PREMIUM BRANDS HOLDINGS CORPORATION

Management's Discussion and Analysis

For the 13 Weeks Ended March 28, 2026

The following Management's Discussion and Analysis (MD&A) is a review of the financial performance and position of Premium Brands Holdings Corporation (the Company or Premium Brands) and is current to May 6, 2026. It should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the period ended March 28, 2026, which have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, and its fiscal 2025 audited consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). These documents, as well as additional information on the Company, are filed electronically through SEDAR+ and are available online at www.sedarplus.ca.

All amounts are expressed in Canadian dollars except as noted otherwise.

BUSINESS OVERVIEW

Premium Brands is an investment platform focused on acquiring and building food businesses in partnership with talented entrepreneurial management teams. Its current holdings consist primarily of:

Specialty food businesses. The Company considers the key characteristic of a specialty food business to be that a consumer's and/or customer's decision to purchase its products is based primarily on factors other than price, such as quality, convenience, health and/or lifestyle. As a result, specialty food businesses generally earn higher and more consistent selling margins relative to food companies that focus on less differentiated products. Furthermore, due to a variety of consumer trends impacting the food industry, these businesses tend to generate higher sales growth rates as compared to general industry growth rates.

Differentiated food distribution and wholesale businesses ("premium food distribution businesses"). The Company considers the key characteristic of a premium food distribution business to be that it offers its customers specialized and/or unique products and services in addition to logistical solutions. This enables it to generate higher and more consistent selling margins relative to the large national and international food distributors that are primarily focused on logistics.

The Company's premium food distribution businesses also enable it to generate and sustain additional margin by using these businesses to provide its specialty food businesses with proprietary access to a broad and diversified customer base that includes regional and specialty grocery retailers, restaurants, hotels and institutions.

RESULTS OF OPERATIONS

The Company reports on two reportable segments, Specialty Foods and Premium Food Distribution, as well as non-segmented investment income and corporate costs (Corporate). The Specialty Foods segment consists of the Company's specialty food manufacturing businesses while the Premium Food Distribution segment consists of the Company's differentiated distribution and wholesale businesses as well as certain seafood processing businesses. Investment income includes interest and management fees generated from the Company's businesses that are accounted for using the equity method.

As part of realignment of certain businesses and management responsibilities, starting in fiscal 2026 the Company reclassified certain businesses from the Premium Food Distribution segment to the Specialty Foods segment. Accordingly, segmented information for the comparative period has been retrospectively restated.

As a result of the sale of the Company's Shaw Bakers business on April 24, 2026 and the planned sale of its Duso's business, it has retroactively presented the operations of these businesses as discontinued operations in accordance with IFRS Accounting Standards. Correspondingly, these discontinued operations no longer contribute to revenue or earnings from continuing operations. Management believes this accounting method for these businesses enhances the comparability and relevance of current period operating results by allowing readers of the MD&A to independently evaluate the Company's continuing operations.

Revenue

(in millions of dollars except percentages)	13 weeks ended Mar 28, 2026	% (1)	13 weeks ended Mar 29, 2025 (Restated)	% (1)
Revenue by segment:				
Specialty Foods	1,504.7	73.4%	1,140.8	69.3%
Premium Food Distribution	546.3	26.6%	505.1	30.7%
Consolidated	2,051.0	100.0%	1,645.9	100.0%

(1) Expressed as a percentage of consolidated revenue.

Specialty Foods' (SF) revenue for the quarter increased by $363.9 million or 31.9% primarily due to: (i) business acquisitions, which generated $280.5 million in growth; (ii) organic volume growth of $69.4 million representing an organic volume growth rate (OVGR) of 6.1%; and (iii) selling price increases of $40.3 million, which were primarily in response to higher beef raw material costs. These factors were partially offset by a $26.3 million decrease in the translated value of sales generated by SF's U.S. based businesses due to a stronger Canadian dollar.

SF's OVGR of 6.1% was driven by: (i) a variety of protein, sandwich and baked goods growth initiatives in the U.S. which generated organic volume growth of $71.9 million, representing an OVGR of 9.9%, despite a large limited-time sandwich promotion by a customer ending in the fourth quarter of 2025 and the replacement promotions not scheduled to launch until later in the year; and (ii) 3.8% organic volume growth in the Canadian market across a range of products. These factors were partially offset by a decline in beef jerky sales as this product category continues to be challenged by several issues including record high beef prices and consumer price sensitivity.

Premium Food Distribution's (PFD) revenue for the quarter increased by $41.2 million or 8.2% due to: (i) organic volume growth of $25.1 million representing an OVGR of 5.0%; and (ii) selling price increases of $18.2 million, which were primarily in response to higher beef raw material costs. These factors were partially offset by a $2.1 million decrease in the translated value of sales generated by PFD's U.S. based businesses due to a stronger Canadian dollar.

PFD's OVGR of 5.0% was driven by a variety of seafood and protein opportunities in the retail and trading channels, while sales into the foodservice channel were relatively stable.

Gross Profit

(in millions of dollars except percentages)	13 weeks ended Mar 28, 2026	% (1)	13 weeks ended Mar 29, 2025 (Restated)	% (1)
Gross profit by segment:				
Specialty Foods	312.4	20.8%	241.1	21.1%
Premium Food Distribution	73.8	13.5%	74.8	14.8%
Consolidated	386.2	18.8%	315.9	19.2%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's gross profit as a percentage of its revenue (gross margin) for the quarter decreased by 30 basis points primarily due to: (i) increased plant overhead costs associated with new capacity investments and adding production shifts at several facilities; (ii) the acquisition of Stampede Culinary Partners, which has a lower gross margin as compared to the average of SF's legacy businesses; and (iii) higher storage costs resulting from inventory build-up to support new product launches and expected organic growth in the second and third quarters of 2026 (see *Forward Looking Statements*). These factors were partially offset by: (i) sales leveraging benefits associated with SF's organic volume growth; (ii) production efficiency gains; and (iii) the implementation of selling price increases to address the impact of higher raw material costs.

