

HIGH LINER FOODS

ANNUAL INFORMATION FORM

For the fifty-two weeks ended December 28, 2024

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

February 26, 2025

TABLE OF CONTENTS

1.	Corporate Structure	1
	1.1 Name, Address and Incorporation	1
	1.2 Inter-Corporate Relationships	1
2.	General Development of the Business	2
	2.1 Company Overview	2
	2.2 Three Year History	2
	2.3 Business Strategy	5
	2.4 Growth Strategy	6
3.	The Business	7
	3.1 Product Marketing and Geographic Information	7
	3.2 Production Facilities	8
	3.3 Competitive Conditions	11
	3.4 Components - Procurement of Raw Materials and Finished Goods	11
	3.5 Seasonality	14
	3.6 Employees	15
	3.7 Effect of Volatility of Canadian Dollar	15
	3.8 Social and Environmental Policies	16
4.	Risk Factors	19
5.	Dividend Guideline	19
6.	Capital Structure	21
	6.1 Share Capital	21
	6.2 Normal Course Issuer Bid	24
	6.3 Credit Ratings	25
7.	Market for Securities	26
8.	Directors and Officers	27
	8.1 Directors	27
	8.2 Executive Officers	29
	8.3 Cease Trade Orders, Bankruptcies, Penalties or Sanctions	29
9.	Audit Committee Information	30
	9.1 Audit Committee Charter	30
	9.2 Composition of the Audit Committee	30
	9.3 Relevant Education and Experience of Audit Committee Members	30
	9.4 Audit Fees	31
10.	Conflicts of Interest	32
11.	Legal Proceedings	32
12.	Interests of Management and Others in Material Transactions	32
13.	Interests of Experts	33
	13.1 Names of Experts	33
	13.2 Interests of Experts	33
14.	Transfer Agents	33
15.	Material Contracts	33
16.	Additional Information	35
17.	Forward-Looking Information	36
	APPENDIX: Audit Committee Charter	39

Unless the context otherwise requires, references in this Annual Information Form ("AIF") to "We", "Us", "Our", "Company", "High Liner", or "High Liner Foods" include High Liner Foods Incorporated and its subsidiaries. References to "Fiscal 2024" are to the fifty-two weeks ended December 28, 2024, references to "Fiscal 2023" are to the fifty-two weeks ended December 30, 2023 and references to "Fiscal 2022" are to the fifty-two weeks ended December 31, 2022. All amounts are in United States dollars, unless otherwise noted. Certain totals, subtotals or percentages herein may not reconcile due to rounding.

This AIF contains certain trademarks and trade names of High Liner which are protected under applicable intellectual property laws and are the property of the Company. For convenience only, such trademarks or trade names may appear herein without an ® or ™ symbol, but such appearances are in no way whatsoever intended to suggest that the Company will not assert, to the fullest extent available under applicable law, its rights to such trademarks and trade names. Any other trademarks or trade names used herein are the property of their respective owners.

1. CORPORATE STRUCTURE

1.1 Name, Address and Incorporation

High Liner Foods Incorporated is a Nova Scotia ("NS") company amalgamated under the *Companies Act* of Nova Scotia. Its registered office is at 100 Battery Point, P.O. Box 910, Lunenburg, NS, Canada, B0J 2C0.

The Company's 125-year history began in 1899 with the founding of W.C. Smith & Company Limited, a ship chandlery and salt fish operation located in Lunenburg, NS. In 1926, the same group of shareholders diversified into fresh fish and cold storage and formed Lunenburg Sea Products Limited and conceived the **High Liner** brand. In 1938, these two companies merged, and in 1945, the merged companies, along with Maritime National Fish Company Limited of Halifax and other related companies, were brought together under the ownership of National Sea Products Limited. The present company was formed in 1967 when these related companies were amalgamated and on December 31, 1998, the Company's name was changed to High Liner Foods Incorporated.

1.2 Inter-Corporate Relationships

The Company's business is carried on principally through the parent company, High Liner Foods Incorporated (registered head office in Lunenburg, NS) and its wholly owned operating subsidiary, High Liner Foods (USA), Incorporated (registered head office in Portsmouth, New Hampshire ("NH")).

The following organizational chart illustrates the corporate structure of the Company and its significant subsidiaries, including their respective jurisdiction of formation and the percentage of votes attaching to all voting securities beneficially owned or over which control or direction is exercised by the Company.



2. GENERAL DEVELOPMENT OF THE BUSINESS

2.1 Company Overview

High Liner Foods through its predecessor companies, has been in business since 1899 and has been a Canadian publicly-traded company since 1967, trading under the symbol 'HLF' on the Toronto Stock Exchange ("TSX"). The Company operates in the North American packaged foods industry with an expertise in frozen seafood. High Liner is a leading North American processor and marketer of value-added (i.e. processed) frozen seafood, producing a wide range of products from breaded and battered items to seafood entrées. The Company produces and markets seafood products for the retail, foodservice and club store channels. The foodservice channel consists of sales of seafood that are usually eaten outside the home and includes sales through distributors to restaurant and institutional customers.

High Liner owns strong brands, but is also an important supplier of private-label frozen seafood products for many North American food retailers, club stores and foodservice distributors. In addition, the Company is a major supplier of commodity products in the North American market. Retail branded products are sold throughout the U.S., and Canada under the *High Liner*, *Fisher Boy*, *Sea Cuisine*, *C. Worthy*, and *Catch of the Day* labels, and are available in most grocery and club stores. The Company also sells branded products to restaurants and institutions under the *High Liner*, *Signature*, *Mirabel*, *Icelandic Seafood* and *FPI* labels.

Although High Liner's roots are in the Atlantic Canadian fishery, seafood raw material and some finished goods are purchased from around the world, including Canada, the U.S., Europe, Asia and South America. The Company operates food-processing facilities in Lunenburg, NS; Portsmouth, NH; and Newport News, Virginia ("VA") and finished products are held in the Company's modern cold storage facilities, located in Lunenburg, NS; Peabody, Massachusetts ("MA"); Portsmouth, NH; Newport News, VA; and at third party cold storage centers. From these centers, products are distributed throughout North America. The Company's North American retail and foodservice businesses are managed in Mississauga, Ontario ("ON") and Portsmouth, NH. We have corporate offices in Halifax, NS; Lunenburg, NS; Mississauga, ON; Portsmouth, NH; and Newport News, VA.

2.2 Three Year History

During the three years ended December 28, 2024, the Company has been impacted by a number of factors, changes and initiatives including:

1. U.S. tariffs implemented in late Fiscal 2018 and continued throughout Fiscal 2022, Fiscal 2023, and Fiscal 2024.
2. Changes in the Company's common share dividend in Fiscal 2022, Fiscal 2023 and Fiscal 2024.
3. Refinancing of the Company's term loan facility in Fiscal 2024, and amendment of the working capital facility and term loan facility in Fiscal 2022.
4. Strategic investments made in Fiscal 2024 in two Norwegian aquaculture companies, Norcod AS ("Norcod") and Andfjord Salmon AS ("Andfjord").
5. Litigation settlement agreement reached with the previous owners of Rubicon Resources, LLC ("Rubicon").
6. Russia invasion of Ukraine in February 2022 and its continued impact in Fiscal 2023 and Fiscal 2024, including government sanctions in Canada and the U.S. that have impacted the Company's operations and financial results.
7. Change in Management.
8. Coronavirus disease outbreak ("COVID-19") pandemic beginning in Fiscal 2020, and its effects through to Fiscal 2022.

U.S. Tariffs

In September 2018, the U.S. Trade Representative ("USTR") commenced trade discussions with China that resulted in various actions impacting the Company related to additional tariffs on goods imported to the U.S., including a 25% tariff on certain raw material imports (the "2018 US-China Tariffs"). During March 2022, the Company received notice of approval of an exclusion extension request submitted to the USTR regarding tariffs on certain goods imported to the U.S. from China. The extension applied to tariffs already incurred, or that would otherwise have been incurred, on specific goods from October 12, 2021 to December 31, 2022. Since December 16, 2022 the USTR has extended this exclusion multiple times, including most recently on May 25, 2024, which further extended the exclusion to May 31, 2025, which will allow for further consideration under the statutory four-year review.

On February 1, 2025 an Executive Order was signed by the U.S. President enacting measures which would be effective February 4, 2025 and imposes an additional 10% tariff on all Chinese imports into the United States (the "2025 US-China Tariffs"). The Executive Order also imposes an additional 25% tariff on Canadian imports into the United States, except for Canadian energy products, which would be subject to a 10% tariff (the "2025 US-Canada Tariffs"). In response, the Canadian government announced that it would impose 25% tariffs on CAD\$155 billion of goods from the U.S., with CAD\$30 billion tariffs imposed on February 4, 2025, and the remaining CAD\$125 billion duties imposed after a 21-day delay to allow Canadian businesses time to adapt (the "2025 Canada-US Tariffs"). On February 3, 2025, it was announced that the 2025 US-Canada Tariffs and the 2025 Canada-US Tariffs would be delayed until March 1, 2025.

The Company intends to implement plans, including pricing actions and other supply chain initiatives, to mitigate the impact of these tariffs and reduce the estimated impact on the Company and its customers.

The Company will continue to monitor these developments closely in 2025, particularly as further information becomes available regarding potential additional tariffs or exclusions, how the previously announced tariffs and exclusions will impact the Company, and effectiveness and timelines for implementation of such tariffs.

