took the initiative in founding Canada Packers for the purpose of implementing the Spin-Off.

In contemplation of the separation of the Pork Operations from Maple Leaf Foods pursuant to the Spin-Off, Canada Packers entered into a Separation Agreement and various other agreements with Maple Leaf Foods as of July 28, 2025 to transfer the Pork Operations to Subco (a predecessor of Canada Packers), including a Supply Agreement, a Transition Services Agreement, a Long-Term Services Agreement, a Pensions and Benefits Agreement and an Employment Matters Agreement (collectively, the “Spin-Off Agreements”). Pursuant to the Separation Agreement, Subco acquired the assets of the Pork Operations. As consideration for the acquisition of such assets, Subco issued 1,000 common shares to Maple Leaf Foods in satisfaction of part of the purchase price under the Separation Agreement, which shares were exchanged for common shares of Canada Packers pursuant to the Spin-Off. Beginning on July 28, 2025, Canada Packers began receiving certain selling, general and administrative services from Maple Leaf Foods in exchange for a mix of variable and fixed fees in accordance with the terms of the Supply Agreement, Transition Services Agreement and Long-Term Services Agreement. In addition, beginning on July 28, 2025, Maple Leaf Foods has provided ham-boning services to Canada Packers under the Supply Agreement. In connection with completion of the Spin-Off, Subco also paid a \$417.9 million return of capital to Maple Leaf Foods. For additional information refer to the MD&A and the material Spin-Off agreements which have been filed on Canada Packers’ SEDAR+ profile.

As of the date of this AIF, and upon completion of the Spin-Off, Maple Leaf Foods owns 4,758,059 common shares, being approximately 16% of the issued and outstanding common shares of Canada Packers.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal or regulatory proceedings outstanding, threatened or pending by or against Canada Packers, or in respect of any Canada Packers’ property, which is or will be material to Canada Packers, and Canada Packers, its directors and executive officers are not aware of any such legal or regulatory proceedings being contemplated. Further, Canada Packers has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with any securities regulatory authority.

## CONFLICTS OF INTEREST

The CBCA provides that in the event that a director or an officer is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of their interest and shall refrain from voting to approve such contract or transaction, unless otherwise provided under the CBCA. In addition, pursuant to the terms of the Governance Agreement, the Board will be required to maintain, at all times, a conflicts review committee composed entirely of Independent Directors (as defined in the Governance Agreement), as well as a policy for dealing with actual, potential or perceived conflicts of interest (the “Conflicts Policy”). To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the CBCA and the Conflicts Policy.

The Supply Agreement, the Long-Term Services Agreement, the Transition Services Agreement, the Governance Agreement, Tax Matters Agreement and Canada Packers’ other arrangements with Maple Leaf Foods and MCI, as applicable, do not impose any duty on Maple Leaf Foods or MCI to act in the best interest of Canada Packers. Maple Leaf Foods is not prohibited from engaging in other business activities that may compete with those of Canada Packers.

As of the date hereof, other than as disclosed herein, Canada Packers is not aware of any existing or potential material conflicts of interest between Canada Packers and any director or executive officer of Canada Packers.

## INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the best of the knowledge of the Company, except as described in this AIF and the “Material Contracts” identified herein, no director or executive officer of the Company, nor any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class of securities of the Company, nor any associate or affiliate of the foregoing persons or companies, has any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

## AUDITOR, TRANSFER AGENT AND REGISTRARS

KPMG LLP, the external auditor of the Company, is independent of Canada Packers within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. The head office of KPMG LLP is located at 333 Bay Street, Suite 4600, Toronto, Ontario, Canada, M5H 2S5.

The Company’s transfer agent is Computershare Investor Services Inc., with transfer points for the common shares of the Company in Vancouver, British Columbia; Calgary, Alberta; Toronto, Ontario; and Montreal, Quebec.

## INTERESTS OF EXPERTS

The Company’s independent auditors, KPMG LLP, has issued its report of independent registered public accounting firm dated March 3, 2026 with respect to the Company’s 2025 Annual Financial Statements. KPMG LLP has confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada.

## MATERIAL CONTRACTS

The following are the only material contracts, other than the contracts entered into in the ordinary course of business, which have been entered into by Canada Packers since its formation:

- the Arrangement Agreement;
- the Separation Agreement;
- the Supply Agreement; and
- the Governance Agreement.

Copies of the foregoing documents will be available following completion of the Arrangement on SEDAR+ at [sedarplus.com](https://www.sedarplus.com).