PFD's gross margin for the quarter decreased by 130 basis points primarily due to: (i) below average margins on lobster products resulting from a combination of high shore purchase prices and consumer price sensitivity; and (ii) sales mix changes as certain customers shifted their buying to lower value products, which generate lower contribution margins, as a strategy to deal with record high beef prices.

Selling, General and Administrative Expenses (SG&A)

(in millions of dollars except percentages)	13 weeks ended Mar 28, 2026	% (1)	13 weeks ended Mar 29, 2025 (Restated)	% (1)
SG&A by segment:				
Specialty Foods	167.8	11.2%	136.2	11.9%
Premium Food Distribution	53.4	9.8%	50.0	9.9%
Corporate	9.4		9.6	
Consolidated	230.6	11.2%	195.8	11.9%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's SG&A as a percentage of sales (SG&A ratio) for the quarter decreased by 70 basis points primarily due to: (i) the acquisition of Stampede Culinary Partners, which has a lower SG&A ratio as compared to the average of SF's legacy businesses; and (ii) sales growth leverage. These factors were partially offset by an increase in promotional activity.

PFD's SG&A ratio for the quarter decreased by 10 basis points primarily due to sales growth leverage.

Investment Income

(in millions of dollars)	13 weeks ended Mar 28, 2026	13 weeks ended Mar 29, 2025
Investment income	15.6	15.0

Investment income consists of interest income from investments in associates, most of which relates to Clearwater (see *Results of Operations - Equity Earnings (Losses) from Investments in Associates*), and other miscellaneous investment income.

Adjusted EBITDA

Adjusted EBITDA is not defined under IFRS Accounting Standards and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities, nor should it be construed as an alternative to other earnings measures determined in accordance with IFRS Accounting Standards.

The Company believes that adjusted EBITDA is a useful indicator of the amount of normalized income generated by operating businesses controlled by the Company before taking into account its financing strategies, consumption of capital and intangible assets, taxable position and the ownership structure of non-wholly owned businesses. This measure is widely used by investors in the valuation and comparison of companies. In addition, it is used in the calculation of certain financial debt covenants associated with the Company's senior credit facilities (see *Liquidity and Capital Resources – Debt Financing Activities*).

The following table provides a reconciliation of adjusted EBITDA to earnings before income taxes:

(in millions of dollars)	13 weeks ended Mar 28, 2026	13 weeks ended Mar 29, 2025 (Restated)
Earnings from continuing operations before income taxes	15.5	17.1
Plant start-up and restructuring costs (1)	4.7	5.6
Depreciation of capital assets (2)	34.2	24.9
Amortization of intangible assets (2)	8.3	6.0
Amortization of right of use assets (2)	21.5	18.0
Accretion of lease obligations (3)	13.9	8.1
Interest and other financing costs (3)	44.0	41.9
Acquisition transaction costs (1)	7.1	0.7
Change in value of puttable interest in subsidiaries (4)	0.5	1.0
Change in value and accretion of provisions (3)	2.9	0.2
Equity losses (earnings) from investments in associates (5)	19.0	25.2
Change in fair value of option liabilities (1) (3)	-	(12.0)
Other (income) (1)	(0.4)	(1.6)
Adjusted EBITDA	171.2	135.1

(1) Amount is not part of the Company's normal operating costs and/or gains.
(2) Amount relates to the consumption of the Company's capital assets, intangible assets or other assets.
(3) Amount relates to the Company's financing strategies.
(4) Amount relates to the valuation of provisions or minority shareholders' interest in certain subsidiaries of the Company.
(5) Amount relates to businesses that the Company does not consolidate as it does not own a controlling interest.

(in millions of dollars except percentages)	13 weeks ended Mar 28, 2026	% (1)	13 weeks ended Mar 29, 2025 (Restated)	% (1)
Adjusted EBITDA by segment:				
Specialty Foods	144.6	9.6%	104.9	9.2%
Premium Food Distribution	20.4	3.7%	24.8	4.9%
Corporate	(9.4)		(9.6)	
Investment income	15.6		15.0	
Consolidated	171.2	8.3%	135.1	8.2%

(1) Expressed as a percentage of the corresponding segment's revenue.

Revenue and Adjusted EBITDA Outlook

See *Forward Looking Statements* for a discussion of the risks and assumptions associated with forward looking statements.

2026 Outlook

The Company is maintaining its fiscal 2026 revenue and adjusted EBITDA guidance ranges as shown in the table below.

(in millions of dollars)	Bottom of Range	Top of Range
Revenue guidance range	9,250	9,550
Adjusted EBITDA guidance range	870	910

5 Year Plan

The Company has a strong pipeline of sales opportunities and expects to exceed the five-year targets shown in the table below, which were set at the beginning of 2023, without any further acquisitions (see *Forward Looking Statements*).

(in millions of dollars)	5-Year Target (2027)
Revenue	10,000
Adjusted EBITDA	1,000

Plant Start-up and Restructuring Costs

Plant start-up and restructuring costs consist of expenses associated with: (i) the start-up of new production capacity; (ii) the reconfiguration of existing capacity to gain efficiencies and/or additional capacity; and/or (iii) the restructuring of a business to improve its profitability. The Company expects (see *Forward Looking Statements*) these investments to result in improvements in its future earnings and cash flows.

During the quarter, the Company incurred $4.7 million in plant start-up and restructuring costs relating primarily to: (i) the start-up of a new 352,000 square foot sandwich production facility in Cleveland, TN; and (ii) a major new product launch, which is the largest single product launch in the Company's history.

Depreciation and Amortization of Intangibles (D&A)

(in millions of dollars)	13 weeks ended Mar 28, 2026	13 weeks ended Mar 29, 2025 (Restated)
Depreciation and amortization of intangible assets by segment:		
Specialty Foods	36.6	25.4
Premium Food Distribution	5.5	5.2
Corporate	0.4	0.3
Consolidated	42.5	30.9

The Company's D&A expense for the first quarter of 2026 as compared to the first quarter of 2025 increased by $11.6 million primarily due to: (i) business acquisitions; and (ii) additional depreciation associated with the recent completion of several larger capital projects.