Capital Structure & Dividends

During Fiscal 2022, Fiscal 2023 and Fiscal 2024 the Board of Directors revised the quarterly dividend to CAD\$0.13, CAD\$0.15 and CAD\$0.17 per common share, respectively from CAD\$0.10, CAD\$0.13 and CAD \$0.15 per common share, respectively. The revised dividend in each year reflected the Board's continued confidence in the Company's operations.

Debt Refinancing

On April 28, 2022, the Company amended its working capital facility to extend the term from April 2023 to April 2027 and to include a necessary update from LIBOR to Secured Overnight Financing Rate ("SOFR") based loans. Additionally, On October 6, 2022 the working capital facility was further amended to increase the revolving limit on the facility from \$150.0 million to \$200.0 million and to amend the Company's term loan facility from LIBOR plus 3.75% (0.75% LIBOR floor) to SOFR plus 3.75% (0.75% SOFR floor). All other material terms remain unchanged.

On July 31, 2024, the Company completed the early refinancing of its term loan facility. The facility was refinanced for \$240.0 million with an extended term from October 2026 to July 2031, and the applicable interest rates for loans under the facility were decreased from SOFR plus 3.75% (0.75% SOFR floor) to SOFR plus 3.25% (0.50% SOFR floor).

Strategic Investments

On March 21, 2024, High Liner Foods invested \$5.0 million in exchange for 4,412,000 common shares (approximately 10%) of Norcod, a leader in responsible and sustainable cod aquaculture based in Trondheim, Norway. The Company believes this investment is an important step forward in the Company's long-term growth strategy, including gaining exposure to the growing cod aquaculture market.

On May 22, 2024, High Liner Foods invested \$10.0 million in exchange for 3,234,970 common shares of Andfjord, a market leader in sustainable salmon aquaculture based in Dverberg, Norway. On November 19, 2024, the Company invested an additional \$1.3 million in exchange for 400,000 common shares of Andfjord which increased High Liner's ownership to approximately 5.4% of the total outstanding shares of Andfjord. The Company believes this investment aligns with the Company's long-term growth strategy, including gaining exposure to salmon aquaculture.

Litigation Settlement

As reported in 2020, High Liner Foods instituted legal proceedings in California against Mr. Brian Wynn in connection with the sale of Rubicon to the Company. On March 5, 2024, a settlement agreement (the "Agreement") was reached between the Company and the previous shareholders of Rubicon, including Mr. Wynn. In accordance with the terms of the Agreement, 2,429,014 common shares of the Company issued in connection with the acquisition of Rubicon were surrendered and subsequently cancelled. In addition, as a part of the Agreement, \$5.7M was paid directly to the insurance company to reimburse funds received from a previous insurance claim settlement on Representation and Warranties Insurance the Company procured to provide coverage of breaches of representation by Rubicon and Mr. Wynn.

Russia invasion of Ukraine

During February 2022, Russia invaded Ukraine which has had a negative impact on the global economy. In connection with this conflict, governments throughout the world, including Canada and the U.S., have imposed trade restrictions on certain products, including seafood, and financial and economic sanctions on certain industry sectors and parties in Russia. Although the Company has no direct operations in Russia or Ukraine, the global seafood supply chain does include a significant volume of whitefish, such as pacific cod and pollock, that are sourced from Russian waters. As some of the processed seafood purchased by the Company was made from seafood originally harvested in Russian waters, we have experienced shortages in materials and increased costs for transportation, energy, and raw material due in part to the negative impact of the Russia-Ukraine conflict on the global economy.

On December 22, 2023, the US Government issued a new executive order prohibiting the import of certain species of seafood into the United States. The determination prohibits Russian seafood imports on salmon, pollock, cod, and crab products harvested in waters under the jurisdiction of the Russian Federation or by Russian flagged vessels outside of Russian waters even if this seafood has been reprocessed and substantially transformed outside of Russia. No further orders could include product that include Russian country of harvest raw material and only products ordered and received on or before February 21, 2024 were permitted into the country. On February 20, 2024, this date was extended to allow importation of product until May 31, 2024, so long as the products were ordered before December 22, 2023 and shipped before February 20, 2024. High Liner Foods immediately implemented these regulations and developed a plan to limit the impact of these regulations on the business.

Further escalation of geopolitical tensions related to the conflict, including new sanction policies, increased trade barriers or restrictions on global trade, could result in, among other things, supply disruptions, cyberattacks, lower consumer demand, and changes to foreign exchange rates and financial markets, any of which may adversely affect our business and supply chain, and these impacts could be material.

Change in Senior Management

On August 29, 2023, the Board of Directors accepted the resignation of Rod Hepponstall as President and Chief Executive Officer ("CEO") of the Company, who continued in his role until September 15, 2023. On December 20, 2023, Paul Jewer, who had been serving as the Interim President and CEO since September 15, 2023, was officially appointed as President and CEO, in addition to retaining his role as Chief Financial Officer ("CFO"). On January 16, 2024, Deepak Bhandari was appointed as Interim CFO and on May 31, 2024, the Company appointed Darryl Bergman as CFO, effective July 15, 2024.

Tom Jansen was appointed as Chief Supply Chain Officer on September 5, 2023, replacing Ron Van der Giesen who left the Company on October 8, 2022. Additionally, Tim Rorabeck, Executive Vice President and General Counsel left the Company effective January 1, 2024, and on April 15, 2024 the Company appointed James Bishop as Executive Vice President, General Counsel & Corporate Secretary.

COVID-19

The COVID-19 pandemic initially had a significant impact on the Company's operations, with supply chain challenges emerging as a primary issue starting in 2021. These included raw material and ingredient shortages, rising freight costs due to global shipping disruptions, a competitive labor market, and port congestion. These pressures led to supply chain delays and increased costs, which persisted through 2022. By 2023, these challenges began to ease, and the Company's operations normalized to pre-pandemic levels.

2.3 Business Strategy

Our business strategy is focused on selling frozen seafood in North America. We focus on frozen seafood because we are experts in this category, and on the North American market, because we continue to see opportunities for growth by building on our position as a leader in frozen seafood in both the U.S. and Canada.

In 2021, High Liner Foods refreshed its purpose statement to be *"Reimagining Seafood to Nourish Life"* which more accurately reflects High Liner Foods' business, its potential for the future and commitment to its stakeholders. The Company's business strategy is guided by a strong sense of corporate purpose to reimagine seafood to nourish life. Through its integrated diversified supply chain and responsible procurement practices, High Liner Foods helps nourish families across North America with healthy, affordable and sustainable sources of protein.

In 2023, High Liner Foods launched a new, modern corporate brand anchored in a 'challenger mindset' to support the Company's bold strategic aspirations. "High Liner Foods: Changing the way we see food" represents a fundamental shift and evolution in the Company's business. This new brand identity is rooted in the Company's purpose, demonstrates our leadership and confidence, and sparks creative potential to help chart the Company's course for new opportunities and innovations.

Through its diversified foodservice and retail businesses, High Liner Foods provides a steady supply of frozen seafood to foodservice and retail customers across North America. In foodservice, the Company serves non-commercial or institutional customers such as hospitals and schools and commercial dining establishments including quick service retail (QSR) and casual dining restaurants. In our retail business High Liner Foods' products are available in the freezer aisles of national retail chains and club stores across North America.

High Liner Foods seeks to inspire customers and consumers to reimagine the role seafood can play in their diet. From innovation, to packaging, to customer education, and direct to consumer marketing, the choice and versatility offered within High Liner Foods diverse portfolio of frozen seafood is designed to help more consumers choose High Liner Foods products more frequently. To achieve this, High Liner Foods continues to build and refine an expanded portfolio of frozen seafood products that provides customers with choice, quality and convenience across

species and price points, with an emphasis on premium and discount offerings which typically fare better across market cycles.

The Company's premium products are value-added, either under one of the Company's brands, or as a private label product. In foodservice, the Company uses its premium value-added offering to strategically target operators looking for operational efficiencies, menu innovation and versatility. For example, High Liner Foods' value-added frozen seafood can be used as the protein source for multiple innovative menu items and to minimize labour requirements and costs as well as product waste.

In the retail environment, the Company's value-added products appeal to consumers who want to recreate restaurant quality dining at home or are seeking convenience. For example, High Liner Foods' Sea Cuisine line illustrates how Chef-inspired seafood can translate to the home kitchen. At the discount end of the price spectrum, the Company provides consumers with a high quality, healthy and affordable source of protein. This offering is best illustrated with the Company's Fisher Boy line.

High Liner Foods frozen seafood portfolio is supported by an integrated and diversified global supply chain which is a source of competitive advantage for the Company, especially during times of macroeconomic challenges such as the COVID-19 pandemic during 2020 and 2021 and the significant global supply chain challenges experienced in 2022.

The Company invests in strategic relationships with suppliers, partners and customers to build loyalty and facilitate its ability to execute its business strategy and drive commercial success to create value for all stakeholders over the long-term.

In 2024, the Company took steps to further strength the diversity of its supply chain by making strategic investments in land-based salmon and cod aquaculture leaders Norcod AS and Andfjord Salmon Group AS. These investments ensure the Company remains at the forefront of emerging opportunities across the value chain and position High Liner Foods for long-term success in a dynamic global seafood market.

2.4 Growth Strategy

As the Company executes on its purpose driven strategy of "*Reimagining Seafood to Nourish Life*," the Company's corporate brand identity tells the world who we are, our corporate priorities and how we run our business. The brand is a unified expression of our purpose, vision and culture and supports our position as a North American leader in branded and value added seafood.