## ADDITIONAL INFORMATION

Additional information including directors’ and named executive officers’ remuneration and indebtedness, principal holders of the Company’s common shares, securities authorized for issuance under equity compensation plans and interest of insiders in material transactions, if applicable, will be contained in the Company Management Information Circular to be issued in connection with the Company’s upcoming annual meeting of shareholders.

Additional financial information is also provided in the Company’s MD&A and consolidated financial statements for the fiscal year ended December 27, 2025. Copies of the foregoing documents may be obtained free of charge, upon request, from the Corporate Secretary of Canada Packers at Suite 201 6985 Financial Drive, Mississauga, Ontario L5N 0A1.

Additional information relating to Canada Packers is available on SEDAR+ at [www.sedarplus.ca](https://www.sedarplus.ca).

**APPENDIX “A”**  
**TERMS OF REFERENCE**  
**AUDIT COMMITTEE**  
**OF CANADA PACKERS INC.**

**1. Mandate**

The Audit Committee (the “Committee”) is a committee of the Board of Directors (the “Board”). Its mandate is to fulfill applicable public company obligations respecting audit committees and to assist the Board in fulfilling its oversight responsibilities in the following areas:

- **Financial Reporting and Accounting Policies and Practices:** the integrity, transparency, and quality of the Company’s financial statements, disclosures, and accounting practices.
- **External Audit** — the appointment, independence, qualifications, performance, and compensation of the external auditor.
- **Internal Controls and Internal Audit**— the scope, independence, and performance of the internal audit function and the adequacy of internal controls over financial reporting.
- **Risk Management and Compliance** — the Company’s processes for identifying, assessing, and managing financial, operational, regulatory, and compliance risks compliance with legal and regulatory requirements.
- **Pensions (Funding and Investments)** — oversight of the funding, investment performance, and financial condition of the Company’s pension plans, in coordination with the Human Resources and Compensation Committee.
- **Ethics and Whistleblowing** — processes for handling complaints and concerns

The Committee’s role is one of oversight related to the foregoing activities and is not accountable or responsible for the day-to-day operation or performance of such activities. The Committee shall have the functions and responsibilities set out in these Terms of Reference, as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the functions and responsibilities required of an audit committee by any exchange upon which securities of the Company are listed, or any governmental or regulatory body exercising authority over the Company, as are in effect from time to time (collectively, the “Applicable Requirements”) or as the Board otherwise deems necessary or appropriate.

Management is responsible for the preparation, presentation and integrity of the financial statements and for maintaining appropriate accounting and financial reporting principles and policies, systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations.

The internal auditor is responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls.

The external auditors are responsible for planning and carrying out an audit of the annual consolidated financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with generally accepted accounting principles. The external auditors are accountable to the Committee and the Board as the representatives of the shareholders of the Company and the Committee shall so instruct the external auditors and the external auditors shall report directly to the Committee.

**2. Duties and Responsibilities**

**a) Financial Reporting and Accounting Policies and Practices**

- Accounting principles and policies -Oversee, review and discuss, as the Committee deems necessary, with management, the external auditors and the internal auditors, the Company’s accounting principles and policies, including:
  - Selection - the appropriateness and acceptability of the Company’s accounting principles and practices used in its financial reporting, changes in the Company’s accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;
  - Significant financial reporting issues - all significant financial reporting issues and judgments made in connection with the preparation of the financial statements and any “second opinions” sought by management from an independent auditor with respect to the accounting treatment of a particular item;
  - Disagreements – disagreements between management and the external auditors or the internal auditors regarding the application of any accounting principles or practices;
  - Material change or proposed change - any material change or proposed change to the Company’s accounting principles and practices;
  - Changes in regulatory and accounting requirements - the effect of changes in regulatory and accounting requirements;
  - Legal matters, claims and contingencies - any legal matter, claim or contingency that could have a significant impact on the financial statements, the Company’s compliance policies and any material reports, inquiries or other correspondence received from regulators or governmental agencies and the manner in which any such legal matter, claim or contingency has been disclosed in the financial statements;
  - Non-IFRS measures - the use of any “pro forma” or “adjusted” information not in accordance with generally accepted accounting principles;
  - Goodwill impairment – management’s determination of goodwill impairment, if any, as required by applicable accounting standards;
  - Off-balance sheet structures - Review any material effects off-balance sheet structures on the financial statements as presented by management; and
  - Estimates - Review management’s process for formulating sensitive accounting estimates and the reasonableness of these estimates.
- Interim financial results - Prior to the release of any summary of interim financial results, including any associated press release, or the filing of such reports with the applicable regulators, review with the external auditors and management the interim consolidated financial statements and related MD&A and associated press release and approve for release.