Interest and Other Financing Costs

The Company's interest and other financing costs for the first quarter of 2026 as compared to the first quarter of 2025 increased by $2.1 million primarily due to higher levels of funded debt (see *Liquidity and Capital Resources – Debt Financing Activities*). This was partially offset by: (i) reduced average interest rates on the Company's revolving senior credit facility resulting from general market rate decreases; and (ii) the impact of a stronger Canadian dollar on the translated value of the Company's U.S. dollar denominated interest and financing costs.

Change in Value of Puttable Interest in Subsidiaries

Change in value of puttable interest in subsidiaries represents an estimate (see *Forward Looking Statements*) of the change in the value of options held by non-controlling shareholders of certain subsidiaries of the Company that entitle such shareholders to require the Company to purchase their interest in the applicable subsidiary.

Equity Earnings (Losses) from Investments in Associates

Equity earnings (losses) from investments in associates includes the Company's proportionate share of the earnings and losses of its investments in associates.

(in millions of dollars)	13 weeks ended Mar 28, 2026	13 weeks ended Mar 29, 2025
Clearwater:		
Revenue from continuing operations	47.3	56.2
Revenue from discontinued operations [1]	10.3	35.7
	57.6	91.9
Loss before payments to shareholders	(14.6)	(24.8)
Net loss	(38.3)	(48.2)
The Company:		
Equity loss in Clearwater	(19.1)	(24.1)
Other net equity earnings	0.1	(1.1)
Equity losses from investments in associates	(19.0)	(25.2)

(1) Discontinued operations include businesses that have been exited and planning to be exited.

Clearwater Seafoods Incorporated (Clearwater)

Clearwater's total revenue, including discontinued operations, for the first quarter of 2026 as compared to the first quarter of 2025 decreased by $34.3 million primarily due to: (i) the sale of its Macduff land-based operations in the third quarter of 2025; (ii) the exit from its inshore lobster operations in the second quarter of 2025; and (iii) lower opening clam and Argentine scallop inventories. These factors were partially offset by improved pricing on most of Clearwater's core species. While not a factor on a year-over-year basis, Clearwater's revenue continues to be negatively impacted by Canadian scallop catch rates being significantly below five-year average levels due to natural fluctuations in the available biomass.

Clearwater's loss before payments to shareholders for the first quarter of 2026 as compared to the first quarter of 2025 improved by $10.2 million primarily due to: (i) a positive impact on operating earnings from the disposition in fiscal 2025 of certain underperforming assets; and (ii) high non-recurring restructuring costs in the first quarter of 2025 associated with Clearwater's planned exit from its inshore lobster operations. The operating results from Clearwater's core species was relatively stable on a year-over-year basis as the benefit of higher prices offset the impact of lower sales volumes.

Income Taxes

The Company's provision for income taxes as a percentage of earnings (tax rate) can be impacted by a variety of factors including: (i) changes in enacted tax laws, in general, and tax rates, in particular, in the tax jurisdictions in which the Company operates; (ii) the proportionate mix of the Company's taxable income by tax jurisdiction; (iii) differences in the treatment of certain income and expense items for income tax and accounting purposes; and (iv) the Company's equity losses or earnings from investments in associates not held in an income flow-through structure as this amount is excluded in the calculation of the Company's tax provision.

Based on current enacted tax rates in the tax jurisdictions the Company operates, the expected mix of its taxable income by tax jurisdiction, the Company's general structuring of its tax affairs, there being no unusual revenue and/or expenses that are treated differently for income tax and accounting purposes, and excluding from the calculation equity earnings or losses from investments in associates relating to businesses not held in an income flow-through structure, the expected range for the Company's tax rate is approximately 24% to 26% (see *Forward Looking Statements*).

The Company's tax rate for the first quarter of 2026 associated with its continuing operations is 25.1% after adjusting its pre-tax earnings for items that are non-taxable or not eligible to be deducted for income tax purposes consisting of: (i) $19.3 million in equity losses relating to investments in associates not held in an income flow-through structure; and (ii) $3.4 million for accretion of provisions and change in value of puttable interest in subsidiaries.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of select quarterly consolidated financial information. All amounts, except adjusted EBITDA (see *Results of Operations – Adjusted EBITDA*), are derived from the Company's unaudited interim condensed consolidated financial statements for each of the eight most recently completed quarters.

(in millions of dollars except per share amounts)	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26
Continuing operations:								
Revenue	1,683.4	1,642.9	1,610.3	1,645.9	1,880.8	1,949.8	1,852.5	2,051.0
Adjusted EBITDA	165.4	159.2	146.6	135.1	173.9	175.1	174.2	171.2
Earnings	57.3	29.4	39.0	6.1	26.7	(0.3)	15.2	5.9
EPS – basic	1.29	0.66	0.88	0.14	0.59	(0.01)	0.34	0.12
EPS – diluted	1.29	0.66	0.87	0.14	0.59	(0.01)	0.34	0.12
Discontinued operations:								
EPS – basic	(0.11)	(0.09)	(0.04)	(0.08)	0.03	(0.03)	(0.08)	(0.06)
EPS – diluted	(0.11)	(0.09)	(0.03)	(0.08)	0.03	(0.03)	(0.08)	(0.06)

The financial performance of many of the Company's businesses is subject to fluctuations associated with the impact on consumer demand from seasonal changes in weather. As a result, the Company's performance varies with the seasons (see *Forward Looking Statements*).

In general terms, its results are weakest in the first quarter of the year due to winter weather conditions which result in: (i) less consumer travelling and outdoor activities and, in turn, reduced consumer traffic through many of the Company's convenience-oriented customers' stores such as restaurants, convenience stores, gas stations and concessionary venues; and (ii) reduced consumer demand for its outdoor oriented products including barbeque and on-the-go convenience foods. The Company's results then generally peak in the spring and summer months due to favorable weather conditions and decline in the fourth quarter due to a return to poorer weather conditions (see *Forward Looking Statements*).

In addition to seasonal factors, over the last eight quarters, the trends in the Company's sales, adjusted EBITDA, earnings and earnings per share have been impacted by business acquisitions and a variety of organic growth initiatives that have consistently resulted in year over year increases.

