TSX: MFI

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Maple Leaf Foods Reports Third Quarter 2024 Financial Results

Maple Leaf Foods records Adjusted EBITDA of $141 million, and Earnings of $18 million
Free Cash Flow increased to $155 million, a $65 million year over year increase, and the Company continues to deleverage the balance sheet
New tax-free structure identified for the spin-off of Canada Packers

Mississauga, Ontario, November 13, 2024 - Maple Leaf Foods Inc. ("Maple Leaf Foods" or "the Company") (TSX: MFI) today reported its financial results for the third quarter ended September 30, 2024, and provided an update on its new tax-free structure for the spin-off of its pork business, to be known as Canada Packers.

“In the third quarter of 2024, we made significant strides in executing our strategic playbook, achieving strong results in a challenging consumer landscape,” said Curtis Frank, President and CEO of Maple Leaf Foods. “Our sales increased by 1.8%, driven by over 3% growth in our prepared meats business, while Adjusted EBITDA rose to $141 million.

Mr. Frank continued, “These results reflect our continued investment in our market-leading brands, our leadership in sustainable meats, and alignment with our customers’ strategies, as we expanded retail market share and demonstrated growth in our Food Service portfolio. These factors, together with improving pork market conditions and the benefits from our capital projects, fueled a 9.1% year-over-year increase in Adjusted EBITDA.

“With our business performance strengthening, our large-scale capital programs complete, and our disciplined approach to capital management, we generated an increase of $65 million in Free Cash Flow during the quarter. This has accelerated the rapid deleveraging of our balance sheet, achieving a 3.1x Adjusted EBITDA to Net Debt ratio at the end of Q3. Looking forward, we anticipate continued progress in the fourth quarter and remain confident in our 2024 outlook," continued Mr. Frank.

"We continue to be very excited about the benefits of the spin-off of our pork business, and the future of Maple Leaf Foods and Canada Packers as independent, public companies. The prospect of executing the transaction as a tax-free spin-off is a positive development as we continue to advance our strategy to unlock value and unleash the potential of these two unique and distinct businesses," concluded Mr. Frank.

Third Quarter 2024 Highlights

- Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")[(i)] grew to $141 million, a 9.1% increase from the third quarter of last year, with Adjusted EBITDA margin increasing from 10.4% to 11.2% for the same period.
- Sales were $1,260 million for the third quarter, compared to $1,238 million for the same period last year, an increase of 1.8%. Sales in Prepared Foods increased 2.0%. Within Prepared Foods, prepared meats and plant protein increased by 3.1% and 1.1% respectively, which were partially offset by a decline in poultry of 0.9%, compared to the same period in the prior year. Sales in the Pork operating unit increased by 1.1% compared to last year.
- Earnings for the third quarter of 2024 were $18 million ($0.14 per basic share) compared to a loss of $4 million ($0.04 loss per basic share) last year.
- Capital expenditures in the third quarter of 2024 were $26 million compared to $50 million in the third quarter last year, consistent with the Company's focus of disciplined capital management, and reflecting the completion of its large capital projects.
- Net Debt[(i)] was $1,597 million, with Net Debt to trailing four quarters Adjusted EBITDA[(i)] of 3.1x, decreasing from 3.4x at the end of the second quarter and 4.9x at the same time a year ago, consistent with the Company's focus on deleveraging the balance sheet.
- Free Cash Flow[(i)] improved to $155 million, an increase of $65 million from the same quarter last year.

Advancing the Creation of Two Independent Public Companies

- On July 9, 2024, Maple Leaf Foods announced plans to separate into two independent public companies through the spin-off of its pork business.
- Since the announcement of the spin-off, the Company has made significant strides in executing the work necessary for a successful separation of the two businesses, including continuing to assess its ability to achieve a more tax

efficient outcome. The Company has identified a structure that would allow it to implement the spin-off through a tax-free "butterfly reorganization".

- The Company continues to expect that the transaction will be completed during 2025, however, the completion of the spin-off under the new structure is subject to the receipt of an advance tax ruling from the Canada Revenue Agency. As a result, Maple Leaf expects that the closing of the transaction will be delayed beyond the Company's original expectations.
- On October 10, 2024, Maple Leaf Foods unveiled that Canada Packers Inc. will be the name of the separated pork business, honouring the history and legacy of this iconic brand, as well as reflecting the vision for the future of Canada Packers once it is established as a new independent, public company.

Outlook

- For the full year 2024, the Company expects:
  - Low single-digit revenue growth
  - Adjusted EBITDA margin expansion over 2023
  - To generate increased free cash flow and delever the balance sheet
  - Total capital expenditures this year are expected to be approximately $100 million, largely focused on maintenance capital and optimization of its existing network

(i) *Refer to the section titled Non-IFRS Financial Measures in this news release.*

Financial Highlights

Measure(i) (Unaudited)	As at or for the Three months ended September 30, 2024	2023	Change	As at or for the Nine months ended September 30, 2024	2023	Change
Sales(ii)	**$ 1,260.1**	$ 1,238.3	1.8 %	**$ 3,674.2**	$ 3,675.2	0.0 %
Earnings (Loss)	**$ 17.7**	$ (4.3)	nm(iv)	**$ 43.1**	$ (115.7)	nm(iv)
Basic Earnings (Loss) per Share	**$ 0.14**	$ (0.04)	nm(iv)	**$ 0.35**	$ (0.95)	nm(iv)
Adjusted Operating Earnings(iii)	**$ 73.6**	$ 70.5	4.3 %	**$ 204.7**	$ 135.7	50.8 %
Adjusted Earnings per Share(iii)	**$ 0.18**	$ 0.13	38.5 %	**$ 0.41**	$ 0.01	nm(iv)
Adjusted EBITDA(iii)	**$ 140.8**	$ 129.0	9.1 %	**$ 398.1**	$ 307.4	29.5 %
Adjusted EBT(iii)	**$ 32.1**	$ 25.1	27.9 %	**$ 76.9**	$ 17.8	332.0 %
Free Cash Flow(iii)	**$ 154.9**	$ 89.6	72.9 %	**$ 255.6**	$ 25.6	nm(iv)
Net Debt(iii)				**$ 1,597.3**	**$ 1,769.5**	9.7 %

(i) *All financial measures in millions of dollars except Basic and Adjusted Earnings per Share.*

(ii) *Quarterly amounts for 2023 have been adjusted to eliminate new sales agreements entered into during the year that contained an expectation of repurchase, which had previously been reported as external sales.*

(iii) *Refer to the section titled Non-IFRS Financial Measures in this news release.*

(iv) *Not meaningful.*

Sales for the third quarter of 2024 were $1,260.1 million compared to $1,238.3 million last year, a increase of 1.8%. Sales in the Prepared Foods operating unit increased 2.0%. Within Prepared Foods, prepared meats and plant protein sales increased by 3.1% and 1.1% respectively which were partially offset by a decline in poultry of 0.9%, compared to the same period in the prior year. Sales in the Pork operating unit increased by 1.1% compared to the same period in the prior year.

Year-to-date sales for 2024 were $3,674.2 million, relatively flat compared to $3,675.2 million last year. Prepared Foods sales increased marginally by 0.9%, with an increase in prepared meats sales of 3.1% largely offset by declines in poultry and plant protein of 4.0% and 2.4%, respectively. Pork operating unit sales declined 2.6% compared to the prior year.

Earnings for the third quarter of 2024 of $17.7 million ($0.14 basic earnings per share) improved compared to a loss of $4.3 million ($0.04 basic loss per share) last year. This was driven by improvements in pork market conditions, reduction of start-up expenses at new facilities, realization of operational efficiencies, and unrealized mark to market valuation of biological assets, which were partially offset by increased Selling, General, and Administrative expenses ("SG&A"), driven largely by variable compensation, and higher income taxes.