High Liner Foods is committed to profitably expanding its share of the current frozen seafood category in foodservice and retail in Canada and the U.S., supporting the growth of the top and bottom line of the business. Specifically, High Liner Foods is focused on driving organic growth within growing areas of the market including the retail club category, while building on its market leadership including U.S non-commercial customers and Canadian retail, while also expanding in underdeveloped, high potential channels such as QSR and casual dining and increasingly popular species like shrimp and salmon.

One of the key tools to support the effective implementation of our corporate strategy is ongoing investment in data driven insights to inspire, innovate, expand, and over time, transform the frozen seafood category in North America. High Liner Foods is leveraging data to inspire a more innovative approach to using seafood on the menu in both QSR and casual dining. The Company is working closely with customers to demonstrate the potential for seafood focused items and presenting market-tested limited time offer concepts to customers to inspire innovation and initiate new business.

The Company believes that there is a significant opportunity to grow the seafood category in North America. Seafood, as a category, remains underdeveloped across North America. Even though consumers are increasingly seeking healthy, affordable, and sustainable sources of quality protein, seafood consumption has remained flat in North America for the past twenty years and has not grown in line with other proteins such as poultry.

High Liner Foods will seek to inspire more seafood consumption through ongoing innovation and value-added offerings in its portfolio and related sales and marketing activities, as well as strategizing on potential incremental actions that will grow the seafood category as a whole and further expand the upside potential for the Company.

The Company will seek to achieve this by advancing its organic growth strategy as well as opportunities for potential strategic investments and M&A. As the Company explores potential opportunities in this regard, it is casting a wide net and considering opportunities related to the future procurement, consumption and marketing of seafood across the value chain.

The Company is confident that it has a lot to offer, as a potential partner or acquirer, and is well-positioned to be a patient acquirer and strategic partner should the right opportunity present itself at the right time that will allow High Liner Foods to continue to grow its business, the category and create long-term sustainable growth for its shareholders.

3. THE BUSINESS

3.1 Product Marketing and Geographic Information

Trademarks and Brand Names

High Liner Foods' products are sold both directly and through distributors to North American retail and club stores, and through foodservice distributors to hotels, restaurants and institutions (such as healthcare and educational organizations). The majority of seafood products are marketed under a number of proprietary brands including: *High Liner*, *Fisher Boy*, *Sea Cuisine*, *Catch of the Day*, *C. Worthy*, *High Liner Signature*, *Mirabel*, *Icelandic Seafood* (under a licensing agreement) and *FPI* trademarks. In addition to branded products, High Liner Foods produces private-label frozen seafood products for numerous retailers, club stores and foodservice operators and distributors throughout North America.

Under the Company's trademarks and brands, and from a variety of seafood species, High Liner markets a diverse range of frozen seafood products, including raw fillets and shellfish, cooked shellfish and value-added products such as sauced, glazed, breaded and battered seafood, along with seafood entrées. In addition, the Company produces breaded cheese sticks for a small, select group of customers. A full listing of "sub-brands" and product names are included on the Company's various foodservice and retail websites, which can be accessed through the corporate website at www.highlinerfoods.com.

Geographic Information

The Company is arranged as a single frozen seafood company that is focused on North America and is a single operating and reporting segment. Sales earned outside of Canada for the fifty-two weeks ended December 28, 2024 were \$728.6 million (fifty-two weeks ended December 30, 2023: \$833.7 million). Sales by geographic area are determined based on the shipping location.

In North America, the frozen seafood market can be divided into two categories: "Value-added" and "Unprocessed". Value-added consists of a number of different formats, including but not limited to breaded, battered, pan sear, fire roasted, upper crust, while unprocessed is seafood that has not been breaded, battered or prepared.

North American Operations

In North America, High Liner Foods competes in both categories of the frozen seafood market as described above, with a focus in the "value-added" categories. The Company produces both national branded and private-label products that are sold in retail (including club stores) and foodservice channels.

The North American retail division markets products under the ***High Liner, Fisher Boy, Sea Cuisine, C. Wirthy and Catch of the Day*** brands to various retailers including supermarkets, mass merchants, drug stores and club channels.

The North American foodservice division markets branded products under the ***High Liner Foodservice, High Liner Signature, Mirabel, Icelandic Seafood*** and ***FPI*** brands to restaurants, cafeterias, and other institutions. Acquisitions of Fishery Products International, Inc., Viking Seafoods, Inc. and Icelandic USA in 2007, 2010 and 2011, respectively, provided strength in innovation, industry-recognized beer-battered products, a line of premium "Icelandic" fillets, and increased value-added frozen seafood sales operations that supported the Company's North American foodservice strategy.

The Company routinely introduces new products for consumers and its foodservice customers under the brands discussed above. The new products are derived from fish protein and include frozen fish offerings, family-size offerings, and shareable and snacking offerings. The value-added product innovations are based on insights, trends, product affordability, and great taste. In 2024, the Company continued to launch multi-channel innovation to support growth and this remains an important part of the Company's go-forward strategy.

Across North America, in both retail and foodservice, High Liner Foods employs a direct sales force and a network of sales brokers.

3.2 Production Facilities

As at December 28, 2024, High Liner Foods owned and operated three manufacturing facilities in North America consisting of: two plants in the U.S. (in Portsmouth, NH, and Newport News, VA) and one plant in Canada (in Lunenburg, NS).

The following table summarizes the capacity and 2024 utilization of the Company's manufacturing facilities based on finished pounds and current shift patterns. All of these facilities produce value-added seafood products.

Location	Annual Capacity*	Capacity Utilization*
Lunenburg, NS, Canada	50,000,000	90 %
Portsmouth, NH, U.S.	61,000,000	92 %
Newport News, VA, U.S.	61,000,000	85 %

* The capacities above are based on the 2024 manufacturing profile of finished pounds. Currently, capacities could be increased at the Lunenburg, Portsmouth and Newport News facilities to 60 million, 90 million and 100 million pounds, respectively, by implementing a change in shift patterns, and additional capital investment.

The Company utilizes a combination of Company-owned and third party-managed cold storage facilities.

Asia Operations

The Company has several major custom processing agreements with third party producers in Asia involving the production of a large volume of wild caught raw material and finished product. Many of these agreements have been in place or otherwise renewed for several years and help to ensure a consistent supply of high quality product at competitive costs. Over the past few years, the Company has been expanding our supplier base away from China to other parts of Asia, including Thailand and Indonesia.

Regulatory Environment

Food Safety

At High Liner Foods, food safety is our top priority. Our brand equity and reputation are inextricably linked to the quality and safety of our food products, and we must be vigilant in ensuring our products are safe and comply with all applicable laws and regulations. Customers expect consistently safe, quality products and their expectations are unwavering regardless of the commodity or complexity of the supply chain. Consumers are increasingly better informed about conscientious food choices.

The Company's processing plants have all the required State, Provincial and/or Federal licenses to operate and are certified to the Global Food Safety Initiatives ("GFSI") and Safe Quality Foods ("SQF") standards, meaning our processing plants have passed a rigorous quality and food safety system audit that is internationally recognized and globally benchmarked. The GFSI certification enables the Company to supply our wide range of products to some of the industry's most discerning customers. This annual certification process helps drive improvement across the organization; critical for maintaining customer and consumer confidence.

In Canada, certain food businesses, including seafood-processing plants, are required to adopt a Preventive Control Plan ("PCP") under the Safe Food for Canadians Act and Regulations. These requirements cover the regulatory and safety aspects of food processing and importation in Canada and have been developed by the Canadian Food Inspection Agency ("CFIA") based on global best practices. This plan must also include a hazard analysis that describes how hazards will be controlled and/or eliminated. High Liner Foods' PCP and processing facilities are regularly inspected and audited by the CFIA and remain in good standing.

In the United States, the Company's plants produce product in accordance with standards set forth by the U.S. Food and Drug Administration's ("FDA") and the U.S. Department of Agriculture ("USDA"). The regulatory requirements for seafood processing (and importation) in the United States are very specific for fish and fishery products and all plants are required to operate with current seafood Hazard Analysis Critical Control Point ("HACCP") programs. Our plants are regularly inspected and audited by our regulatory partners in the U.S. and remain in good standing.

In addition, our suppliers' plants outside of North America must demonstrate compliance for imported products in accordance with the guidelines set forth in the FDA seafood HACCP regulation. All the Company's non-North American suppliers operate with detailed HACCP programs in place and are required to adhere to newly strengthened FDA and Canadian CFIA importation requirements focusing on food safety and traceability. In addition, all purchases are subject to risk-based quality review and verification by the Company's food safety and quality professionals. We have strict specifications for suppliers of both raw material and finished goods to ensure that procured goods are of the same quality and consistency as products processed in our own plants. High Liner Foods has offices in Qingdao, China; Bangkok, Thailand; and Reykjavik, Iceland and employs full-time procurement, food safety, and quality experts to oversee procurement activities around the world. This oversight includes production monitoring and finished product inspection at the source before shipment to North America.

In order to maintain compliance with the various and ever changing regulatory, industry and customer requirements and expectations, we employ a Food Safety and Quality Assurance team comprised of highly qualified, trained and experienced personnel including food scientists, quality technicians, quality and food safety auditors, and labelling and nutritional professionals. High Liner Foods retains independent auditors to add an additional level of scrutiny to our food safety programs and has robust audit policies and processes that are consistently applied throughout the Company. We are continuously evaluating and updating our internal operating standards to keep pace with the industry expectations and to support improved performance and growth.