The trends in the Company's earnings and earnings per share over the last eight quarters were also impacted by: (i) investments in a number of large capacity expansion and production automation projects that resulted in plant start-up and restructuring costs as well as rising interest, depreciation and lease related expenses; (ii) the release of a $20.5 million contingent consideration provision in the second quarter of 2024; (iii) a $20.1 million gain on the sale of redundant real estate in the fourth quarter of 2024; (iv) a $12.0 million gain in the first quarter of 2025 on changes in the fair value of option liabilities; and (v) $38.4 million equity loss in Clearwater as a result of Clearwater recording a large asset write-down associated with the sale of its Macduff land-based operations in the third quarter of 2025.

LIQUIDITY AND CAPITAL RESOURCES

Net Working Capital

Net working capital is not defined under IFRS Accounting Standards, and as a result, may not be comparable to similarly titled measures presented by other publicly traded entities. The Company believes that net working capital is a useful indicator of the cash needed to fund the Company's working capital requirements.

The following table provides the calculation of net working capital:

(in millions of dollars)	As at Mar 28, 2026	As at Mar 29, 2025
Accounts receivable	606.0	476.7
Inventories	1,453.3	965.2
Prepaid expenses	92.8	48.8
Accounts payable and accrued liabilities	(751.9)	(627.5)
Net working capital	1,400.2	863.2

The Company's net working capital needs are seasonal in nature and generally peak (see *Forward Looking Statements*) in the spring and summer months and around festive holiday seasons (e.g. Easter, Thanksgiving and Christmas) as inventories are built up in anticipation of, and accounts receivable grow because of, increased consumer demand (see *Summary of Quarterly Results*). The cash requirements resulting from seasonal fluctuations in the Company's net working capital are managed primarily through draws and repayments on its revolving senior credit facility. The cash requirements for increases in the Company's net working capital resulting from its growth initiatives are, over the longer term, financed through the associated growth in the Company's free cash flow.

The following table shows certain non-GAAP ratios relating to the Company's accounts receivable and inventory balances:

(in days)	As at Mar 28, 2026	As at Mar 29, 2025
Days sales in accounts receivable (1)	26.9	25.8
Days cost of sales in inventory (2)	79.4	64.7

(1) Calculated as accounts receivable divided by sales for the applicable quarter multiplied by the number of days in the quarter.
(2) Calculated as inventory divided by cost of sales for the applicable quarter multiplied by the number of days in the quarter.

The Company's days sales in accounts receivable at the end of the first quarter of 2026 as compared to the end of the first quarter of 2025 increased by 1.1 days primarily due to general fluctuations in the timing of sales and accounts receivable collections.

The Company's days cost of sales in inventory at the end of the first quarter of 2026 as compared to the end of the first quarter of 2025 increased by 14.7 days primarily due to: (i) the impact of the acquisition of Stampede Culinary Partners as it followed its standard practice of procuring a significant amount of raw materials at the beginning of the year to reduce the margin risk associated with its annual fixed selling price arrangements; (ii) the usual seasonal build up of inventories to support second and third quarter sales initiatives but at a greater scale than in the past based on the Company's new incremental production capacity and the size of its sales pipeline; (iii) opportunistic purchases to partially hedge against rising raw material costs (see *Forward Looking Statements*); and (iv) general fluctuations in the timing of sales, production and purchasing of inventory.

Debt Financing Activities

Credit Facilities

As at March 28, 2026, the Company's credit facilities and the unutilized portion of those facilities were as follows:

(in millions of dollars)	Credit Facilities	Amount Drawn on Facility	Unutilized Credit Capacity
Revolving senior credit facility (1)	2,764.1	2,170.2	593.9
4.20% debentures (2)	150.1	150.1	-
5.40% debentures (3)	142.1	142.1	-
5.50% debentures (Mar 2025) (4)	166.8	166.8	-
5.50% debentures (Dec 2025) (5)	165.5	165.5	-
Industrial Development Revenue Bond (6)	8.5	8.5	-
Vendor take-back notes	1.4	1.4	-
Other term loans	1.1	1.1	-
Other revolving credit facilities	100.3	22.3	78.0
Cheques outstanding	-	17.4	(17.4)
Cash and cash equivalents	-	(11.4)	11.4
	3,499.9	2,834.0	665.9

(1) Represents the Company’s main revolving senior credit facility, consisting of a $1.5 billion Canadian dollar denominated line of credit and a US$925.0 million U.S. dollar denominated line of credit, less approximately $19.5 million in outstanding letters of credit. The facility matures in March 2030, can be used to fund the Company’s working capital and general operating needs, capital projects and acquisitions, and has no principal payments prior to its maturity date.

(2) Represents the present value of the outstanding portion of the $150.0 million in 4.20% convertible unsecured subordinated debentures issued by the Company in July 2020 plus the value attributed to the cash conversion option associated with the debentures. The outstanding face value of these debentures, which mature on September 30, 2027 and have no principal payments prior to that date, was $150.0 million as at March 28, 2026. The 4.20% debentures trade on the Toronto Stock Exchange under the symbol PBH.DB.H.

(3) Represents the present value of the outstanding portion of the $150.0 million in 5.40% convertible unsecured subordinated debentures issued by the Company in June 2022 plus the value attributed to the cash conversion option associated with the debentures. The outstanding face value of these debentures, which mature on September 30, 2029 and have no principal payments prior to that date, was $150.0 million as at March 28, 2026. The 5.40% debentures trade on the Toronto Stock Exchange under the symbol PBH.DB.I.

(4) Represents the present value of the outstanding portion of the $172.5 million in 5.50% convertible unsecured subordinated debentures issued by the Company in March 2025 plus the value attributed to the cash conversion option associated with the debentures. The outstanding face value of these debentures, which mature on March 31, 2030 and have no principal payments prior to that date, was $172.5 million as at March 28, 2026. The 5.50% debentures trade on the Toronto Stock Exchange under the symbol PBH.DB.J.

(5) Represents the present value of the outstanding portion of the $172.5 million in 5.50% convertible unsecured subordinated debentures issued by the Company in December 2025 plus the value attributed to the cash conversion option associated with the debentures. The outstanding face value of these debentures, which mature on December 31, 2032 and have no principal payments prior to that date, was $172.5 million as at March 28, 2026. The 5.50% debentures trade on the Toronto Stock Exchange under the symbol PBH.DB.K.