Year-to-date earnings for 2024 were $43.1 million ($0.35 basic earnings per share) compared to a loss of $115.7 million ($0.95 basic loss per share) last year. The increase was driven by improvement in pork market conditions, reduction of start-up expenses at new facilities, realization of operational efficiencies, unrealized mark to market valuation of biological assets and derivatives, and lower restructuring charges, which were partly offset by higher SG&A driven largely by variable compensation, increased interest rates, and income taxes.

Adjusted Operating Earnings for the third quarter of 2024 were $73.6 million compared to $70.5 million last year, and Adjusted Earnings per Share for the third quarter of 2024 was $0.18 compared to $0.13 last year. The increase was a result of improved pork market conditions and operational efficiencies partly offset by higher SG&A.

Year-to-date Adjusted Operating Earnings for 2024 were $204.7 million compared to $135.7 million last year, and Adjusted Earnings per Share for 2024 was $0.41 compared to $0.01 last year due to similar factors as noted for the third quarter above.

Adjusted Earnings Before Taxes ("Adjusted EBT") for the third quarter of 2024 were $32.1 million compared to $25.1 million last year. Adjusted EBT was driven by improved pork market conditions and operating efficiencies partly offset by interest expense due to higher interest rates, and higher SG&A.

Year-to-date Adjusted EBT for 2024 were $76.9 million compared to $17.8 million last year due to similar factors as noted above.

Free Cash Flow for the third quarter of 2024 was $154.9 million compared to Free Cash Flow of $89.6 million in the prior year. The improvement was driven by improved earnings after the removal of non-cash items, income tax refunds, lower restructuring payments, and lower spending on maintenance capital.

Year-to-date Free Cash Flow for 2024 was $255.6 million compared to Free Cash Flow of $25.6 million in the prior year. Free Cash Flow increased significantly due to improved earnings after the removal of non-cash items, income tax refunds, and lower restructuring payments, combined with lower spending on maintenance capital, partially offset by higher interest payments, and increased investment in working capital.

Net Debt as at September 30, 2024 was $1,597.3 million, a decrease of $172.2 million compared to the prior year.

For further discussion on key operational metrics and results refer to the section titled Operating Review.

Note: Several items are excluded from the discussions of underlying earnings performance as they are not representative of ongoing operational activities. Refer to the section entitled Non-IFRS Financial Measures at the end of this news release for a description and reconciliation of all non-IFRS financial measures.

Operating Review

During the first quarter of 2024, the Company announced an update to its strategic blueprint (the “Blueprint”) that reflects the progress it has made toward achieving its Purpose and Vision and establishes the roadmap for the next chapter of how Maple Leaf Foods intends to deliver on these objectives.

As part of delivering on these objectives, the Company combined its Meat and Plant protein businesses and aligned its organizational structure to focus on growth potential in key markets and drive operational efficiencies. As a result in the first quarter of 2024, Maple Leaf Foods began to report its business and operational results as a consolidated protein company, and updated its strategic Adjusted EBITDA margin target of 14% - 16% to include Plant protein.

As a consolidated protein company, Maple Leaf Foods has two operating units: Prepared Foods and Pork, which represent on average approximately 75% and 25% of total Company revenue respectively. Prepared Foods combines the operations of prepared meats, plant protein, and poultry, which represent on average approximately 50%, 5% and 20% of total Company revenue respectively.

On July 9, 2024, Maple Leaf Foods announced its intention to separate into two independent public companies through a spin-off of Maple Leaf Foods' Pork operating unit. This separation is expected to be completed in 2025. See the section entitled Outlook within this press release for a further update.

The following table summarizes the Company's sales, gross profit, selling, general and administrative expenses, Adjusted Operating Earnings, Adjusted EBITDA, and Adjusted EBITDA Margin for the three and nine months ended September 30, 2024 and September 30, 2023.

($ millions except where noted otherwise) (Unaudited)	**Three months ended September 30, 2024**	Three months ended September 30, 2023	**Nine months ended September 30, 2024**	Nine months ended September 30, 2023
Sales[(i)]	**$ 1,260.1**	$ 1,238.3	**$ 3,674.2**	$ 3,675.2
Gross profit (loss)	**$ 186.2**	$ 145.9	**$ 543.7**	$ 315.9
Selling, general and administrative expenses	**$ 108.5**	$ 94.9	**$ 335.2**	$ 303.8
Adjusted Operating Earnings[(ii)]	**$ 73.6**	$ 70.5	**$ 204.7**	$ 135.7
Adjusted EBITDA[(ii)]	**$ 140.8**	$ 129.0	**$ 398.1**	$ 307.4
Adjusted EBITDA Margin[(i)(ii)]	**11.2%**	10.4%	**10.8%**	8.4%

(i) *Quarterly amounts for 2023 have been adjusted to eliminate new sales agreements entered into during the year that contained an expectation of repurchase, which had previously been reported as external sales.*

(ii) *Refer to the section titled Non-IFRS Financial Measures in this news release.*

Sales for the third quarter increased 1.8% to $1,260.1 million, compared to $1,238.3 million last year. Sales in the Prepared Foods operating unit increased 2.0%, with prepared meats and plant protein increasing 3.1% and 1.1% respectively which was partially offset by a decline in poultry of 0.9%. The increase in prepared meats sales was driven by foodservice volume growth and improved category mix, and was partially offset by increased trade promotions. Plant protein sales were positively impacted by foreign exchange and improved product mix, which more than offset volume declines which remain in line with the overall plant protein category. The decrease in poultry sales was driven by the repatriation of production to the London poultry facility and higher internalization of poultry supply into prepared meats, and was partially offset by improved channel mix tied to retail volume growth. Sales in the Pork operating unit increased by 1.1% due to improved product mix and favourable foreign exchange, which were partially offset by lower by-product market prices.

Year-to-date sales for 2024 were $3,674.2 million relatively flat compared to $3,675.2 million last year. Sales were driven by factors consistent with those mentioned above with the exception of sales in the Pork operating unit which were negatively impacted by lower opportunistic buy and sell activity in the second quarter of 2024.

Gross profit for the third quarter increased to $186.2 million, (gross margin of 14.8%) compared to $145.9 million (gross margin of 11.8%) last year. The improvement in gross profit was driven by improved pork market conditions, reduced start-up expenses in the London poultry facility and Bacon Centre of Excellence, realization of operational efficiencies across the network, and unrealized mark to market valuation of biological assets driven by changes in feed markets, all of which were partially offset by the impact of increased trade promotions in the quarter.

Year-to-date gross profit for 2024 was $543.7 million (gross margin of 14.8%) compared to $315.9 million (gross margin of 8.6%) last year. Gross profit improvement was driven by improved pork market conditions, reduced start-up expenses in the London poultry facility and Bacon Centre of Excellence, realization of operational efficiencies, and unrealized mark to market valuation of biological assets driven by changes in feed markets.

SG&A expenses for the third quarter were $108.5 million, compared to $94.9 million last year. The increase in SG&A expenses was primarily driven by higher variable compensation.

Year-to-date SG&A expenses for 2024 were $335.2 million compared to $303.8 million last year. The increase in SG&A expenses was driven by higher variable compensation and higher consulting fees largely incurred in the second quarter of 2024.

Adjusted Operating Earnings for the third quarter were $73.6 million, compared to $70.5 million last year driven primarily by the drivers noted above for gross profit and SG&A, and excluding the impacts of unrealized mark to market valuation adjustments and start-up expenses, which are excluded in the calculation of Adjusted Operating Earnings.

Year-to-date Adjusted Operating Earnings for 2024 were $204.7 million compared to $135.7 million last year, consistent with factors noted above for the third quarter.

Adjusted EBITDA for the third quarter were $140.8 million, compared to $129.0 million last year, driven by factors consistent with those noted above and also excluding the impact of unrealized mark to market valuation adjustments and start-up expenses. Adjusted EBITDA Margin for the the second quarter of 2024 was 11.2% compared to 10.4% last year, also driven by factors consistent with those noted above.