Environmental

In the U.S., state labour laws and the federal Occupational Safety & Health Act ("OSHA") regulate how work must be conducted in the Portsmouth and Newport News plants. In Canada, provincial legislation and Workers Compensation Boards play an active role in monitoring health and safety in workplaces. Employee safety committees are in place at each High Liner Foods facility. These safety committees report to the Corporate Safety Steering Committee which in turn reports to the Human Resources Committee of the Board. A corporate Safety Policy is in place to ensure a safe workplace for all High Liner Foods' employees and safety policies are in place at each facility to protect employees and to maintain compliance with legislation. Regular specialized employee training is required under many of the policies.

With respect to environmental protection, the Company has an Environmental Management Policy ("EMP") designed to ensure that High Liner meets or exceeds the requirements of the federal, provincial, state, municipal and local environmental laws and requirements in both the U.S. and Canada. A risk of environmental impact is inherent in food processing operations, activities associated with such operations, and the ownership, management or control of real estate. However, the Company's policy and internal management ensures this risk is managed in accordance with diligent practices.

High Liner plants contain substantial freezing equipment, all of which utilize ammonia systems. Any release of ammonia in the operation of this equipment could result in environmental and employee safety hazards and remediation requirements, and therefore maintenance of the related equipment is a priority. The Company has a comprehensive emergency response plan in all facilities and personnel are well trained and, where required, certified in hazardous materials handling.

Each facility has a preventative maintenance program that is monitored and upgraded as required. Currently, the Lunenburg, Portsmouth, and Newport News plants operate computerized maintenance management systems. These programs allow maintenance teams to closely monitor and manage both preventative maintenance and work orders at the facilities.

As part of the EMP, High Liner has an employee Environmental Steering Committee, which reports its matters to the Audit Committee of the Board (see the "Audit Committee Charter" in the Appendix). The mandate of the Environmental Steering Committee is:

1. To review and report to the Board on the Company's compliance with all environmental and safety regulations and laws in the areas where it carries on business;
2. To assist management in developing action plans to deal with environmental and safety issues; and
3. To monitor management's progress at rectifying any situations identified as potential risks.

The Company's Board of Directors, through its committees, receives regular reports on the Company's safety and environmental management, and oversees efforts of the Company to maintain safe and environmentally compliant workplaces.

Environmental protection requirements are integrated into the Company's overall enterprise-wide risk management programs. In 2022, the city of Portsmouth received new National Pollutant Discharge Elimination System permits for its wastewater treatment facilities, which require a formal Industrial Pretreatment Program. This program will require greater attention to the regulations and dedication to documentation. Until such time the new Environmental Protection Agency ("EPA") wastewater effluent requirements are enacted, it is indeterminable how these requirements will impact High Liner, including additional capital expenditures, earnings and competitive position in 2025.

3.3 Competitive Conditions

Retail Market

Competition is very intense in the North American retail market where the primary competitive factors are price, convenience, consistent supply, taste, nutrition, value, consumer brand recognition and loyalty. Additionally, the competitive landscape is changing where there is an increased risk that High Liner Foods' suppliers or customers could become competitors if they decide to distribute or source their own seafood products. The Company believes that the key to growing loyalty at the shelf, which will help to remain competitive, is enhancing and energizing the brands and launching consumer-centric innovation. In 2022, the *High Liner* and *Sea Cuisine* brand positioning and campaigns were successfully refreshed to further strengthen brand loyalty. In 2023, the Fisher Boy brand positioning and campaign was successfully refreshed to further strengthen brand loyalty.

In the Canadian retail seafood market, the *High Liner* brand is the market leader. The Company also supplies value-added and commodity products under the *Catch of the Day* brand and a number of private labels. In the U.S., the Company is one of the largest value-added frozen seafood suppliers, including both value-added and commodity products. The Company's private label offerings combined across multiple retailers share the leadership position. The Company's major competitors in the North American retail seafood market are national marketers of brand name and generic seafood products.

Foodservice Market

In the North American foodservice market, continuity of supply, a diverse product portfolio, customer service, and price are the major components of competition. High Liner Foods' major competitors in the foodservice market consist of vertically-integrated seafood companies, food-processing companies and seafood traders. In the Canadian foodservice seafood market, the Company holds a leading market position in the value-added frozen seafood category.

3.4 Components - Procurement of Raw Materials and Finished Goods

High Liner Foods is dependent on its seafood procurement activities and in 2024, purchased approximately 163.6 million pounds of seafood, with an approximate value of \$481.6 million. In 2024, the Company procured approximately 24 different species from 20 different countries.

The major species procured in 2024 accounted for approximately 90.8% of the total dollar purchases in 2024. These species are as follows:

Species	Percent of Total Purchases
Pollock	29.5 %
Cod	20.5 %
Haddock	11.6 %
Salmon	9.1 %
Shrimp	9.1 %
Tilapia	8.0 %
Sole	3.0 %
Total major species	90.8 %

The Company has a stringent supplier selection process that ensures various feasibility and compliance requirements are evaluated. As disclosed in Section 3.2 above, the Company's suppliers operate with detailed HACCP programs in place and are audited to such by accredited third parties and/or trained High Liner Foods employees, regardless of geographic location. High Liner Foods' dedicated supplier quality professionals oversee the supplier qualification and product verification activities. Desktop compliance and facility audits are performed to ensure suppliers' facilities and the products they produce meet or exceed requirements set by the Canadian and U.S. food authorities and High Liner Foods' product quality/food safety specifications. When product is received in either Canada or the U.S, the respective food inspection agencies may perform various verification activities up to and including, independent testing of products prior to release to High Liner.

Our foreign representative offices in Qingdao, China; Bangkok, Thailand; and Reykjavik, Iceland employ procurement and quality staff to oversee procurement activities in those major countries from which product is procured. In addition, agents in Chile, India, Indonesia and Vietnam supervise procurement activities in their respective areas.

It is not industry practice to have significant long-term contracts to purchase raw seafood. The futures market for seafood where forward purchases can be hedged is limited. Therefore, the Company's strategy is to build long-term strategic relationships with key seafood suppliers. Typically, agreements of up to one year in duration are entered into with these suppliers, and can cover both price and quantity, but often provide for quality and quantities only, with price determined by the market at the time of shipment or on a quarterly basis. Substantially all purchases are in USD. From time to time, depending upon market conditions, the Company takes inventory positions to ensure sufficient raw materials at acceptable costs.

The long-term global demand for fish and seafood continues to grow. The total catch of wild fish is now surpassed by aquaculture production. The catch of wild fish has stabilized at around 91 million tonnes annually, which represents approximately 49% of the total supply, while aquaculture production continues to increase and is now approximately 51% of the total as shown in Exhibit 1. Exhibit 2 indicates catches of the ten most important wild groundfish species, as reported by the Food & Agriculture Organization of the United Nations ("FAO") in 2024, along with estimates of panelists, as presented at the 2024 Groundfish Forum webinar, an industry group that meets annually to discuss the global seafood industry.