(6) The bond, which was issued by one of the Company’s U.S. subsidiaries, is denominated in U.S. dollars (US$6.1 million), matures in 2036 and has no principal payments due prior to its maturity date.

In the first quarter of 2026, the Company increased its revolving senior credit facility by US$300.0 million to approximately $2.8 billion and extended the facility's maturity date to March 18, 2030.

Funded Debt

Senior funded debt and total funded debt are not defined under IFRS Accounting Standards and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities. The Company believes that senior funded debt and total funded debt, used in conjunction with its adjusted EBITDA, are useful indicators of its financial strength and ability to access additional debt financing. Senior funded debt is also used in the calculation of certain debt covenants associated with the Company's revolving senior credit facility (see *Liquidity and Capital Resources – Debt Financing Activities – Banking Covenants*).

The following table provides the calculation of senior funded debt and total funded debt:

(in millions of dollars)	As at Mar 28, 2026	As at Dec 27, 2025	As at Mar 29, 2025
Cheques outstanding	17.4	15.9	17.9
Bank indebtedness	33.1	5.2	56.8
Current portion of long-term debt	0.6	0.6	0.9
Long-term debt	2,160.4	1,813.4	1,815.1
Deferred financing costs (1)	9.4	4.5	5.5
	2,220.9	1,839.6	1,896.2
Less: cash and cash equivalents	(11.4)	(29.3)	(14.9)
Senior funded debt	2,209.5	1,810.3	1,881.3
4.65% debentures	-	-	172.3
4.20% debentures	150.1	149.7	148.4
5.40% debentures	142.1	141.5	139.7
5.50% debentures (Mar 2025)	166.8	166.3	164.7
5.50% debentures (Dec 2025)	165.5	165.0	-
Total funded debt	2,834.0	2,432.8	2,506.4

(1) Deferred financing costs are included as an offsetting amount in long-term debt in the Company's consolidated financial statements.

Financial Leverage

Two of the key indicators that the Company uses to assess the appropriateness of its financial leverage are its senior funded debt to adjusted EBITDA and total funded debt to adjusted EBITDA ratios. The Company has set 2.5 : 1 to 3.0 : 1 as the mid-term targeted range for its senior funded debt to adjusted EBITDA ratio and 3.5 : 1 to 4.0 : 1 as the mid-term targeted range for its total funded debt to adjusted EBITDA ratio (see *Forward Looking Statements*). Longer term, the Company is targeting for its total funded debt to adjusted EBITDA ratio to be at or below 3.0 : 1. These targets are based on several considerations including:

- The Company's current total funded debt to adjusted EBITDA ratio;
- The risks associated with the consistency and sustainability of the Company's cash flows;
- The financial covenants associated with the Company's senior credit facilities;
- The Company's dividend policy;
- The tax benefits associated with financing the Company's operations with debt; and
- The terms and risk characteristics of the convertible debentures issued by the Company.

At the end of the first quarter of 2026, the Company's senior funded debt to adjusted EBITDA ratio of 3.1 : 1 and its total funded debt to adjusted EBITDA ratio of 4.1 : 1 were both slightly above their respective mid-term targeted ranges primarily due to: (i) significant investments made in recent years in new production capacity and working capital to support the Company's various growth initiatives; and (ii) the seasonal build up of inventory (see *Liquidity and Capital Resources* - *Net Working Capital*).

Looking forward, (see *Forward Looking Statements*) the Company expects to achieve its longer term total funded debt to adjusted EBITDA ratio of 3.0 : 1 or better within the next four to five quarters based on: (i) the sale of Shaw Bakers (see *Subsequent Events*) - the Company's total funded debt to adjusted EBITDA ratio for the quarter after reflecting the sale of Shaw Bakers on a pro forma basis is 3.9 : 1; (ii) increases in its adjusted EBITDA as it leverages recent investments in new production capacity to realize its growth objectives; and (iii) significant reductions in its growth related investments as it nears the end of a major capital project investment cycle, completes the start up of its various new capacity projects (i.e. lower startup and restructuring costs), and stabilizes its net working capital requirements on an annual basis. In the interim, its current senior and total ratios are well within the Company's shorter-term operating parameters.

Banking Covenants

The financial covenants associated with the Company's revolving senior credit facility are as follows:

	Covenant Requirement	Mar 28, 2026 Ratio
Senior funded debt to adjusted EBITDA ratio (1) (3)	=< 4.0 : 1.0	3.1 : 1.0
Interest coverage ratio (2) (3)	>= 3.0 : 1.0	5.3 : 1.0

(1) Adjusted EBITDA includes a full year's adjusted EBITDA for new acquisitions and senior funded debt excludes cheques outstanding.
(2) Ratio is calculated based on the combined statements of operations of certain subsidiaries of the Company and therefore will not necessarily equal the ratio calculated based on the Company's consolidated statement of operations.
(3) Ratio excludes the impact of adopting IFRS-16 accounting standard, which is the basis on which its banking covenants are calculated.

Dividends

Steady State Free Cash Flow (SSFCF)

SSFCF is not defined under IFRS Accounting Standards and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities, nor should it be construed as an alternative to other cash flow measures determined in accordance with IFRS Accounting Standards.

The Company believes that SSFCF is a useful indicator of: (i) the cash being generated by its operations before investments made to support future growth in its cash flows; and (ii) the amount of cash it generates that is available for the payment of dividends to shareholders, debt repayment, project capital expenditures (see *Liquidity and Capital Resources – Capital Expenditures*), plant start-up and business restructuring initiatives and business acquisitions.