Year-to-date Adjusted EBITDA for 2024 were $398.1 million compared to $307.4 million last year, driven by factors consistent with those noted above. Year-to-date Adjusted EBITDA Margin for 2024 was 10.8% compared to 8.4% last year, also driven by factors consistent with those noted above.

Other Matters

On November 12, 2024, the Board of Directors approved a quarterly dividend of $0.22 per share, $0.88 per share on an annual basis, payable December 31, 2024 to shareholders of record at the close of business December 6, 2024. Unless indicated otherwise by the Company at or before the time the dividend is paid, the dividend will be considered an eligible dividend for the purposes of the “Enhanced Dividend Tax Credit System". The Board of Directors has also approved the issuance of common shares from treasury at a two percent discount under the Company's Dividend Reinvestment Plan ("DRIP"). Under the DRIP, investors holding the Company's common shares can receive common shares instead of cash dividend payments. Further details, including how to enroll in the program are available at https://www.mapleleaffoods.com/investors/stock-information/

Conference Call

A conference call will be held at 8:00 a.m. ET on November 13, 2024, to review Maple Leaf Foods’ third quarter financial results. To participate in the call, please dial 289-819-1350 or 1-800-836-8184. For those unable to participate, playback will be made available an hour after the event at 289-819-1450 or 1-888-660-6345 (Passcode: 41534#).

A webcast of the third quarter conference call will also be available at: https://www.mapleleaffoods.com/investors/events-and-presentations/

The Company’s full unaudited condensed consolidated interim financial statements ("Consolidated Interim Financial Statements") and related Management’s Discussion and Analysis are available on the Company’s website and on SEDAR+ at www.sedarplus.ca.

An investor presentation related to the Company’s third quarter financial results is available at www.mapleleaffoods.com under Presentations and Webcasts on the Investors page.

Outlook

Maple Leaf Foods is a leading consumer protein company built on a powerful portfolio of brands, with a leading voice in sustainability and food security. The Company's strategic Blueprint defines how it will advance its vision to be the Most Sustainable Protein Company on Earth while delivering on its commercial and financial objectives.

The Company recognizes that macro-economic factors and global conflict continue to define the current operating environment, contributing to continuing high interest rates, inflation, supply chain tensions, and pressures on agricultural, commodity and foreign exchange markets. As a result, consumers and businesses alike are adapting their behaviour which impacts demand and product mix. The Company leverages its data-driven insights to stay close to these dynamics, and it is confident in the resilience of its brands, business model and strategy to manage through prevailing economic conditions.

Earlier this year, Maple Leaf Foods refreshed its Blueprint and announced it was realigning its organizational structure to support its new strategic orientation as it brings together its Meat and Plant Protein businesses under a single umbrella with a clear and consistent focus on driving profitable growth in Canada, the U.S., and internationally across its entire protein portfolio.

With this focus, the Company expects to achieve an overall consolidated strategic Adjusted EBITDA Margin target of 14% to 16%. Prior to this year, this strategic Adjusted EBITDA Margin target applied to the previous Meat Protein segment but now applies on a consolidated protein basis.

For the full year 2024, the Company expects:

- Low single-digit revenue growth
- Adjusted EBITDA Margin expansion from 2023, supported by the benefits of:
    - Profitable growth of its leading portfolio of protein brands
    - Returns from investments in the London poultry plant and the Bacon Centre of Excellence
    - Leadership in sustainable meats
    - Driving operational and cost efficiencies
- To generate increased Free Cash Flow and delever its balance sheet by:
    - Improving margins and overall profitability as outlined above
    - Generating the targeted returns on its capital investments at the London poultry plant and the Bacon Centre of Excellence, including reducing start-up expenses, maximizing efficiencies and onboarding new customers
    - Exercising disciplined capital management, with total capital expenditures this year expected to be approximately $100 million, largely focused on maintenance capital and optimization of its existing network

Additionally, the Company estimates its capital expenditures for 2025 will be in the range of $175 million to $200 million with approximately $130 million comprised of maintenance capital with the remainder being growth capital. The growth capital consists of projects focused on continued capacity optimization and cost efficiency and to drive growth opportunities.

Maple Leaf Foods will also continue to advance its ambitious sustainability agenda, including leading the real food movement, advancing its animal care initiatives, seeking solutions to address food insecurity, accelerating its efforts to reduce its environmental footprint and continuing to deliver safe food made in a safe work environment.

Update on the spin-off of the pork business

On July 9, 2024, Maple Leaf Foods announced plans to separate into two independent public companies through the spin-off of its pork business (the "spin-off"). The primary goal of the spin-off is to unlock value for stakeholders and unleash the potential of both businesses as they each pursue their distinctive value creation opportunities. The new pork company will be known as Canada Packers Inc., a name that honours the legacy of this iconic brand in Maple Leaf Foods' history, but with a new modern focus on sustainability that reflects its bold vision for the future.

Since the announcement of the spin-off, the Company has made significant strides in executing the work necessary for a successful separation of the two businesses, including continuing to assess its ability to achieve a more tax efficient outcome. The Company has now identified a structure that would allow it to implement the spin-off through a tax-free "butterfly reorganization."

The originally announced structure of the transaction involved a return of capital spin-off, and to the extent any of the shares of Canada Packers could not be distributed through a return of capital, Maple Leaf Foods intended to distribute such shares as a dividend. This structure was expected to result in a taxable gain for Maple Leaf Foods.

By contrast, the tax-free "butterfly reorganization," which would be executed by way of a plan of arrangement, is not expected to result in any taxable gain for Maple Leaf Foods.

Under the proposed new structure, Maple Leaf Foods will retain a 16-17% ownership interest in Canada Packers, with the balance of the shares being distributed pro-rata to existing Maple Leaf Foods shareholders. The Company's largest, owner-operator shareholder, McCain Capital Inc. ("MCI") and certain members of the McCain family (together the "McCain Parties") have agreed to enter into a tax matters agreement prior to the closing of the spin-off which contains a number of representations and covenants related to compliance with the rules governing butterfly reorganization transactions under the

Income Tax Act (Canada) (the “ITA”). The McCain Parties have also reinforced their support for the transaction, and the new structure.

With this new structure, the completion of the transaction is subject to receipt of an advance tax ruling from the Canada Revenue Agency (CRA), execution of the tax matters agreement (including satisfaction of the conditions thereunder), and other customary conditions such as receipt of an updated favourable fairness opinion and required approvals.

Further details of the transaction and structure will be included in the Information Circular to be filed in connection with the transaction.

As a taxable transaction, the spin-off already represented an attractive, value creation opportunity, and now with the opportunity to pursue a tax-free structure, the spin-off has the potential to deliver even greater value. Because the advance ruling application process will take a number of months, the closing of the transaction will be delayed beyond the Company’s original expectations, but is still expected to close in 2025, subject to the receipt of all necessary approvals and the satisfaction of all other conditions, including the receipt of the advance tax ruling.

Non-IFRS Financial Measures

The Company uses the following non-IFRS measures: Adjusted Operating Earnings, Adjusted Earnings per Share, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBT, Construction Capital, Net Debt, Net Debt to trailing four quarters Adjusted EBITDA, Free Cash Flow and Return on Net Assets. Management believes that these non-IFRS measures provide useful information to investors in measuring the financial performance of the Company for the reasons outlined below. These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS.

Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EBT

Adjusted Operating Earnings, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EBT are non-IFRS measures used by Management to evaluate financial operating results. Adjusted Operating Earnings is defined as earnings before other income, income taxes and interest expense adjusted for items that are not considered representative of ongoing operational activities of the business and certain items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying or related asset is sold or transferred. Adjusted EBITDA is defined as Adjusted Operating Earnings plus depreciation and intangible asset amortization, adjusted for items included in other expense that are considered representative of ongoing operational activities of the business. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by sales. Adjusted EBT is used annually by the Company to evaluate its performance and is a component of calculating bonus entitlements under the Company's short term incentive plan. It is defined as Adjusted EBITDA plus interest income, less depreciation and amortization, and interest expense.