Exhibit 1 - Global Overview: Total Catches

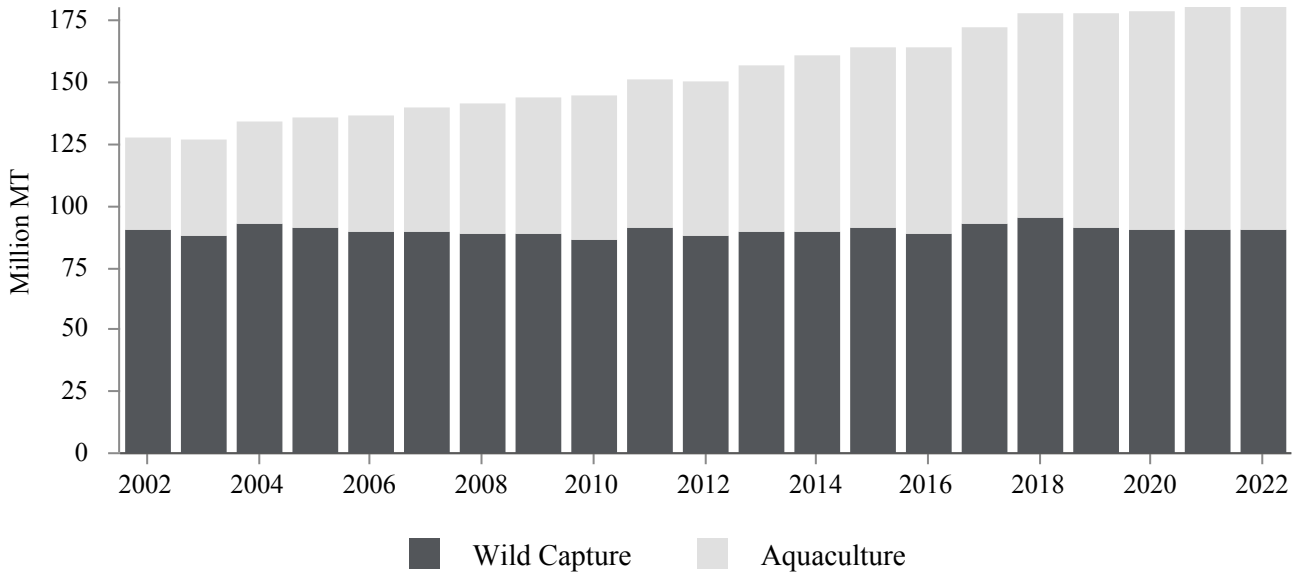
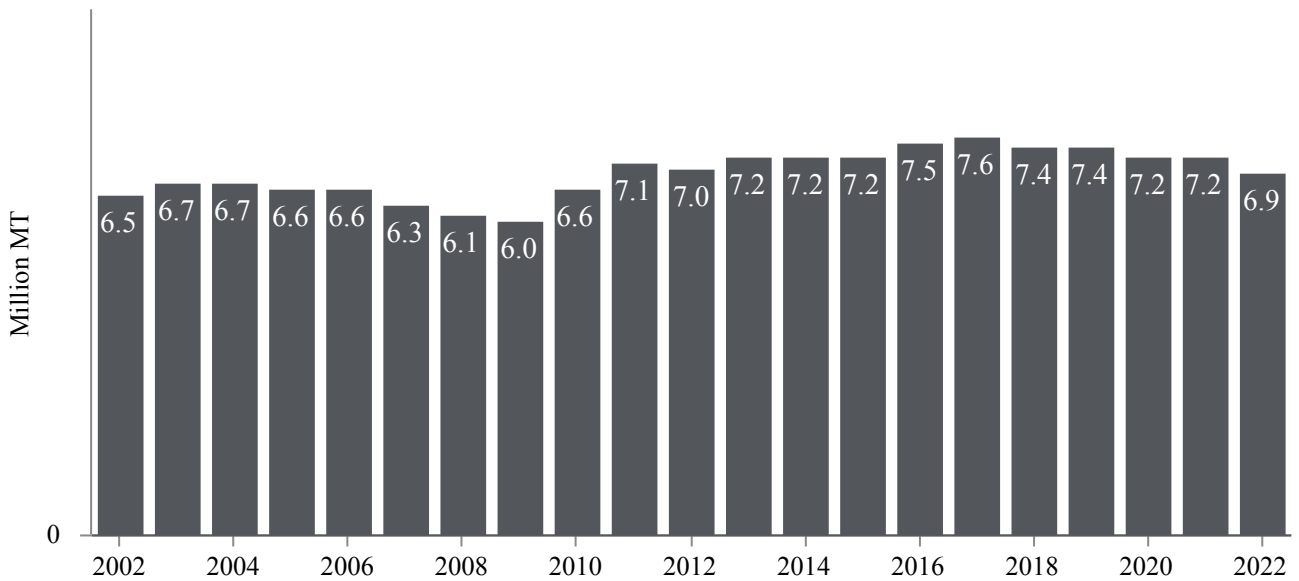


Exhibit 2 - Global Groundfish Summary: Major Species*



* Major species include: Alaskan pollock; Atlantic cod; Pacific cod; haddock; saithe (Atlantic pollock); redfish (ocean perch); Cape hake; South American hake; North Pacific hake and hoki.

The total supply of seafood continues to increase because of significant increases in aquaculture. Globally, there has been considerable development in the aquaculture industry both in finfish and shellfish species. This trend is expected to continue. High Liner currently procures aquaculture products, including warm water shrimp, tilapia, pangasius (basa), mussels, scallops and Atlantic salmon. The Company's strategy is to increase the procurement of aquaculture products in the future and align with this trend of increased aquaculture. Currently, 38% of the Company's procurement by value is related to aquaculture product.

High Liner Foods made a commitment in late 2010 to source all of its seafood from "certified sustainable or responsible" fisheries and aquaculture farms by the end of 2013. With this commitment, High Liner Foods requires wild-caught seafood and farmed products to either:

- come from fisheries and aquaculture processors certified as sustainable; or
- if those suppliers are not certified, they must be on a clear, defined path, actively working towards being sustainable, and capable of documenting measurable improvements. High Liner Foods collaborates with its NGO partner, the Sustainable Fisheries Partnership, in assisting suppliers falling into this category, with achieving sustainability objectives.

By the end of 2013, High Liner Foods had substantially achieved the commitment it made in late 2010 and is now recognized as a global leader in driving best practice improvements in wild fisheries and aquaculture. High Liner Foods defines responsibly sourced seafood in alignment with credible certification schemes that have successfully benchmarked against the Global Sustainable Seafood Initiative benchmark. The Company requires suppliers to demonstrate they minimize damage to fish habitats and use effective strategies to avoid bycatch. Responsible sourcing has been monitored as an environmental, social and governance ("ESG") metric for the Company, growing from 90% responsibly sourced seafood in 2017 and increasing each year to 96% certified in 2023. In addition, a social compliance program was implemented with seafood suppliers in 2014 that outlines acceptable standards for the treatment of all suppliers' employees involved in the production of seafood products for the Company. Of the raw material used in the Company's products that is purchased from primary seafood suppliers, 100% is sourced from audited suppliers.

Crude oil prices, which influence fuel surcharges from freight suppliers, are trending downwards in 2024 and into 2025. World commodity prices for flour, soy and canola oils, imported ingredients in many of the Company's products, generally decreased in 2024, when compared to 2023. The price of corrugated increased and folded carton, which are used in packaging generally decreased in 2024 compared to 2023. It is the practice of High Liner Foods to contract with suppliers to fix prices related to commodity purchase requirements for the items mentioned above. The Company has contracts fixing prices for a portion of these items in 2025, and is actively monitoring opportunities to fix remaining amounts to be purchased.

For a detailed description of the risks associated with commodity prices and currency fluctuations in relation to procurement of raw materials, including the risks exacerbated by the Russia invasion of Ukraine in February 2022, refer to the Company's Management's Discussion & Analysis ("MD&A") for the year ended December 28, 2024.

3.5 Seasonality

High Liner Foods' operating results by quarter fluctuate throughout the year. For a detailed discussion regarding how seasonality affects the Company's operations, refer to the Company's MD&A for the year ended December 28, 2024. The MD&A also includes a summary of sales, and net income, on both a total dollar and a per share basis, for the eight most recently completed quarters ending December 28, 2024.

3.6 Employees

At December 28, 2024, High Liner Foods had 1,215 active regular full and part-time employees, of whom 519 were salaried employees and 696 were hourly employees.

Regular full and part-time employees by country are as follows:

Country	Number of Employees
U.S.	657
Canada	538
China	14
Thailand	4
Iceland	2
Total	1,215

High Liner Foods has approximately 265 unionized employees in its Lunenburg facility who are represented by the Unifor union. The Lunenburg collective agreement was set to expire December 31, 2023 and was renegotiated and ratified by the union on December 3, 2023. The new collective agreement has an expiry date of December 2026. The Company believes it has good relations with its unionized employees and does not anticipate any labour disruptions in 2025. The hourly workers in Portsmouth, Newport News, and Peabody are not unionized.

3.7 Effect of Volatility of Canadian Dollar

The Company has chosen a USD presentation currency because, although the functional currency of the Canadian parent company is CAD, the Company believes the USD presentation better reflects the total Company's business activities and improves investors' ability to compare the total Company's financial results with other publicly-traded businesses in the packaged foods industry (most of which are based in the U.S. and report in USD). This should also result in less volatility in sales and earnings and also on the balance sheet, as a large part of financial statement items are functional USD or influenced by USD-denominated commodities. The chart below shows USD/CAD exchange rates for the period of 2022 to 2024.

USD / CAD Exchange Rate	2024	2023	2022
Balance Sheet - year-end rate	0.6930	0.7573	0.7389
Income Statement - average rate	0.7302	0.7409	0.7682
Percent change - year-end rate	(8.5%)	2.5%	(6.5%)
Percent change - average rate	(1.4%)	(3.6%)	(3.7%)

Approximately 70.3% of the Company's sales and related operations are denominated in USD; the majority of debt is denominated in USD; bank covenants are measured in USD; and some of the Parent company's input costs are denominated in USD. Reporting in USD reduces the volatility of currency changes; however, when the U.S. dollar strengthens (weakening Canadian currency), the reported values of CAD-denominated items of the Parent company decrease in the consolidated statements and the opposite occurs when the U.S. dollar weakens. CAD-denominated items in the Parent company's operations are converted to USD at the balance sheet date for balance sheet items and at the average exchange rate of the month the transaction occurs for income statement items. As such, foreign currency fluctuations affect the reported values of individual lines on the Company's balance sheet and income statement.

The table below shows Company net sales in domestic currency or assuming a constant exchange rate of par between the U.S. and Canadian dollar, and calculates the change in net sales in domestic currency.

(Amounts in 000s, except percentages)	2024		2023		2022
Sales as reported (USD)	\$	959,218	\$	1,080,338	\$ 1,069,714
Foreign exchange effect		84,689		85,091	77,360
Sales in domestic currency	\$	1,043,907	\$	1,165,429	\$ 1,147,074
Change in sales, excluding FX effect		(10.4)%		1.6 %	23.1 %

3.8 Social and Environmental Matters

High Liner Foods' value chain spans the globe and affects and relies on people, communities and environments around the world. The Company recognizes that understanding and managing High Liner Foods' impacts on those global resources is integral to fulfilling the Company's purpose of *Reimagining Seafood to Nourish Life*. Launched in 2009, High Liner Foods' Sustainability program originally focused on responsible sourcing of seafood with the creation of the "Responsibly Sourced" (as described in more detail below) criteria and commitment. Since then, we have maintained longstanding commitments to sourcing seafood responsibly and upholding high social and ethical standards. Understanding and managing our climate-related impacts and investing in our employees creates new ways in which High Liner Foods is committed and working to improve the health and well-being of our stakeholders. High Liner Foods continues to focus on its broader Sustainability program within the key areas discussed below.