The following table provides a reconciliation of SSFCF to cash flow from operating activities:

(in millions of dollars)	52 weeks ended Dec 27, 2025	13 weeks ended Mar 28, 2026	13 weeks ended Mar 29, 2025	Rolling Four Quarters
Cash flow from operating activities	93.6	(6.0)	50.7	36.9
Changes in non-cash working capital (1)	294.7	112.5	27.6	379.6
	388.3	106.5	78.3	416.5
Lease obligation payments (2)	(107.2)	(30.3)	(24.4)	(113.1)
Business acquisition transaction costs (3)	12.5	7.1	0.7	18.9
Plant start-up and restructuring costs (4)	60.7	5.1	6.4	59.4
Maintenance capital expenditures (5)	(59.5)	(17.5)	(14.3)	(62.7)
SSFCF	294.8	70.9	46.7	319.0

(1) Cash used for increases in the Company's non-cash working capital is funded primarily through draws on its revolving credit facilities, while cash resulting from decreases in its non-cash working capital is used primarily to pay down these facilities. Item is excluded from calculation based on increases over the long-term generally being due to the Company's growth.
(2) Amount normalizes for the Company's adoption of IFRS-16 accounting standard.
(3) Amount relates to the Company's business acquisition activities.
(4) Amount relates to the Company's plant start-up and restructuring initiatives.
(5) Amount represents the portion of the Company's capital expenditures necessary for maintaining its existing capital asset base (see *Liquidity and Capital Resources – Capital Expenditures*).

Dividend Policy

The Company considers a variety of factors in setting its dividend policy including the following:

- The ratio of its dividends to its SSFCF on a rolling four quarter basis;
- Its financial leverage ratios relative to targeted ranges (see *Liquidity and Capital Resources – Debt Financing Activities – Financial Leverage*);
- Debt principal repayment and senior lender loan covenant obligations;
- Financing requirements for project capital expenditures (see *Liquidity and Capital Resources – Capital Expenditures*), plant start-up and business restructuring initiatives and business acquisitions;
- Ability to access reasonably priced debt and equity financing;
- The ratio of its annual dividend per share to the trading price of its shares on the Toronto Stock Exchange (i.e. dividend yield);
- Maintaining a stable quarterly dividend per share; and
- Significant changes, if any, in the status of one or more of the risk factors facing the Company.

The Company is continually assessing its dividend policy based on the considerations outlined above as well as other possible factors that may become relevant in the future. Looking forward (see *Forward Looking Statements*), it intends to maintain its current dividend, however, due to the general risks and uncertainties inherent in its business (see *Risks and Uncertainties*), there can be no assurance that it will be able to do so.

Dividend History

The Company declared its first distribution to equity holders in August 2005. The following table outlines the Company's distribution / dividend payment history since 2006, which was its first full year of declared distributions.

(in millions of dollars except per share amounts and ratios)

	Declared Shareholder Dividends / Distributions	Nature of Distribution	Steady State Free Cash Flow	Ratio [1]	Average Dividend / Distribution Per Share / Unit
Trailing four quarters ended:					
March 28, 2026	158.9	Dividend	319.0	49.8%	$3.4000
December 27, 2025	152.8	Dividend	294.8	51.8%	$3.4000
December 28, 2024	151.8	Dividend	250.8	60.5%	$3.4000
December 30, 2023	137.5	Dividend	253.0	54.3%	$3.0800
December 31, 2022	125.3	Dividend	285.8	43.8%	$2.8000
December 25, 2021	111.5	Dividend	263.3	42.3%	$2.5400
December 26, 2020	92.0	Dividend	188.8	48.7%	$2.3100
December 28, 2019	76.7	Dividend	177.8	43.1%	$2.1000
December 29, 2018	62.7	Dividend	164.6	38.1%	$1.9000
December 30, 2017	50.6	Dividend	131.3	38.5%	$1.6800
December 31, 2016	44.5	Dividend	121.5	36.6%	$1.5200
December 26, 2015	35.0	Dividend	81.1	43.2%	$1.3800
December 27, 2014	27.8	Dividend	57.4	48.4%	$1.2500
December 28, 2013	26.5	Dividend	49.2	53.9%	$1.2315
December 29, 2012	24.4	Dividend	46.0	53.0%	$1.1760
December 31, 2011	22.7	Dividend	38.2	59.4%	$1.1760
December 25, 2010	21.0	Dividend	32.2	65.2%	$1.1760
December 26, 2009	20.7	(2)	29.3	70.6%	$1.1760
December 31, 2008	20.6	Trust distribution	29.6	69.6%	$1.1760
December 31, 2007	20.5	Trust distribution	26.4	77.7%	$1.1760

(1) Ratio of dividends / distributions declared to steady state free cash flow for the corresponding trailing four quarter period.
(2) Consisted of trust distributions for the first two quarters of the period and dividends for the last two quarters of the period.

Capital Expenditures

Expenditure Classification

The Company categorizes its capital expenditures into project capital expenditures and maintenance capital expenditures. Project capital expenditures are capital expenditures that are generally expected to earn an internal rate of return of 15% or more on an after tax, unlevered basis (see *Forward Looking Statements*). Maintenance capital expenditures include all capital expenditures that do not qualify as a project capital expenditure, and consist mainly of expenditures necessary for maintaining the Company's existing level of production capacity and operating efficiencies.

Maintenance capital expenditures are financed primarily through steady state free cash flow (see *Liquidity and Capital Resources – Dividends*) while project capital expenditures are generally funded through the Company's credit facilities; however, larger expenditures, such as the building of a new plant or a major expansion of an existing plant, may also be funded through the issuance of new debt and/or equity (see *Forward Looking Statements*).

Project Capital Expenditures

In the first quarter of 2026, the Company invested $36.8 million in project capital expenditures consisting of: (i) $18.0 million on larger projects - the Company expects to invest an additional $54.5 million over the next four quarters to complete these projects; (ii) $15.7 million for a variety of smaller projects (see *Forward Looking Statements*); and (iii) $3.1 million spent by discontinued operations.

Maintenance Capital Expenditures

The following table outlines the Company's historical maintenance capital expenditures since 2019:

(in millions of dollars)	
Trailing four quarters ended:	
March 28, 2026	62.7
December 27, 2025	59.5
December 28, 2024	45.2
December 30, 2023	46.0
December 31, 2022	43.2
December 25, 2021	29.3
December 26, 2020	27.1

Looking forward (see *Forward Looking Statements*), for 2026 the Company expects its maintenance capital expenditures to be between $70.0 million and $75.0 million.

Corporate Investments

Corporate investments consist primarily of three activities: (i) business acquisitions; (ii) equity investments in non-controlled businesses; and (iii) loans to non-controlled businesses. Corporate investments, in general, and business acquisitions, in particular, are a core part of the Company's growth strategy.