The table below provides a reconciliation of earnings (loss) before income taxes as reported under IFRS in the Consolidated Interim Financial Statements to Adjusted Operating Earnings, Adjusted EBITDA and Adjusted EBT for the three and nine months ended September 30, 2024 as indicated below. Management believes that these non-IFRS measures are useful in assessing the performance of the Company's ongoing operations and its ability to generate cash flows to fund its requirements, including the Company's capital investment program.

	Three months ended September 30,		Nine months ended September 30,	
($ millions)[(i)] *(Unaudited)*	**2024**	2023	**2024**	2023
Earnings (loss) before income taxes	**$ 25.2**	$ (0.2)	**$ 66.5**	$ (133.9)
Interest expense and other financing costs	**41.1**	40.5	**126.8**	109.6
Other expense	**9.9**	6.6	**7.6**	13.5
Restructuring and other related costs	**1.4**	4.1	**7.6**	22.9
Earnings from operations	**$ 77.7**	$ 50.9	**$ 208.5**	$ 12.1
Start-up expenses from Construction Capital[(ii)]	**3.9**	24.1	**19.7**	92.7
Change in fair value of biological assets	**(3.7)**	(0.3)	**(20.4)**	28.4
Unrealized and deferred loss (gain) on derivative contracts	**(4.3)**	(4.3)	**(3.1)**	2.6
Adjusted Operating Earnings	**$ 73.6**	$ 70.5	**$ 204.7**	$ 135.7
Depreciation and amortization[(iii)]	**68.6**	65.7	**197.2**	183.1
Items included in other income (expense) representative of ongoing operations[(iv)]	**(1.4)**	(7.3)	**(3.8)**	(11.4)
Adjusted EBITDA	**$ 140.8**	$ 129.0	**$ 398.1**	$ 307.4
Adjusted EBITDA Margin[(v)]	**11.2%**	10.4%	**10.8%**	8.4%
Interest expense and other financing costs	**(41.1)**	(40.5)	**(126.8)**	(109.6)
Interest income	**1.0**	2.3	**2.8**	3.1
Depreciation and amortization	**(68.6)**	(65.7)	**(197.2)**	(183.1)
Adjusted EBT	**$ 32.1**	$ 25.1	**$ 76.9**	$ 17.8

(i) *Totals may not add due to rounding.*

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

(iii) *Depreciation included in start-up expenses is excluded from this line.*

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

(v) *Quarterly amounts for 2023 have been adjusted to eliminate new sales agreements entered into during the year that contained an expectation of repurchase, which had previously been reported as external sales.*

Adjusted Earnings per Share

Adjusted Earnings per Share, a non-IFRS measure, is used by Management to evaluate financial operating results. It is defined as basic earnings per share and is adjusted on the same basis as Adjusted Operating Earnings. The table below provides a reconciliation of basic earnings per share as reported under IFRS in the Consolidated Interim Financial Statements to Adjusted Earnings per Share for the three and nine months ended September 30 as indicated below. Management believes this basis is the most appropriate on which to evaluate financial results as they are representative of the ongoing operations of the Company.

($ per share) (Unaudited)	Three months ended September 30,				Nine months ended September 30,			
		2024		2023		**2024**		2023
Basic earnings (loss) per share	**$**	**0.14**	$	(0.04)	**$**	**0.35**	$	(0.95)
Restructuring and other related costs[(i)]		**0.01**		0.03		**0.05**		0.17
Items included in other income (expense) not considered representative of ongoing operations[(ii)]		**0.06**		0.02		**0.05**		0.03
Start-up expenses from Construction Capital[(iii)]		**0.02**		0.15		**0.12**		0.57
Change in fair value of biological assets		**(0.02)**		—		**(0.14)**		0.17
Change in unrealized and deferred fair value on derivatives		**(0.03)**		(0.03)		**(0.02)**		0.02
Adjusted Earnings per Share	**$**	**0.18**	$	0.13	**$**	**0.41**	$	0.01

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

(ii) *Primarily includes legal fees and settlements, gains or losses on investment property, and transaction related costs, net of tax.*

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

Construction Capital

Construction Capital, a non-IFRS measure, is used by Management to evaluate the amount of capital resources invested in specific strategic development projects that are not yet operational. It is defined as investments and related financing charges in projects over $50 million that are related to longer-term strategic initiatives, with no returns expected for at least 12 months from commencement of construction and the asset is re-categorized from Construction Capital once operational.

Construction Capital balance was nil as at December 31, 2023, and there was no activity during 2024. The Construction Capital activity for the nine months ended September 30, 2023 is shown in the table below.

($ thousands) (Unaudited)		2023
Property and equipment and intangibles at January 1	$	2,663,985
Other capital and intangible assets at January 1[(i)]		2,654,419
Construction Capital at January 1	$	9,566
Additions		8,822
Construction Capital at March 31	$	18,388
Additions		18,896
Construction Capital at June 30	$	37,284
Additions		14,213
Construction Capital at September 30[(ii)]	$	51,497
Other capital and intangible assets at September 30[(i)]		2,581,318
Property and equipment and intangibles at September 30	$	2,632,815
Construction Capital debt financing[(iii)(iv)]	$	50,013

(i) *Other capital and intangible assets consists of property and equipment and intangibles that do not meet the definition of Construction Capital.*

(ii) *As at September 30, 2023 the net book value of Construction Capital includes $0.7 million related to intangible assets.*

(iii) *September 30, 2023 does not include $1,024.3 million in capital that had been transferred out but was still in the start-up stage.*

(iv) *Assumed to be fully funded by debt to the extent that the Company has Net Debt outstanding. Construction Capital debt financing excludes interest paid and capitalized.*

Net Debt

The following table reconciles Net Debt and Net Debt to trailing four quarters Adjusted EBITDA to amounts reported under IFRS in the Company's Consolidated Interim Financial Statements as at September 30 as indicated below. The Company calculates Net Debt as cash and cash equivalents, less current and long-term debt and bank indebtedness. Management believes this measure is useful in assessing the amount of financial leverage employed.

($ thousands) *(Unaudited)*	As at September 30, **2024**	2023
Cash and cash equivalents	**$ 181,787**	$ 204,598
Current portion of long-term debt	**$ (300,771)**	$ (398,685)
Long-term debt	**(1,478,318)**	(1,575,418)
Total debt	**$(1,779,089)**	$(1,974,103)
Net Debt	**$(1,597,302)**	$(1,769,505)
Adjusted EBITDA for the nine months ended	**$ 398,112**	$ 307,398
Trailing four quarters Adjusted EBITDA[(i)]	**$ 518,302**	$ 362,684
Net Debt to trailing four quarters Adjusted EBITDA	**3.1**	4.9

[(i)] *Trailing four quarters includes Q4 2023, Q1 2024, Q2 2024 and Q3 2024 for 2024; and Q4 2022, Q1 2023, Q2 2023 and Q3 2023 for 2023.*

Free Cash Flow

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

($ thousands) *(Unaudited)*	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Cash provided by operating activities	**$ 176,195**	$ 115,161	**$ 309,016**	$ 93,871
Maintenance Capital[(i)]	**(21,023)**	(25,190)	**(52,709)**	(67,368)
Interest paid and capitalized related to Maintenance Capital	**(264)**	(404)	**(747)**	(890)
Free Cash Flow	**$ 154,908**	$ 89,567	**$ 255,560**	$ 25,613