Product Responsibility

We believe that delivering on High Liner Foods' purpose of Reimagining Seafood to Nourish Life requires the Company to not only provide consumers with nutritious products but also to uphold best practices in the sourcing of the raw materials to manufacture and sell those products. High Liner Foods is committed to ensuring there are healthy and diverse fish stocks to support local ecosystems and providing a livelihood for those who make their living from the sea. To reflect this commitment, High Liner Foods has established, over time, sourcing standards that provide protections for the environment and people within the Company's supply chains. The Company is nearing a goal of delivering 100% Responsibly Sourced (as described in more detail below) products and continuously monitoring and updating the Company's activities in this area to ensure High Liner Foods protects a supply of healthy protein and our environment through leadership and best practices, diversification of our supply chain, innovation and collaboration with industry partners.

In 2010, the Company created strict criteria seafood must meet to be considered by High Liner Foods as Responsibly Sourced. The criteria were developed with input from the Company's partner NGO, Sustainable Fisheries Partnership (SFP), and industry experts to ensure products claiming to be Responsibly Sourced are wild-caught or farmed using best practices that meet high social ethical standards and minimize impacts on species, stock and the environment. The Responsibly Sourced criteria for wild-caught and farmed seafood:

Wild-caught Seafood

Responsibly fished, wild-caught seafood is legally caught, secure from poaching and protected from overfishing. We require our suppliers to demonstrate that they minimize damage to fish habitats and use effective strategies to avoid bycatch. We strive to source wild-caught products that are:

- Marine Stewardship Council (MSC) certified or from suppliers undergoing full MSC assessment
- All eco-certifications must be Recognized by the Global Sustainable Seafood Initiative (GSSI) benchmark

- Sourced from credible, publicly documented Fishery Improvement Projects (FIP); or
- OceanWise™ recommended or rated Best Choice or Good Alternative by Seafood Watch™

Farmed seafood (aquaculture)

Experts increasingly agree that responsible, sustainable aquaculture is essential to meet the world's growing demand for seafood. We strive to source farmed products that are:

- All eco-certifications must be successfully Recognized by the Global Sustainable Seafood Initiative (GSSI) benchmark
- Aquaculture Stewardship Council (ASC) certified or from suppliers undergoing full ASC assessment
- Global Seafood Alliance (GSA) Best Aquaculture Practices (BAP) certified (1–4 stars)
- From credible, publicly documented Aquaculture Improvement Projects (AIP); or
- OceanWise™ recommended or rated Best Choice or Good Alternative by Seafood Watch™

High Liner Foods is also committed to ensuring the safety, human rights and dignity of workers in the Company's supply chain through implementation of compliance standards and mandatory requirements for suppliers. All High Liner Foods raw material suppliers are required to accept and comply with "Seafood Supplier Expectations Manual". Approval as a supplier requires compliance with regulatory requirements applicable to High Liner Foods' products and other safety standards, including with HACCP, QMP and High Liner Foods high-quality specifications. Suppliers must also accept and sign an acknowledgement of the "Supplier Code of Conduct", which requires, among other things, compliance with local laws and ethical business practices. High Liner Foods works with Social Ethical Data Exchange (SEDEX), which offers a system for analyzing ethical and responsible business practices throughout the supply chain. The Company requires raw material suppliers to pass a credible social compliance audit that is dependent on specific risk factors by country at frequencies defined in its Supplier Code of Conduct. High Liner Foods adopted an additional social compliance due diligence program in 2024 that will subject suppliers to unannounced SMETA (SEDEX Members Ethical Trade Audit) 4 pillar social compliance audits.

High Liner Foods also works with its suppliers in support of initiatives to drive continuous improvement in fisheries and aquaculture operations around the world. Fishery Improvement Projects (FIPs) and Aquaculture Improvement Projects (AIPs) allow for companies like High Liner Foods to encourage and promote the adoption of globally recognized best practices through strategic partnerships and engaging fishers, farmers and other key industry organizations. High Liner Foods helped establish the first FIP in 2007, the Barents Sea Cod-Haddock FIP. This Atlantic cod fishery, once nearly wiped out, has been regenerated through the adoption of the FIP practices. The Company has continued to support FIPs since 2007 and helped launch a new FIP in 2024 to implement both fishery management and human rights best practices in the Argentinian squid fishery.

People and Communities

High Liner Foods' people are at the heart of the Company's success. Every milestone the Company has achieved has been driven by the dedication and care of the High Liner Foods team. This fuels the Company's mission to ensure every employee feels a sense of belonging, appreciation, support, and empowerment to grow.

The Company's employee value proposition (EVP), Endless Opportunities to Catch, reflects a steadfast commitment to a people-first culture. Family-friendly policies supporting employee wellness, learning and development programs and diversity, equity, inclusion, and belonging initiatives are some areas of investment the Company has made to create an environment where every voice is heard, and each person is supported in their personal and professional development.

Aligned with High Liner Foods' core values of Customer Focus, Innovation, and Responsibility, the EVP is anchored in the Company's C.A.R.E. pillars:

- Culture: A close-knit community of high performers, committed to supporting one another and making a positive impact.
- Ambition: Offer career growth opportunities to help the Company's people achieve their personal and professional goals.
- Recognition: Celebrate teammates' achievements, both formally and informally.
- Employee Wellness: The safety and well-being of High Liner Foods' team are always a top priority.

In 2022, High Liner Foods launched the "My Voice" Employee Engagement survey to better identify and understand employees' needs. "My Voice" has become an essential tool for fine tuning the Company's employee policies and programs to maximize talent retention and attraction. The results also help to identify the cultural strengths and areas for improvement at High Liner Foods, providing the Company's management with insights on improving employee engagement. More than 1,000 employees, 90% of the total company workforce, participated in the 2024 survey.

High Liner Foods recognizes that the support of local communities in which the Company operates has also been instrumental to the Company's success. The Company is grateful for the loyalty these communities have shown High Liner Foods, and corporate philanthropy is one of the ways the Company expresses this gratitude. From local partnerships to employee-driven initiatives, the Company's efforts are focused on giving back where it matters most.

High Liner Foods' philanthropic efforts are guided by three pillars:

- Supporting Food Security: The Company achieved its goal of providing 10 million meals over 10 years in 2022—three years ahead of schedule. High Liner Foods continues to partner with food banks and local organizations, ensuring food security remains a focus.
- Volunteerism: From supporting food banks to community clean-ups, High Liner Foods provides employees with 16 hours of paid time to get involved locally and make a difference where they live.
- Corporate Giving: The Company dedicates a portion of pre-tax income to causes that align with High Liner Foods' values and help improve the communities where the Company operates.

Since launching in 2021, High Liner Foods' bi-annual Days of Nourishment have provided the Company's employees an opportunity to give back to their communities. Guided by High Liner Foods' Philanthropy Steering Committee, each company employee can dedicate two full days of service each year: one each spring dedicated to supporting the environment, and another in the fall focused on fighting hunger. In 2024, High Liner Foods' employees served more than 1,140 hours in the community.

High Liner Foods also continues to prioritize employee safety. The Company focuses on maintaining a safety culture through accident prevention and personal safety ownership. For additional information on employee safety, refer to "Regulatory Environment" above.

Environment

The Company has adopted several initiatives aimed at minimizing some of the impacts High Liner Foods' business has on the environment.

High Liner Foods completed and published its first greenhouse gas (GHG) inventory for Scope 1 and Scope 2 emissions in 2022. The Company also committed to a goal of reducing Scope 1 and Scope 2 emissions 30% by 2030. Over the last two years, the Company engaged engineering consultants to help identify decarbonization opportunities within High Liner Foods' operations.

In 2024, the Company continued assessing the decarbonization opportunities identified and completed an inventory of High Liner Foods' Scope 3 GHG emissions. The Scope 3 inventory provides the Company with a more complete understanding of High Liner Foods' overall carbon footprint and identifies emission hot spots within the Company's supply chain.

High Liner Foods is also committed to cutting food waste intensity 50% by 2030, a target established in 2019 in alignment with the United Nations' 10x30x30 challenge. The Company prioritizes eliminating waste before it happens – identifying and rectifying points of food waste in production operations. Landfill diversion efforts are then made for any residual sources of waste. In 2023, the Company formed a Continuous Improvement department, which is focused on creating and implementing an action plan to achieve the Company's 2030 food waste target.

For additional information regarding the Company's environmental policies and processes, refer to "Regulatory Environment" above.

Governance

The Board of Directors and management believe that high environmental, social and governance standards reflected in the Company's Sustainability program support the Company's profitability and valuation and aligns with the values of our Shareholders. Given the importance and pervasiveness of these matters to the Company's risk management and business strategies, the oversight function has been assigned across the Board and its Committees, where deemed most appropriate. The Governance Committee supports the Board in overseeing the Company's Sustainability framework as well as management's integration of Sustainability into the overall governance structure, business strategy and risk management practices of High Liner Foods. The Audit Committee oversees environmental and other compliance and reporting matters. The Human Resources Committee reviews the health and safety performance of the Company and ensures that Sustainability goals and targets are appropriately linked to compensation plans and that the Company is organized with the right talent to execute against the Company's Sustainability strategy. The Company's Executive Leadership Team is responsible for implementing the Company's Sustainability strategy and initiatives and maintains various committees and working groups in support of the various initiatives and areas of responsibility.