- Annual audited consolidated financial statements - Review with the external auditors and management the annual audited consolidated financial statements and related MD&A and associated press release, and report on the results of such review to the full Board prior to the approval and release to Shareholders of such results by the Board.
- Other financial disclosures - Oversee the other financial disclosures by the Company, including:
  - Review and approve the disclosure in the annual information form and management proxy circular of the fees paid in the financial year to the external auditors by category;
  - Review with the external auditors and management, financial information contained in any prospectus or information circular of the Company and make recommendations regarding approval to the Board; and
  - Periodically assess the adequacy of the procedures in place for the review of the Company's public disclosure of financial information extracted or derived from financial statements and MD&A.

#### **b) External Audit**

- Appointment of external auditors - With respect to the appointment and oversight of the external auditors:
  - Make recommendations to the Board on the external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services of the Company to be nominated in the Company's proxy circular for appointment or reappointment by shareholders;
  - Approve or make a recommendation to the Board for the approval of compensation for the external auditors; and
  - Review, evaluate and approve the terms of engagement, performance, audit scope and approach to the conduct of the external auditors with respect to the annual audit.
- Independence of external auditors - Review the independence of the external auditors, including the lead partner(s) of the auditors and the senior members of the independent auditor team, and make recommendations to the Board on actions the Committee determines are necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee shall:
  - Actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;
  - Require the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Company including its subsidiaries, and the external auditors including their affiliates, and obtain written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other Applicable Requirements; and
  - Review and approve clear policies for hiring by the Company of employees or former employees of the current or former external auditors.
- Non-Audit Services – Approve policies and procedures for the pre-approval by a Committee member of any non-audit services to be rendered by the external auditors which the external auditors are not otherwise prohibited from providing and which policies and procedures shall include reasonable detail with respect to the services covered, provided that the pre-approval of non-audit services by a Committee member with delegated authority must be presented to the full Committee at its next scheduled meeting. For greater certainty, all non-audit services to be provided to the Company or any of its affiliates by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee.
- External audits - Oversee and monitor external audits, including:
  - Review with the external auditors, the internal auditors and management the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon management and internal audit and general audit approach and scope of proposed audits of the financial statements, the overall audit plans, the responsibilities of management, the internal auditors and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits;
  - Discuss with the external auditors any difficulties or disputes that arose with management or the internal auditors during the course of the audit and the adequacy of management's responses in correcting audit-related deficiencies and resolve any outstanding disputes;
  - Take such other reasonable steps as the Committee may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies; and
  - Review and resolve any disagreements between management and the external auditors regarding financial reporting or the application of any accounting principles or practice.
- Other reports of the external auditors - Review and discuss all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors and any other reports which the Committee may require with the external auditors.

#### **c) Internal Audit and Controls**

- Internal Controls - Review and discuss with management, the external auditors and the internal auditors as it deems necessary and exercise oversight with respect to:
  - The adequacy and effectiveness of the system of internal accounting and financial controls and the recommendations of management, the external auditors and the internal auditors for the improvement of accounting practices and internal controls;
  - Any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and
  - Management's compliance with the Company's processes, procedures and internal controls.
- Internal audit function – Oversee and monitor the internal audit function, including:
  - Review the organizational structure, independence and qualifications of the internal audit department and its resources;
  - Review and approve the annual internal audit plan, and periodically review the mandate, plans, budget and staffing of the internal audit department, and direct management to make any changes it deems advisable;

- Meeting periodically with the internal auditors to discuss the progress of their activities and any significant findings stemming from internal audits and any difficulties or disputes that arise with management and the adequacy of management's responses in correcting audit-related deficiencies; and
- Reviewing summaries of reports to management prepared by the internal auditors and have available the full reports, communicate with the internal auditors with respect to their reports and recommendations as necessary with respect to the extent to which prior recommendations have been implemented, management's responses to such reports and any other matters that the internal auditor brings to the attention of the Committee.

d) **Risk Management and Compliance**

- Regulatory agency reviews - Review the findings of any examination by regulatory agencies concerning financial matters of the Company and make recommendations to the Board related thereto.
- Financial risk exposures - Periodically review and discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including use of financial derivatives and hedging activities, appropriate crisis preparedness, business continuity, information system controls, cybersecurity and information security and disaster recovery plans.