[(i)] *Maintenance Capital is defined as non-discretionary investment required to maintain the Company's existing operations and competitive position. For the three and nine months ended September 30, 2024, total capital spending of $26.2 million and $66.2 million (2023: $51.3 million and $156.4 million) shown on the Consolidated Statements of Cash Flows is made up of Maintenance Capital of $21.0 million and $52.7 million (2023: $25.2 million and $67.4 million), and Growth Capital of $5.2 million for the three months ended September 30, 2024 and $13.5 million for the nine months ended September 30, 2024 (2023: $26.1 million and $89.0 million). Growth Capital is defined as discretionary investment meant to create stakeholder value through initiatives that for example, expand margins, increase capacities or create further competitive advantage.*

Return on Net Assets ("RONA")

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

Forward-Looking Statements

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

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

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

- the terms, timing, receipt of all approvals, expected structure, expected benefits, risks, costs, dis-synergies and tax implications associated with the spin-off including the timely receipt of an advance tax ruling from the CRA in form and substance satisfactory to the Company;
- the anticipated future financial performance of the businesses following the spin-off, including post separation business structure, the operationalization of the proposed agreements to be entered into between the companies, and the ability of each company to execute their respective business and sustainability strategies;
- the entry into the tax matters agreement with the McCain Parties and the satisfaction of the conditions of such agreement and future voting support for the spin-off;
- assumptions about the economic environment, including the implications of inflationary pressures on customer and consumer behaviour, supply chains, global conflicts and competitive dynamics;
- expected future cash flows and the sufficiency thereof, sources of capital at attractive rates, future contractual obligations, future financing options, renewal of credit facilities, compliance with credit facility covenants, and availability of capital to fund growth plans, operating obligations and dividends;
- future performance, including future financial objectives, goals and targets, category growth analysis, expected capital spend and expected SG&A expenditures, global pork market dynamics, Japan export market margin outlook, labour markets, inflationary pressures (including the ability to price for inflation);
- potential for a recurrence of a cybersecurity incident on the Company's systems, business and operations, as well as the ability to mitigate the financial and operational impacts, the success of remediation and recovery efforts, the implications of data breaches, and other ongoing risks associated with cybersecurity;
- the execution of the Company's business strategy, including the development and expected timing of business initiatives, brand expansion and repositioning, plant protein category investment and performance, market access in China and Japan, capital allocation decisions (including investment in share repurchases under the NCIB) and investment in potential growth opportunities and the expected returns associated therewith;
- the impact of international trade conditions and markets on the Company's business, including access to markets, global conflict and other social, economic and political factors that affect trade;
- implications associated with the spread of foreign animal disease (such as African Swine Fever ("ASF")) and other animal diseases such as Avian Influenza;
- competitive conditions and the Company's ability to position itself competitively in the markets in which it competes;
- capital projects, including planning, construction, estimated expenditures, schedules, approvals, expected capacity, in-service dates and anticipated benefits of construction of new facilities and expansions of existing facilities;
- the Company's dividend policy, including future levels and sustainability of cash dividends, the tax treatment thereof and future dividend payment dates;
- the impact of commodity prices and foreign exchange impacts on the Company's operations and financial performance, including the use and effectiveness of hedging instruments;
- operating risks, including the execution, monitoring and continuous improvement of the Company's food safety programs, animal health initiatives, cost reduction initiatives, and service levels (including service level penalties);
- the implementation, cost and impact of environmental sustainability initiatives, the ability of the Company to achieve its sustainability objectives, changing climate and sustainability laws and regulation, changes in customer and consumer expectations related to sustainability matters, as well as the anticipated future cost of remediating environmental liabilities;
- the adoption of new accounting standards and the impact of such adoption on the financial position of the Company;
- expectations regarding pension plan performance, including future pension plan assets, liabilities and contributions; and
- developments and implications of actual or potential legal actions.

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

- expectations and assumptions concerning the timing and completion of the Spin-off, including securing all necessary shareholder, court, and other third party approvals; receipt of an updated favourable fairness opinion; future voting support for the spin-off; implications of the risks, benefits, costs, dis-synergies, tax structure, future business performance of each company; the impact of the operationalization of the proposed agreements to be entered into between the companies; and ability of each company to execute their respective business and sustainability strategies to generate returns;
- expectations and assumptions as to the timely receipt of an advance tax ruling from the CRA in form and substance satisfactory to the Company which is not altered or withdrawn; settling acceptable final terms of a tax matters agreement with the McCain Parties; satisfaction of the conditions necessary to proceed with tax matters agreement; compliance by

Maple Leaf Foods, Canada Packers and “specified shareholders”, as defined in the ITA, with the rules related to butterfly transactions under the ITA both before and after the completion of the spin-off;

- expectations regarding the adaptations in operations, supply chain, customer and consumer behaviour, economic patterns (including but not limited to global pork markets), foreign exchange rates, international trade dynamics and access to capital, including possible presence or absence of structural changes associated with the economic recovery since the pandemic and global conflicts;
- the competitive environment, associated market conditions and market share metrics, category growth or contraction, the expected behaviour of competitors and customers and trends in consumer preferences;
- the success of the Company's business strategy and the relationship between pricing, inflation, volume and sales of the Company's products;
- prevailing commodity prices (especially in pork and feed markets), interest rates, tax rates and exchange rates;
- potential impacts related to cybersecurity matters, including security costs, the potential for a future incident, the risks associated with data breaches, the availability of insurance, the effectiveness of remediation and prevention activities, third party activities, ongoing impacts, customer, consumer and supplier responses and regulatory considerations;
- the economic condition of and the sociopolitical dynamics between Canada, the U.S., Japan and China, and the ability of the Company to access markets and source ingredients and other inputs in light of global sociopolitical disruption, and the ongoing impact of global conflicts on inflation, trade and markets;
- the spread of foreign animal disease (including ASF and Avian Influenza), preparedness strategies to manage such spread, and implications for all protein markets;
- the availability of and access to capital to fund future capital requirements and ongoing operations;
- expectations regarding participation in and funding of the Company's pension plans;
- the availability of insurance coverage to manage certain liability exposures;
- the extent of future liabilities and recoveries related to legal claims;
- prevailing regulatory, tax and environmental laws; and
- future operating costs and performance, including the Company's ability to achieve operating efficiencies and maintain sales volumes, turnover of inventories and turnover of accounts receivable.

Readers are cautioned that these assumptions may prove to be incorrect in whole or in part. The Company's actual results may differ materially from those anticipated in any forward-looking statements.

Factors that could cause actual results or outcomes to differ materially from the results expressed, implied, or projected in the forward-looking statements contained in this document include, among other things, risks associated with the following:

- the spin-off not proceeding as expected (within the expected timeline or at all), including as a result of the conditions of the transaction, including receipt of all third-party consents and approvals, not being satisfied;
- the spin-off not delivering the intended benefits, including the ability of the separated companies to each succeed as a standalone publicly trading company;
- unanticipated effects of the announcement the spin-off, and/or changes in transaction structure, on the market price for the Company's securities or the financial performance of the Company;
- the results of each of the separated companies' execution of their respective business plans, the degree to which benefits are realized or not and the timing to realize those benefits, including the implications on the financial results of each;
- failure to agree on the final terms of a tax matters agreement with the McCain Parties or failure to satisfy the conditions of the tax matters agreement;
- failure to receive an advance tax ruling from the CRA on terms acceptable to the Company in form and substance satisfactory to the Company, that is not altered or withdrawn;
- failure of the Company, Canada Packers or a “specified shareholder,” as defined in the ITA, to comply with the rules related to butterfly transactions under the ITA which could result in significant tax becoming payable by the Company and/or Canada Packers;
- failure to satisfy the conditions to secure voting support for the spin-off;
- presence or absence of adaptations or structural changes arising since the economic recovery following the pandemic which may have implications for the operations and financial performance of the Company, as well the ongoing implications for macro socio-economic trends and global conflict;
- macro economic trends, including inflation, consumer behaviour, recessionary indicators, labour availability and labour market dynamics and international trade trends (including global pork markets);
- the results of the Company's execution of its business plans, the degree to which benefits are realized or not, and the timing associated with realizing those benefits, including the implications on cash flow;