The financing for corporate investments depends primarily on the size of the transaction. Smaller transactions are generally financed through the Company's credit facilities (see *Liquidity and Capital Resources – Debt Financing Activities*), while larger transactions can be financed through a variety of sources including existing credit facilities and the issuance of new debt and/or equity.

Business Acquisitions

During the first quarter of 2026, the Company invested $1,024.0 million, consisting of $691.9 million in cash, $226.3 million in the Company's common shares, and $105.8 million in contingent considerations in the following business acquisition:

(in millions of dollars except percentages)

Business	Primary Business Activity	Annual Sales	Investment Interest	Segment	Purchase Date
Stampede Culinary Partners, Inc.	Cooked and value-added protein	968.0	100%	Specialty Foods	Jan 2, 2026

Business Divestitures

During the quarter, the Company sold a 12.5% interest in North Delta Seafood (NDS) for net proceeds of $3.7 million, resulting in a $0.3 million gain being recorded in other income. The Company continues to hold a 37.5% equity interest in NDS, which is accounted for as an investment in associates.

OUTLOOK

See *Forward Looking Statements* for a discussion of the risks and assumptions associated with forward looking statements.

See *Results of Operations* for details on the Company's revenue, adjusted EBITDA, and income tax rate outlooks.

See *Liquidity and Capital Resources – Debt Financing Activities* for details on the Company's liquidity outlook.

See *Liquidity and Capital Resources – Dividends – Dividend Policy* for details on the Company's dividend payment policy.

See *Liquidity and Capital Resources – Capital Expenditures* for details on the Company's project and maintenance capital expenditure outlooks.

In terms of business acquisitions, the Company intends (see *Forward Looking Statements*) to continue to pursue opportunities and, correspondingly, is in the process of evaluating several potential transactions.

SUBSEQUENT EVENTS

Subsequent to March 28, 2026, the following event occurred:

On April 24, 2026, the Company sold its 73.72% interest in Shaw Bakers for approximately US$116.9 million, consisting of US$106.9 million and a US$10 million 3-year promissory note bearing interest at 7% per annum.

CONTRACTUAL OBLIGATIONS

Principal payments due on the Company's significant contractual obligations as at March 28, 2026 are as follows:

(in millions of dollars)	Total	1 year out	2 years out	3 years out	4 years out	5 years out	There-after
Long-term debt	2,170.4	0.6	0.6	0.2	2,159.7	0.3	9.0
4.20% debentures	150.0	-	150.0	-	-	-	-
5.40% debentures	150.0	-	-	-	150.0	-	-
5.50% debentures (Mar 2025)	172.5	-	-	-	172.5	-	-
5.50% debentures (Dec 2025)	172.5	-	-	-	-	-	172.5
Lease obligations [(1)]	1,618.5	119.4	110.1	103.7	97.1	430.2	758.0
Total	4,433.9	120.0	260.7	103.9	2,579.3	430.5	939.5

(1) Includes the impact of lease renewal options based on the likelihood of renewal (see *Forward Looking Statements*).

FORWARD LOOKING STATEMENTS

This MD&A contains forward looking statements with respect to the Company, including, without limitation, statements regarding its business operations, strategy and financial performance and condition, cash distributions, proposed acquisitions, budgets, projected costs and plans and objectives of or involving the Company. While management believes that the expectations reflected in such forward looking statements are reasonable and represent the Company's internal expectations and belief as of May 6, 2026, there can be no assurance that such expectations will prove to be correct as such forward looking statements involve unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Forward looking statements generally can be identified by the use of the words “may”, “could”, “should”, “would”, “will”, “expect”, “intend”, “plan”, “estimate”, “project”, “anticipate”, “believe” or “continue”, or the negative thereof or similar variations. Forward looking statements in this MD&A include statements with respect to the Company's expectations and/or projections on its: outlook and 5-year plan, margins, sales and operational initiatives; commodity costs; revenue and earnings; cash flow; capacity; operational efficiencies; gross profit; adjusted EBITDA; plant start-up and restructuring costs; income tax rates; dividends and dividend policy; project and maintenance capital expenditures and the returns related thereto; business acquisitions; net working capital; liquidity and capital resources; financial performance and results; capital needs; buying strategies; financial leverage ratios; value of puttable interests; lease renewal transactions; risks and uncertainties; and accounting policies.

Some of the factors that could cause actual results to differ materially from the Company's expectations are outlined below under *Risks and Uncertainties*.

Assumptions used by the Company to develop forward looking statements contained or incorporated by reference in this MD&A are based on information currently available to it and include those outlined below as well as those outlined elsewhere in this document. Readers are cautioned that this information is not exhaustive.

- The Company will be able to achieve the projected sales growth and operating efficiencies associated with the capital investments it has made in recent years.
- There will not be any material changes in the long-term food trends that have been driving growth in many of the Company's businesses. These include: (i) growing demand for higher quality foods made with simpler, more wholesome ingredients and/or with differentiated attributes such as high in protein, zero sugar, antibiotic free, no added hormones or use of organic ingredients; (ii) increased reliance on healthier and less processed convenience-oriented foods for on-the-go snacking as well as easy meal preparation, both at home and in foodservice; (iii) healthier eating, including reduced sugar consumption and an increased emphasis on animal protein and seafood; (iv) increased snacking in between and in place of meals; (v) increased interest in understanding the provenance of individual food products; and (vi) increased social awareness of issues such as reconciliation with Indigenous Peoples, sustainability, and ethical supply chain practices.
- There will not be any material changes in the competitive environment of the markets in which the Company's businesses compete.
- There will not be any material changes in the Company's relationships with its larger customers including the loss of a major product listing and/or being forced to give significant product pricing concessions.
- The Company will be able to offset increases in the average cost of procured products and raw materials purchased by it with selling price increases.
- The Company will be able to access sufficient goods and services at reasonable prices.
- The Company will be able to access sufficient skilled and unskilled labor at reasonable wage levels.
- The value of the Canadian dollar relative to the U.S. dollar will fluctuate in line with the levels seen over the last several months.
- The Company's major capital projects, plant start-up and restructuring, and business acquisition initiatives will progress in line with its expectations.
- Weather conditions in the Company's core markets will not have a significant impact on any of its businesses.
- The Company will be able to negotiate new collective agreements with no labor disruptions.
- The Company will be able to access reasonably priced debt and equity capital.
- Contractual counterparties will continue to fulfill their obligations to the Company.
- There will be no material changes to the tax, environmental and other regulatory requirements governing the Company.