4. RISK FACTORS

The Company is subject to a number of risks and uncertainties related to its businesses that may have adverse effects on its results of operations and financial position. These risks and uncertainties, as well as other factors that could potentially impact the Company's results of operations and financial position, can be found in the Company's MD&A for the fifty-two weeks ended December 28, 2024 under the heading "*Risk Factors*", which is incorporated by reference herein. The Company's MD&A has been filed electronically through SEDAR+ and is available online at www.sedarplus.ca.

5. DIVIDEND GUIDELINE

Beginning in the last quarter of 2003, the Company instituted a quarterly dividend to holders of High Liner Foods' common shares. In determining the level of dividends paid, the Board of Directors considers the relative yield on

High Liner Foods' shares compared to its industry peers, as well as indebtedness of the Company and the percent of expected annual net income being distributed by way of dividends. A payout of between 30% and 35% of trailing adjusted earnings per share is generally targeted, but no set dividend policy exists. Shareholders are reminded for purposes of calculating financial ratios, including the dividend payout ratio, to take into consideration that the Company's dividend rate is reported in CAD and its earnings are reported in USD.

In November 2024, the Board elected to increase the quarterly dividend to CAD\$0.17 per common share from CAD\$0.15 per common share applicable on a prospective basis, commencing with the Company's Q4 2024 quarterly dividend. The increase in the quarterly dividend reflects the Board's recognition of the Company's strong performance and continued confidence in the Company's operations.

The following table sets forth the dividends per share declared and paid on the Company's common shares over the last three fiscal years:

Dividend Record Date	Quarterly Dividend \$CAD
December 1, 2024	0.17
September 1, 2024	0.15
June 1, 2024	0.15
March 1, 2024	0.15
December 1, 2023	0.15
September 1, 2023	0.13
June 1, 2023	0.13
March 2, 2023	0.13
December 1, 2022	0.13
September 1, 2022	0.10
June 1, 2022	0.10
March 2, 2022	0.10

On February 26, 2025, the Company's Board of Directors approved a quarterly dividend of CAD0.17 per share on the Company's common shares payable on March 15, 2025 to holders of record on March 5, 2025.

Among other things, financial covenants in the Company's credit facilities may affect the amount of the dividend. Debt arrangements, negotiated as a result of the financing of acquisitions (substantially amended in February 2013, April 2014, October 2019, March 2021, April 2022, October 2022, and July 2024, and described further in Section 15 of this document), contain provisions that dividends can continue to be paid as long as the Company meets certain financial targets. Under the Company's Term Loan facility, annual dividends cannot exceed the greater of \$32.5 million or 32.5% of EBITDA, as defined in the loan agreement. This amount can be increased to include any defined excess cash flows when the defined total leverage ratio is below 4.0x and becomes unlimited when the defined total leverage ratio is below 3.0x. The defined total leverage ratio was 2.3x on December 28, 2024. NCIBs are subject to an annual limit of \$10.0 million with a provision to carry forward unused amounts subject to a maximum of \$20.0 million per annum under the term loan facility. The Term Loan (and amendments) can be reviewed at www.sedarplus.ca.

6. CAPITAL STRUCTURE

6.1 Share Capital

The authorized capital of the Company consists of:

- i. an unlimited number of common shares,
- ii. an unlimited number of non-voting equity shares (“**Non-Voting Equity Shares**”),
- iii. 5,999,994 preferred shares with a par value of CAD\$25.00 each issuable in series (the “**Preferred Shares**”), and
- iv. 1,025,542 subordinated redeemable preference shares with a par value of CAD\$1.00 each, redeemable at par (the “**Subordinated Preference Shares**”).

As at December 28, 2024, the Company had outstanding 29,683,389 common shares, nil Non-Voting Equity Shares, nil Preferred Shares and nil Subordinated Preference Shares. The only listed shares of the Company outstanding at December 28, 2024 are the common shares that are listed on the TSX.

The rights of the holders of common shares and those of the holders of the Non-Voting Equity Shares are subject to the rights of the holders of the preference shares of the Company which enjoy a preferential right to dividends and return of capital on liquidation. The following is a summary of the share conditions attaching to the common shares and Non-Voting Equity Shares of High Liner.

Summary of Share Conditions of the Common Shares and the Non-Voting Equity Shares

The common shares and the Non-Voting Equity Shares rank equally, *pari passu*, share for share, with each other and entitle the respective holders thereof to the same rights and benefits except as otherwise provided in the conditions attaching thereto.

Priority and Distribution Rights

The common shares and the Non-Voting Equity Shares rank equally in respect of dividends and distributions. The holders of the common shares and the Non-Voting Equity Shares are entitled to receive the remaining assets of High Liner in equal amounts per share, without preference or distinction, in the event of the liquidation, dissolution or winding up of High Liner.

Notice and Voting Rights

Holders of the common shares are entitled to receive notice of and to attend all meetings of the shareholders of High Liner (except class meetings of other classes of shares of High Liner, including the Non-Voting Equity Shares) and to one vote thereat for each common share held.

Holders of the Non-Voting Equity Shares are entitled to receive notice of and to attend (i) any meeting of the holders of the common shares but shall not be entitled to vote thereat, except as otherwise provided by law, and (ii) any meeting of the holders of Non-Voting Equity Shares as a class where required or permitted by the applicable share conditions or by applicable law, and to exercise one vote thereat for each Non-Voting Equity Share held.

Redemption/Retraction/Conversion Rights

High Liner may at any time, in accordance with the terms of the share conditions, redeem the whole or any part of the Non-Voting Equity Shares upon payment of all dividends declared thereon and unpaid plus one common share.

At anytime after August 7, 2008 if the Non-Voting Equity Shares are not listed on the TSX or a recognized stock exchange at the time, each Non-Voting Equity Share will be retractable by the holder thereof, in accordance with the terms of share conditions, for the payment of all dividends declared thereon and unpaid plus one common share or, if permitted under the *Companies Act* (Nova Scotia), cash equal to the volume-weighted average trading price of one High Liner common share on the TSX for the five trading days preceding the date of delivery of a notice of retraction to High Liner, at High Liner's option.

At anytime after April 30, 2010, each issued and fully paid common share will be convertible by holder thereof, into one Non-Voting Equity Share.

Adjustments

High Liner shall not issue common shares or Non-Voting Equity Shares to all of the holders of common shares or Non-Voting Equity Shares as a stock dividend, subdivide or consolidate its outstanding common shares or Non-Voting Equity Shares, issue rights, options or warrants to acquire common shares or Non-Voting Equity Shares to all of the holders of its common shares or Non-Voting Equity Shares, re-designate or reclassify the common shares or Non-Voting Equity Shares outstanding at any time or change common shares or Non-Voting Equity Shares into other shares or into other securities, or otherwise amend the common shares or Non-Voting Equity Shares or take any other action affecting the number, composition, rights or structure of the common shares or Non-Voting Equity Shares, in each case unless a corresponding change is also made to the Non-Voting Equity Shares or common shares, respectively. High Liner shall not engage in a consolidation, amalgamation, arrangement or merger of High Liner with or into any other corporation or entity (other than a consolidation, amalgamation, arrangement or merger of High Liner which does not result in any reclassification of the outstanding common shares or Non-Voting Equity Shares), or sell or otherwise transfer the undertaking or assets of High Liner as an entirety or substantially as an entirety to another corporation or entity, unless, in each case, adequate provision is made to ensure that the registered holders of Non-Voting Equity Shares as such shall, after such event, be in a position in relation to the common shares (or such other shares or securities into which the common shares may have been re-designated, reclassified or changed) no more nor any less advantageous than the position in which the holder was immediately prior to the occurrence of such event.

Coattail Rights

In the event of a formal bid for the common shares (an “**Offer**”) and unless the Offer is made to all or substantially all of the holders of the Non-Voting Equity Shares on identical terms and conditions as those made to the holders of the common shares, each Non-Voting Equity Share shall for the purposes of the Offer be deemed to have been converted as of and on the business day immediately prior to the date on which the Offer is made into one common share. Non-Voting Equity Shares deemed to have been so converted and taken up and paid for pursuant to the Offer shall, immediately after being taken up and paid for, be and be deemed to have been reconverted into Non-Voting Equity Shares.

Amendments

The rights, privileges, restrictions and conditions attaching to each of the common shares, as a class, and the Non-Voting Equity Shares, as a class, respectively, may be added to, changed or removed only with the prior approval by affirmative vote of at least two-thirds of the votes cast by the holders of the common shares or of the Non-Voting Equity Shares, respectively, as the case may be, in addition to any vote or authorization required by applicable law or the articles of High Liner.

Summary of Share Conditions of the Preferred Shares

Issuable in Series

The Preferred Shares are issuable in series, with each series consisting of such number of shares and having such provisions as may be determined by the directors of the Company prior to issue.

Priority and Distribution Rights

The Preferred Shares of each series rank equally with the Preferred Shares of all other series and rank ahead of the common shares and Non-Voting Equity Shares (and any other shares ranking junior to the Preferred Shares) with respect to the payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Company.

In the event of any liquidation, dissolution or winding-up of the Company or any other return of capital or distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of the Preferred Shares shall be entitled to receive, in accordance with the terms of the share conditions, the amount paid up on the Preferred Shares, together with accrued and unpaid dividends.