- competition, market conditions, and the activities of competitors and customers, including the expansion or contraction of key categories, inflationary pressures, pork market dynamics and Japan export margins;
- cybersecurity and maintenance and operation of the Company's information systems, processes and data, recovery, restoration and long term impacts of the cybersecurity event, the risk of future cybersecurity events, actions of third parties, risks of data breaches, effectiveness of business continuity planning and execution, and availability of insurance;
- the health status of livestock, including the impact of potential pandemics;
- international trade and access to markets and supplies, as well as social, political and economic dynamics, including global conflicts;
- operating performance, including manufacturing operating levels, fill rates and penalties;
- availability of and access to capital, and compliance with credit facility covenants;
- decisions respecting the return of capital to shareholders;
- the execution of capital projects and investment in maintenance capital;
- food safety, consumer liability and product recalls;
- climate change, climate regulation and the Company's sustainability performance;
- strategic risk management;
- acquisitions and divestitures;
- fluctuations in the debt and equity markets;
- fluctuations in interest rates and currency exchange rates;
- pension assets and liabilities;
- cyclical nature of the cost and supply of hogs and the competitive nature of the pork market generally;
- the effectiveness of commodity and interest rate hedging strategies;
- impact of changes in the market value of the biological assets and hedging instruments;
- the supply management system for poultry in Canada;
- availability of plant protein ingredients;
- intellectual property, including product innovation, product development, brand strategy and trademark protection;
- consolidation of operations and focus on protein;
- the use of contract manufacturers;
- reputation;
- weather;
- compliance with government regulation and adapting to changes in laws;
- actual and threatened legal claims;
- consumer trends and changes in consumer tastes and buying patterns;
- environmental regulation and potential environmental liabilities;
- consolidation in the retail environment;
- employment matters, including complying with employment laws across multiple jurisdictions, the potential for work stoppages due to non-renewal of collective agreements, recruiting and retaining qualified personnel, reliance on key personnel and succession planning;
- pricing of products;
- managing the Company’s supply chain;
- 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" in the Company's Management Discussion and Analysis for the year ended December 31, 2023.

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

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

More information about risk factors can be found under the heading “Risk Factors” in the Company's Annual Management's Discussion and Analysis for the year ended December 31, 2023, that is available on SEDAR+ at www.sedarplus.ca. The reader should review such section in detail. Additional information concerning the Company, including the Company’s Annual Information Form, is available on SEDAR+ at www.sedarplus.ca.

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.

Management's Estimates on the Pork business spin-off, and related Non-IFRS measures

The following table presents management’s preliminary estimates of certain financial information regarding the Canada Packers and the business that will be retained after the separation by Maple Leaf Foods. These preliminary estimates have not been audited or reviewed by any third party, have been derived from internal management reporting, and reflect sales, cost and expense allocations, including with respect to corporate expenses, as well as other estimates and adjustments, each of which is preliminary in nature and subject to change.

Management believes that these preliminary estimates are useful in providing an indication of the relative size of the businesses upon separation. Each of these figures is expected to be refined prior to the separation, with full financial details to be presented in the management information circular to be filed in connection with the transaction.

	Last twelve months ended September 30, 2024			
(in millions of Canadian dollars) (unaudited)	**Canada Packers**	**Maple Leaf Foods**(i)	**Eliminations**	**Consolidated Maple Leaf Foods Inc.**
Sales (IFRS)	**$ 1,652** (ii)	**$ 3,581** (iii)	**$ (366)** (iv)	**$ 4,867** (v)
Adjusted EBITDA	**$ 131** (vi)	**$ 387** (vii)	—	**$ 518** (v),(viii)
Adjusted EBITDA Margin(ix)	*7.9%*	*10.8%*	*—%*	*10.6%*
Estimate of potential impact of separation(x)	**~ $2 - 6**	**~ $(6) - (10)**		
Pro Forma Adjusted EBITDA(xi)	**~ $135**	**~ $380**		
Pro Forma Adjusted EBITDA margin(xii)	*~8%*	*~11%*		
Estimate of potential market normalization impact(xiii)	**~ $65-70**			
Pro Forma normalized Adjusted EBITDA(xiv)	**~ $200**			
Pro Forma normalized Adjusted EBITDA Margin(xv)	*~12%*			

Note:

(i) Refers to the business that will be retained after the separation by Maple Leaf Foods Inc.

(ii) Represents management’s preliminary estimate of sales (both to Maple Leaf Foods and to external third parties) attributable to the business that will be transferred to Canada Packers in the separation for the period presented.

(iii) Represents management’s preliminary estimate of sales attributable to the business that will be retained by Maple Leaf Foods after the separation for the period presented.

(iv) Primarily represents management’s preliminary estimate of sales from Canada Packers to Maple Leaf Foods for the period presented.

(v) Calculated by adding the previously reported results for the year ended December 31, 2023 to results for the nine months ended September 30, 2024 and subtracting results for the nine months ended September 30, 2023. These results are reported in the Company’s MD&A filed on SEDAR and SEDAR+ for the year ended December 31, 2023, the quarter ended September 30, 2024 and the quarter ended September 30, 2023.

(vi) Represents management’s preliminary estimate of the portion of consolidated Adjusted EBITDA attributable to Canada Packers for the period presented. As noted above, this estimate is subject to change and is expected to be refined prior to the separation.

(vii) Represents management’s preliminary estimate of the portion of consolidated Adjusted EBITDA attributable to Maple Leaf Foods (as defined in note (i) above) for the period presented. As noted above, this estimate is subject to change and is expected to be refined prior to the separation.

(viii) For a definition of Adjusted EBITDA (consolidated), and a reconciliation of Adjusted EBITDA (consolidated) for the periods described in note (v) above to consolidated net income for such periods, see the Company’s MD&A filed on SEDAR and SEDAR+ for the year ended December 31, 2023, the quarter ended September 30, 2024 and the quarter ended September 30, 2023.

(ix) Defined as Adjusted EBITDA divided by Sales. This metric is subject to change and is expected to be refined prior to the separation in the same manner as the metrics from which this metric is derived, as noted above.

(x) *Represents management's preliminary estimate of the potential impact on Adjusted EBITDA of Canada Packers and Maple Leaf Foods (as defined in note (i) above), respectively, if the separation had occurred on October 1, 2023. Primarily relates to management's preliminary estimate of (1) a change in Adjusted EBITDA of Canada Packers and an offsetting change in Adjusted EBITDA of Maple Leaf Foods as a result of the anticipated impact of the supply agreement and other contractual arrangements expected to be entered into in connection with the separation, (2) public company costs that would have been incurred by Canada Packers, and (3) a reallocation of certain SG&A expenses from Canada Packers to Maple Leaf Foods. As noted above, this estimate is subject to change and is expected to be refined prior to the separation.*

(xi) *Defined as Adjusted EBITDA plus management's preliminary estimate of the potential impact of the separation described in, and subject to the qualifications described in, note (x) above.*

(xii) *Defined as Pro Forma Adjusted EBITDA, as described in note (xi) above divided by Sales. This metric is subject to change and is expected to be refined prior to the separation in the same manner as the metrics from which this metric is derived, as noted above.*

(xiii) *Presented for illustrative purposes only, based on management estimates and assumptions, to indicate what the potential impact on Pro Forma Adjusted EBITDA may have been if market conditions during the period presented had reflected normal market conditions, defined as the 5-year pre-pandemic (2015 – 2019) average ("Normal Market Conditions"). Actual market conditions during the period presented were materially different from Normal Market Conditions, and there can be no assurance that actual Pro Forma Adjusted EBITDA would have been impacted in the manner shown if Normal Market Conditions had existed during the period presented, or that actual future market conditions will reflect Normal Market Conditions. This metric is not intended to be indicative of potential financial results for any future period.*