Management has set out the above summary of assumptions related to forward looking statements included in this discussion and analysis to provide a more complete perspective on the Company's future operations. Readers are cautioned that these statements may not be appropriate for other purposes.

Unless otherwise indicated, the forward looking statements in this discussion and analysis are made as of May 6, 2026 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking statements in this discussion and analysis.

RISKS AND UNCERTAINTIES

The Company is subject to risks and uncertainties related to its businesses that may have adverse effects on its results of operations and financial position. Details on some of these can be found in its Management's Discussion and Analysis (MD&A) for the fiscal year ended December 27, 2025 under the heading "Risks and Uncertainties", which is incorporated by reference herein. This MD&A has been filed electronically through SEDAR+ and is available online at www.sedarplus.ca. Prospective investors should carefully review and evaluate these risk factors together with all other information contained in this discussion and analysis. Furthermore, it should be noted that the risk factors described in the fiscal 2025 MD&A are not the only risk factors facing the Company and it may be subject to risks and uncertainties not described therein or that it is not presently aware of or that it may currently deem insignificant (see *Forward Looking Statements*).

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements requires management to make certain estimates and assumptions, which are based on the Company's experience and management's understanding of current facts and circumstances. These estimates affect the reported amounts of assets, liabilities, contingencies, revenues and expenses included in the Company's consolidated financial statements and may differ materially from actual results.

Significant areas requiring the use of management estimates include inventories, goodwill and intangible assets, capital assets, right of use assets and lease obligations, income tax provisions, puttable interest in subsidiaries, convertible unsecured subordinated debentures, business acquisitions and contingent consideration, provisions, and plant start-up and restructuring costs. Details on these items can be found in the Company's 2025 audited consolidated financial statements and interim condensed consolidated financial statements for the period ended March 28, 2026, which are incorporated by reference herein, have been filed electronically through SEDAR+ and are available online at www.sedarplus.ca.

NEW ACCOUNTING POLICIES

The International Accounting Standards Board periodically issues new standards and amendments or interpretations to existing standards. Details on the expected impact (see *Forward Looking Statements*) of any such changes can be found in the Company's interim condensed consolidated financial statements for the period ended March 28, 2026, which are incorporated by reference herein and have been filed electronically through SEDAR+ and are available online at www.sedarplus.ca.

FINANCIAL INSTRUMENTS

Foreign Currency Contracts

To reduce the risk associated with purchases denominated in currencies other than Canadian dollars, the Company, from time to time, enters into foreign currency contracts. The Company does not hold foreign currency contracts for speculative purposes.

Details on the Company's outstanding foreign currency contracts can be found in its interim condensed consolidated financial statements for the period ended March 28, 2026, which are incorporated by reference herein.

OTHER

Outstanding Shares

The common shares outstanding in the Company as of May 6, 2026 were 52,157,739. Under IFRS Accounting Standards, which requires that common shares issued under employee share benefit plans that have not yet vested be deducted from shares outstanding, the common shares outstanding in the Company as of May 6, 2026 were 52,040,187.

Disclosure Controls and Procedures and Internal Control over Financial Reporting

Management has designed, or caused to be designed under their supervision, the Company's disclosure controls and procedures (DCP) and internal control over financial reporting (ICFR) as defined under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109).

Management has evaluated the Company's DCP as of March 28, 2026 and has concluded that such procedures are adequately designed for providing reasonable assurance that: (i) material information relating to the Company, including its consolidated subsidiaries, is made known to management on a timely basis to ensure adequate disclosure; and (ii) information required to be disclosed by the Company in its annual filings or other reports filed and submitted under applicable securities legislation is recorded, processed, summarized and reported within the prescribed time period.

Management has also evaluated the Company's ICFR as of March 28, 2026 and has concluded that the Company's ICFR is adequately designed for providing reasonable assurance that the reliability of financial reporting and the preparation of financial statements for external purposes are in accordance with IFRS Accounting Standards.

In assessing the design of the Company’s DCP and ICFR as at March 28, 2026, the Company has excluded the controls and procedures of Stampede Culinary Partners, which was acquired on January 2, 2026 (see *Business Acquisitions*). Stampede Culinary Partners accounted for approximately $280 million of the Company’s revenue in its consolidated statement of operations for the 13 weeks ended March 28, 2026, and approximately $464 million, $870 million, $125 million and $202 million of its current assets, non-current assets, current liabilities and non-current liabilities, respectively, in its March 28, 2026 consolidated balance sheet. Documentation and assessment of Stampede Culinary Partners’ impact on the overall design of the Company’s DCP and ICFR are expected to be completed by the second quarter of 2026.

Although the Company's assessment of DCP and ICFR are based on the integrated framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (2017 COSO), both DCP and ICFR, no matter how well designed, have inherent limitations. Therefore, DCP and ICFR can only provide reasonable assurance and thus may not prevent or detect all misstatements.

The Company's Management has also concluded that there have been no changes to the Company's ICFR during the fiscal period ending March 28, 2026 that have materially affected, or are reasonably likely to affect, its ICFR.

Responsibilities of Management and Board of Directors

Management is responsible for the reliability and timeliness of content disclosed in this MD&A, which is current as of May 6, 2026. It is the responsibility of the Company's Audit Committee to provide oversight in reviewing the MD&A and the Company's Board of Directors to approve the MD&A.

The Company's Board of Directors and its Audit Committee also review all material matters relating to the necessary systems, controls and procedures in place to ensure the appropriateness and timeliness of MD&A disclosures.

This MD&A, dated May 6, 2026, has been approved by the Company's Board of Directors.

Additional Information

Additional information, including the Company's Annual Information Form, has been filed electronically through SEDAR+ and is available online at www.sedarplus.ca.