e) **Pensions (Funding and Investments)**

- Pension Advisory Committee - In coordination with the Human Resources and Compensation Committee (which is responsible for overseeing the governance and administration of the Company's pension, retirement and benefits plans), oversee the activities of the Pension Advisory Committee.
- Investment objectives, policies and asset investment mix –receive the recommendation of the Pension Advisory Committee (of management) investment objectives, policies and asset investment mix and approve any material changes.
- Engage investment managers - Receive the recommendation of the Pension Investment Advisory Committee and approve the engagement and termination of investment management suppliers.
- Pension plan performance - Receive reports from the Pension Advisory Committee on pension fund performance and make reports to the Board.
- SIP&P - Receive the recommendation of the Pension Advisory Committee and approve the filing of the SIP&P.

f) **Ethics and Whistleblowing**

- Complaints regarding accounting, controls or audit matters - Establish and monitor procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or audit matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management and the internal auditors these procedures and any significant complaints received.
- Independent investigations - Conduct independent investigations into any matters which come under its scope of responsibilities.

g) **Other Matters**

- Audit committees of material subsidiaries - Receive and review the minutes of meetings of the audit committee of material subsidiaries of the Company.
- Other delegated matters - Review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial matters.
- Communications between management, the internal and external auditors - Provide an open avenue of communication between management, the internal auditors, the external auditors and the Board.

**3. Authority and Accountability**

- The Committee is accountable to the Board for the discharge of its mandate and shall report regularly to the Board on the performance of its responsibilities.
- The Committee shall have the authority to:
  - Access any and all relevant information from management and employees of the Company as required to discharge its duties;
  - Engage, retain, and terminate external advisors, including compensation consultants, legal counsel, or other experts, as it deems necessary or advisable, with sole authority over the terms of such engagements and related fees (which fees shall be borne by the Company);
  - Require the external auditors and internal auditors to perform such supplemental reviews or audits as the Committee may deem desirable.
  - Communicate directly with external and internal auditors, as well as other external advisors; and
  - Recommend to the Board such actions and decisions as the Committee considers appropriate in the discharge of its responsibilities.
- Absent actual knowledge or belief to the contrary which shall be promptly reported to the Board, each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Company from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by management and the external auditors as to any non-audit services provided by the external auditors to the Company and its subsidiaries.
- In performing its duties, the Committee shall act in a manner consistent with the best interests of the Company and its stakeholders. Except as set out herein, or delegated by resolution by the Board, the Committee shall have no authority to bind the Board.
- Annually, the Committee shall evaluate its performance with reference its duties and responsibilities under these Terms of Reference, and the results of its evaluation shall be submitted to the Corporate Governance Committee.

#### **4. Composition and Membership**

- The Committee shall be comprised of a minimum of three members. Each member of the Committee shall be both an “unrelated” director and “independent” director as such terms are defined in the Applicable Requirements and the Governance Agreement between the Company, McCain Capital and Maple Leaf Foods.
- All members of the Committee must be “financially literate” as that term is defined from time to time under the requirements or guidelines for Audit Committee service under securities laws and the rules of any stock exchange on which the Company’s securities are listed for trading or if it is not so defined as that term is interpreted by the Board in its business judgement.
- At least one member must be a “financial expert” as that term is defined from time to time under the requirements or guidelines for Audit Committee service in the Applicable Requirements or if it is not so defined as that term is interpreted by the Board in its business judgement.
- Members shall be appointed annually by the Board upon the recommendation of the Corporate Governance Committee.
- The Board shall designate one member of the Committee as Chair. In the absence of the Chair, the members present may appoint an interim Chair.

#### **5. Meetings and Procedures**

- The Committee shall meet at least four (4) times annually, or more frequently as circumstances require.
- A majority of the members of the Committee shall constitute a quorum.
- At each regularly scheduled meeting the Committee shall designate time to meet in-camera without members of management present with the head of the internal audit function the external auditors, and such persons shall have unrestricted access to the Committee to bring forward matters requiring its attention. The Committee shall also designate time for Committee members to meet in-camera with management present and to meet in-camera with only Committee members present.
- The Committee may invite officers, employees, advisors, or other individuals to attend meetings as it deems necessary or appropriate.
- All directors of the Company are invited to attend Committee meetings as guests, subject to compliance with the Company’s conflict of interest rules and governance policies.
- The Corporate Secretary, or their delegate, shall act as secretary to the Committee and record minutes of its proceedings.
- Minutes of each meeting shall be shared with Committee members, approved at subsequent meetings, and made available to the Board.

#### **6. Review of Terms of Reference**

- The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it determines appropriate and recommend changes to the Corporate Governance Committee.
- The Committee shall ensure that this Charter is disclosed on the Company’s website and that this Charter is disclosed in the annual information form of the Company in accordance with the Applicable Requirements.