(xiv) *Defined as Pro Forma Adjusted EBITDA, as described in note (xi) above, plus management's preliminary estimate of the potential impact if market conditions during the period presented had reflected Normal Market Conditions, subject to the qualifications described in note (xiii) above. This metric is presented for illustrative purposes only and is not intended to be indicative of potential financial results for any future period.*

(xv) *Defined as Pro Forma normalized Adjusted EBITDA, as described in note (xiv) above, divided by Sales. This metric is presented for illustrative purposes only and is based on management estimates and assumptions. This metric is subject to change and is expected to be refined prior to the separation in the same manner as the metrics from which this metric is derived, as noted above. Actual market conditions during the period presented were materially different from Normal Market Conditions, and there can be no assurance that actual Pro Forma Adjusted EBITDA Margin would have been impacted in the manner shown if Normal Market Conditions had existed during the period presented, or that actual future market conditions will reflect Normal Market Conditions. This metric is not intended to be indicative of potential financial results for any future period.*

Adjusted EBITDA, Pro Forma Adjusted EBITDA, and Pro Forma normalized Adjusted EBITDA, and related margins, as presented in the table above, are non-IFRS metrics and do not have a standardized meaning prescribed by IFRS. Consequently, they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS.

About Maple Leaf Foods Inc.

Maple Leaf Foods is a leading protein company responsibly producing food products under brands including Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Schneiders® Country Naturals®, Mina®, Greenfield Natural Meat Co.®, Lightlife® and Field Roast™. The Company employs approximately 13,500 people and does business primarily in Canada, the U.S. and Asia. The Company is headquartered in Mississauga, Ontario and its shares trade on the Toronto Stock Exchange (MFI).

Consolidated Interim Balance Sheets

(In thousands of Canadian dollars) *(Unaudited)*	**As at September 30, 2024**	As at September 30, 2023	As at December 31, 2023
ASSETS			
Cash and cash equivalents	**$ 181,787**	$ 204,598	$ 203,363
Accounts receivable	**184,645**	195,196	183,798
Notes receivable	**36,020**	35,659	33,220
Inventories	**560,159**	546,747	542,392
Biological assets	**126,007**	112,029	114,917
Income taxes recoverable	**33,758**	87,371	88,896
Prepaid expenses and other assets	**30,206**	28,677	44,865
Assets held for sale	**27,438**	604	—
Total current assets	**$ 1,180,020**	$ 1,210,881	$ 1,211,451
Property and equipment	**2,151,364**	2,281,032	2,251,710
Right-of-use assets	**160,271**	150,510	154,610
Investments	**16,024**	23,489	15,749
Investment property	**34,744**	19,489	57,144
Employee benefits	**32,700**	47,735	26,785
Other long-term assets	**21,412**	9,522	22,336
Deferred tax asset	**41,932**	42,639	40,854
Goodwill	**477,353**	477,353	477,353
Intangible assets	**338,376**	351,783	345,129
Total long-term assets	**$ 3,274,176**	$ 3,403,552	$ 3,391,670
Total assets	**$ 4,454,196**	$ 4,614,433	$ 4,603,121
LIABILITIES AND EQUITY			
Accounts payable and accruals	**$ 566,763**	$ 581,625	$ 548,444
Current portion of provisions	**8,391**	14,437	9,846
Current portion of long-term debt	**300,771**	398,685	400,735
Current portion of lease obligations	**38,723**	38,177	38,031
Income taxes payable	**2,318**	833	2,382
Other current liabilities	**19,297**	14,591	32,974
Total current liabilities	**$ 936,263**	$ 1,048,348	$ 1,032,412
Long-term debt	**1,478,318**	1,575,418	1,550,080
Lease obligations	**148,208**	137,904	142,286
Employee benefits	**61,428**	58,798	64,196
Provisions	**1,993**	2,272	2,041
Other long-term liabilities	**6,671**	948	1,124
Deferred tax liability	**311,148**	243,520	296,203
Total long-term liabilities	**$ 2,007,766**	$ 2,018,860	$ 2,055,930
Total liabilities	**$ 2,944,029**	$ 3,067,208	$ 3,088,342
Shareholders' equity			
Share capital	**$ 892,408**	$ 866,443	$ 873,477
Retained earnings	**567,977**	652,837	597,429
Contributed surplus	**8,686**	1,671	3,227
Accumulated other comprehensive income	**44,527**	33,457	47,829
Treasury shares	**(3,431)**	(7,183)	(7,183)
Total shareholders' equity	**$ 1,510,167**	$ 1,547,225	$ 1,514,779
Total liabilities and equity	**$ 4,454,196**	$ 4,614,433	$ 4,603,121

Consolidated Interim Statements of Earnings (Loss)

(In thousands of Canadian dollars, except share amounts) *(Unaudited)*	**Three months ended September 30,**		**Nine months ended September 30,**	
	2024	2023[(i)]	**2024**	2023[(i)]
Sales	**$ 1,260,080**	$ 1,238,271	**$ 3,674,183**	$ 3,675,179
Cost of goods sold	**1,073,867**	1,092,415	**3,130,475**	3,359,280
Gross profit	**$ 186,213**	$ 145,857	**$ 543,708**	$ 315,899
Selling, general and administrative expenses	**108,540**	94,908	**335,222**	303,805
Earnings (loss) before the following:	**$ 77,673**	$ 50,949	**$ 208,486**	$ 12,094
Restructuring and other related costs	**1,398**	4,135	**7,566**	22,910
Other expense	**9,949**	6,593	**7,614**	13,467
Earnings (loss) before interest and income taxes	**$ 66,326**	$ 40,221	**$ 193,306**	$ (24,283)
Interest expense and other financing costs	**41,087**	40,467	**126,807**	109,624
Earnings (loss) before income taxes	**$ 25,239**	$ (246)	**$ 66,499**	$ (133,907)
Income tax expense (recovery)	**7,553**	4,028	**23,435**	(18,251)
Earnings (loss)	**$ 17,686**	$ (4,274)	**$ 43,064**	$ (115,656)
Earnings (loss) per share attributable to common shareholders:				
Basic earnings (loss) per share	**$ 0.14**	$ (0.04)	**$ 0.35**	$ (0.95)
Diluted earnings (loss) per share	**$ 0.14**	$ (0.04)	**$ 0.35**	$ (0.95)
Weighted average number of shares (millions):				
Basic	**123.2**	122.0	**122.9**	121.7
Diluted	**124.3**	122.0	**124.1**	121.7

(i) *Quarterly amounts for 2023 have been adjusted see Note 17 in the condensed consolidated interim financial statements as filed on SEDAR+ at www.sedarplus.ca..*

Consolidated Interim Statements of Other Comprehensive Income (Loss)

(In thousands of Canadian dollars) *(Unaudited)*	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Earnings (loss)	**$ 17,686**	$ (4,274)	**$ 43,064**	$ (115,656)
Other comprehensive (loss) income				
Actuarial gains (losses) that will not be reclassified to profit or loss (Net of tax of $21.7 million and $3.0 million; 2023: $1.4 million and $11.0 million)	**$ (63,158)**	$ 3,990	**$ 8,793**	$ 31,893
Change in revaluation surplus (2023: Net of tax of $2.5 million and $4.2 million)	**—**	11,040	**—**	18,033
Total items that will not be reclassified to profit or loss	**$ (63,158)**	$ 15,030	**$ 8,793**	$ 49,926
Items that are or may be reclassified subsequently to profit or loss:				
Change in accumulated foreign currency translation adjustment (Net of tax of $0.0 million and $0.0 million; 2023: $0.0 million and $0.0 million)	**(3,681)**	8,940	**7,430**	(180)
Change in foreign exchange on long-term debt designated as a net investment hedge (Net of tax of $0.6 million and $1.2 million; 2023: $1.3 million and $0.1 million)	**3,473**	(7,220)	**(6,352)**	(602)
Change in cash flow hedges (Net of tax of $0.2 million and $0.5 million; 2023: $1.0 million and $2.7 million)	**500**	(2,489)	**(4,380)**	(6,378)
Total items that are or may be reclassified subsequently to profit or loss	**$ 292**	$ (769)	**$ (3,302)**	$ (7,160)
Total other comprehensive income (loss)	**$ (62,866)**	$ 14,261	**$ 5,491**	$ 42,766
Comprehensive income (loss)	**$ (45,180)**	$ 9,987	**$ 48,555**	$ (72,890)

Consolidated Interim Statements of Changes in Total Equity

				Accumulated other comprehensive income (loss)					
(In thousands of Canadian dollars) (unaudited)	**Share capital**	**Retained earnings**	**Contributed surplus**	**Foreign currency translation adjustment**[(i)]	**Unrealized gains and losses on cash flow hedges**[(i)]	**Unrealized gains on fair value of investments**[(i)]	**Revaluation surplus**	**Treasury stock**	**Total equity**
Balance at December 31, 2023	**$ 873,477**	**597,429**	**3,227**	**8,625**	**4,416**	**(2,559)**	**37,347**	**(7,183)**	**$ 1,514,779**
Earnings	**—**	**43,064**	**—**	**—**	**—**	**—**	**—**	**—**	**43,064**
Other comprehensive income (loss)[(ii)]	**—**	**8,793**	**—**	**1,078**	**(4,380)**	**—**	**—**	**—**	**5,491**
Dividends declared ($0.66 per share)	**16,433**	**(81,309)**	**—**	**—**	**—**	**—**	**—**	**—**	**(64,876)**
Share-based compensation expense	**—**	**—**	**17,614**	**—**	**—**	**—**	**—**	**—**	**17,614**
Deferred taxes on share-based compensation	**—**	**—**	**(825)**	**—**	**—**	**—**	**—**	**—**	**(825)**
Exercise of stock options	**2,498**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**2,498**
Settlement of share-based compensation	**—**	**—**	**(11,330)**	**—**	**—**	**—**	**—**	**3,752**	**(7,578)**
Balance at September 30, 2024	**$ 892,408**	**567,977**	**8,686**	**9,703**	**36**	**(2,559)**	**37,347**	**(3,431)**	**$ 1,510,167**

				Accumulated other comprehensive income (loss)					
(In thousands of Canadian dollars) (unaudited)	Share capital	Retained earnings	Contributed surplus	Foreign currency translation adjustment[(i)]	Unrealized gains and losses on cash flow hedges[(i)]	Unrealized gains on fair value of investments[(i)]	Revaluation surplus	Treasury stock	Total equity
Balance at December 31, 2022	$ 850,086	809,616	—	10,972	12,885	2,945	2,745	(25,916)	$ 1,663,333
Loss	—	(115,656)	—	—	—	—	—	—	(115,656)
Other comprehensive income (loss)[(ii)]	—	31,893	—	(782)	(6,378)	—	18,033	—	42,766
Dividends declared ($0.63 per share)	5,052	(76,964)	—	—	—	—	—	—	(71,912)
Share-based compensation expense	—	—	7,733	—	—	—	—	—	7,733
Deferred taxes on share-based compensation	—	—	1,100	—	—	—	—	—	1,100
Exercise of stock options	6,792	—	(1,363)	—	—	—	—	—	5,429
Shares re-purchased	(4,498)	—	(11,595)	—	—	—	—	—	(16,093)
Sale of investment property	—	6,963	—	—	—	—	(6,963)	—	—
Sale of treasury stock	—	—	—	—	—	—	—	9,841	9,841
Settlement of share-based compensation	—	(3,015)	(15,192)	—	—	—	—	8,892	(9,315)
Change in obligation for repurchase of shares	9,011	—	20,988	—	—	—	—	—	29,999
Balance at September 30, 2023	$ 866,443	652,837	1,671	10,190	6,507	2,945	13,815	(7,183)	$ 1,547,225

(i) *Items that are or may be subsequently reclassified to profit or loss.*

(ii) *Included in other comprehensive income (loss) is the change in actuarial gains and losses that will not be reclassified to profit or loss and has been reclassified to retained earnings.*

Consolidated Interim Statements of Cash Flows

(In thousands of Canadian dollars) *(Unaudited)*	Three months ended September 30, **2024**	Three months ended September 30, 2023	Nine months ended September 30, **2024**	Nine months ended September 30, 2023
CASH PROVIDED BY (USED IN):				
Operating activities				
Earnings (loss)	**$ 17,686**	$ (4,274)	**$ 43,064**	$ (115,656)
Add (deduct) items not affecting cash:				
Change in fair value of biological assets	**(3,717)**	(266)	**(20,372)**	28,408
Depreciation and amortization	**69,991**	70,204	**200,290**	204,000
Share-based compensation	**6,227**	1,671	**17,614**	7,733
Deferred income tax (recovery) expense	**1,820**	19,851	**12,913**	11,833
Current income tax (recovery) expense	**5,733**	(15,823)	**10,522**	(30,084)
Interest expense and other financing costs	**41,087**	40,467	**126,807**	109,624
(Gain) loss on sale of long-term assets	**(1,196)**	960	**(2,833)**	1,935
Impairment of property and equipment and right-of-use assets	**11**	2,466	**129**	8,996
Change in fair value of investment property	**—**	—	**(5,038)**	—
Change in fair value of non-designated derivatives	**(1,403)**	(1,266)	**(3,077)**	(6,792)
Change in net pension obligation	**(126)**	1,901	**3,110**	2,232
Net income taxes refunded (paid)	**22,769**	(4,377)	**44,515**	(3,011)
Interest paid, net of capitalized interest	**(41,063)**	(41,183)	**(113,999)**	(108,811)
Change in provision for restructuring and other related costs	**(1,282)**	(9,401)	**(1,455)**	(28,952)
Change in derivatives margin	**3,758**	1,302	**4,999**	(3,984)
Cash settlement of derivatives	**—**	(2,877)	**(2,878)**	5,397
Other	**1,765**	(2,196)	**7,089**	(5,892)
Change in non-cash operating working capital	**54,135**	58,002	**(12,384)**	16,895
Cash provided by operating activities	**$ 176,195**	$ 115,161	**$ 309,016**	$ 93,871
Investing activities				
Additions to long-term assets	**$ (26,153)**	$ (51,274)	**$ (66,284)**	$ (156,395)
Interest paid and capitalized	**(265)**	(1,246)	**(839)**	(2,484)
Proceeds from sale of long-term assets	**2,152**	10,254	**5,648**	10,524
Purchase of investments	**—**	(100)	**—**	(200)
Cash used in investing activities	**$ (24,266)**	$ (42,366)	**$ (61,475)**	$ (148,555)
Financing activities				
Dividends paid	**$ (21,608)**	$ (20,660)	**$ (64,876)**	$ (71,912)
Net (decrease) increase in long-term debt	**(98,723)**	647	**(180,088)**	269,001
Payment of lease obligation	**(7,990)**	(7,348)	**(24,327)**	(24,728)
Exercise of stock options	**—**	2,345	**2,498**	5,429
Repurchase of shares	**—**	—	**—**	(16,093)
Sale (purchase) of treasury shares	**—**	—	**—**	9,841
Payment of financing fees	**(202)**	(40)	**(2,324)**	(3,332)
Cash (used in) provided by financing activities	**$ (128,523)**	$ (25,056)	**$ (269,117)**	$ 168,206
Increase (decrease) in cash and cash equivalents	**$ 23,406**	$ 47,739	**$ (21,576)**	$ 113,522
Cash and cash equivalents, beginning of period	**158,381**	156,859	**203,363**	91,076
Cash and cash equivalents, end of period	**$ 181,787**	$ 204,598	**$ 181,787**	$ 204,598