Notice and Voting Rights

The holders of Preferred Shares do not have the right to receive notice of, attend, or vote at, any meeting of shareholders except to the extent otherwise provided in the constating documents of the Company with respect to any series of Preferred Shares or when holders of Preferred Shares are entitled to vote separately as a class or as a series as set forth in the *Companies Act* (Nova Scotia) or any successor statute, as amended from time to time.

Redemption Rights

High Liner may at any time, in accordance with the terms of the share conditions, redeem the whole or any part of the Preferred Shares upon payment of the redemption price, and any premium, together with accrued and unpaid dividends.

Amendments

The Company may not create or issue any shares ranking in priority to the Preferred Shares as to the payment of dividends or the distribution of assets without the approval of two thirds of holders of the Preferred Shares.

The rights, privileges, restrictions and conditions to the Preferred Shares may be added to, changed or removed only with the prior approval by affirmative vote of at least two-thirds of the votes cast by the holders of the Preferred Shares in addition to any vote or authorization required by applicable law or the articles of High Liner.

Summary of Share Conditions of the Subordinated Preference Shares

Distribution Rights

The Subordinated Preference Shares do not confer upon the holders the right to dividends, except a dividend declared on the Subordinated Preference Shares. The directors may at any time and from time-to-time declare a dividend or confer any other benefit whatsoever upon the holders of any other class of shares of the Company

without being obliged to declare an equal or any dividend or confer an equal or any other benefit upon the holders of the Subordinated Preference Shares.

In the event of any liquidation, dissolution or winding-up of the Company or any other return of capital or distribution of assets of the Company among its shareholders for the purpose of winding up or re-organizing its affairs, no distribution shall be made to the holders of the common shares until the holders of Subordinated Preference Shares have been paid the amount paid up or deemed paid up on the Subordinated Preference Shares.

Notice and Voting Rights

The holders of Subordinated Preference Shares do not have the right to receive notice of, attend, or vote at, any meeting of shareholders except when holders of the Subordinated Preference Shares are entitled to vote separately as a class or as a series as set forth in the *Companies Act* (Nova Scotia) or any successor statute, as amended from time to time.

Redemption / Repurchase Rights

High Liner may at any time, in accordance with the terms of the share conditions, redeem the whole or any part of the Subordinated Preference Shares upon payment of all amounts paid up or deemed to paid up.

High Liner may at any time, in accordance with the terms of the share conditions, repurchase the whole or any part of the Subordinated Preference Shares in the open market.

Amendments

The Company is permitted, without approval from the holders of the Subordinated Preference Shares, to create or issue any shares ranking in priority or on a parity to the Subordinated Preference Shares as to the payment of dividends or the distribution of assets.

The rights, privileges, restrictions and conditions to the Subordinated Preference Shares may be added to, changed or removed only with the prior approval by affirmative vote of at least two-thirds of the votes cast by the holders of the Subordinated Preference Shares in addition to any vote or authorization required by applicable law or the articles of High Liner.

6.2 Normal Course Issuer Bid

In June 2023, the Company filed a new NCIB to repurchase up to 200,000 common shares. The price the Company will pay for any common shares acquired will be the market price at the time of acquisition. Purchases commenced on June 7, 2023 and terminated on June 6, 2024. In December 2023, the Company announced an amendment to increase the number of common shares the Company could purchase by 500,000. During the fifty-two weeks ended December 28, 2024, the Company purchased 246,700 common shares under this plan.

In June 2024, the Company filed a new NCIB to repurchase up to 700,000 common shares. Purchases commenced on June 7, 2024 and will terminate no later than June 6, 2024. In November 2024, the Company announced that the Toronto Stock Exchange approved an amendment to increase the size of the NCIB. The amendment increased the number of common shares the Company can purchase by 943,340, to a total authorized limit of 1,643,340. During the fifty-two weeks ended December 28, 2024, the Company purchased 732,182 common shares under this plan.

6.3 Credit Ratings

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities and are indicators of the likelihood of payment and of the capacity and willingness of a company to meet its financial commitment on an obligation in accordance with the terms of the obligation. Credit ratings are not recommendations to buy, hold or sell the Company's securities and may be subject to revision or withdrawal at any time by the respective rating organization. Such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that these ratings will remain in effect for any given period of time, and to the extent such ratings worsen, the Company's financing costs may increase.

As is common practice, each of the below-noted credit rating agencies charged the Company for their rating services, which include annual monitoring fees for monitoring the Company and updating the ratings, in addition to one-time rating fees when debt is initially issued or refinanced. The Company reasonably expects that such payments will continue to be made for rating services in the future. No additional payment was made to the below-noted credit rating agencies for other services provided to the Company during the last two fiscal years.

As at February 26, 2025, the credit ratings of the Company were as follows:

	Credit Rating	Outlook
Standard and Poor's ¹	B+	Stable
Moody's Investor Service ²	B1 (Long-term Corporate Family Rating)	Stable

¹ Issued July 8, 2024

² Issued July 8, 2024

Standard and Poor's ("S&P")

S&P has ten long-term debt credit ratings ranging from AAA to D. The B rating assigned to the Company is the sixth of these ten rating categories. The B rating indicates that an entity has the capacity to meet financial commitments, but is more vulnerable to adverse business, financial and economic conditions. Ratings designations from AA to CCC may be modified by the addition of a plus or minus to show relative standing within the major rating category. In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. Outlooks fall into one of four categories: positive, negative, stable or developing. A credit watch outlook is assigned to a rating when it is likely to be upgraded (positive), downgraded (negative) or uncertain (neutral).

Moody's Investors Service ("Moody's")

Moody's has nine long-term debt rating categories, ranging from Aaa to C and applies numerical modifiers 1, 2 and 3 to each rating classification from Aa to Caa. The modifier 1 indicates that the issue ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates a ranking in the lower end of its generic rating category. Obligations rated B are the sixth highest of the nine ratings categories and are considered speculative and subject to high credit risk.

Moody's Corporate Family Ratings (CFRs) are long-term ratings that reflect the relative likelihood of a default on a corporate family's debt and debt-like obligations and the expected financial loss suffered in the event of default. A CFR is assigned to a corporate family as if it had a single class of debt and a single consolidated legal entity structure. CFRs are generally employed for speculative grade obligors, but may also be assigned to investment grade obligors. The CFR normally applies to all affiliates under the management control of the entity to which it is assigned. A CFR does not reference an obligation or class of debt and thus does not reflect priority of claim.

Moody's uses "rating outlooks" to provide its opinion regarding the likely direction of a rating over the medium term. The assignment of, or a change in, an outlook is not a credit rating action if there is no change to the credit rating. Where assigned, rating outlooks fall into the following four categories: "Positive (POS)", "Negative (NEG)", "Stable (STA)" and "Developing (DEV - contingent upon an event)".

7. MARKET FOR SECURITIES

High Liner Foods' common shares are listed for trading on the TSX under the symbol 'HLF'. During Fiscal 2024, the Company's common shares traded on the TSX between CAD\$11.27 and CAD\$16.23. As of the last trade date of Fiscal 2024, the common shares closed at CAD\$15.92.

The table below shows the trading price ranges and volumes for the Company's common shares on the TSX for each month during the Company's 2024 fiscal year.

	High \$CAD	Low \$CAD	Close \$CAD	Daily Average Volume	Total Volume
December	16.23	14.97	15.92	83,464	1,919,681
November	15.34	12.82	15.06	41,135	822,704
October	13.95	12.37	13.15	56,938	1,081,826
September	13.65	12.25	12.52	21,821	523,695
August	13.65	13.00	13.51	9,267	176,073
July	13.92	13.21	13.37	8,363	158,897
June	13.75	13.00	13.39	19,811	495,272
May	13.65	12.84	13.01	7,722	146,724
April	13.57	12.90	13.29	11,392	227,831
March	13.70	12.27	13.55	14,146	339,513
February	12.98	11.48	12.67	9,367	177,975
January	12.15	11.27	11.53	12,523	237,930

8. DIRECTORS AND OFFICERS

8.1 Directors

The following table sets forth the names, residence, occupations, and committees of the directors of High Liner Foods as of December 28, 2024. Pursuant to High Liner Foods' by-laws, directors are elected to serve until the next annual general meeting of shareholders or until a successor is elected. The terms of all incumbents therefore expire on May 13, 2025.

Name and Residence	Director Since	Principal Occupation ¹	Committees
Scott Brison Quebec, Canada	2022	Vice Chair, BMO Wealth, former Vice-Chair, Investment & Corporate Banking for BMO Capital Markets; former Member of Parliament for the riding of King-Hants seven consecutive times over 21 years; former President of the Treasury Board; former Minister of Public Works and Government Services; former Parliamentary Secretary to the Prime Minister; member of the Trilateral Commission; board member of the Canada-China and Canadian-American Business Councils; served as Dalhousie University's 8th Chancellor	Audit Committee Human Resources Committee
Joan Chow Illinois, USA	2017	Board member Energy Recovery Inc. serving as Chair of the Compensation Committee and a member of the Audit committee; board member of Spectrum Brands serving as a member of their Audit Committee; former Executive Vice President and Chief Marketing Officer, Conagra Foods, now known as Conagra Brands (<i>packaged foods company</i>)	Audit Committee (Chair) Governance Committee
Robert P. Dexter, K.C. Nova Scotia, Canada	1992	Chairman and CEO of Maritime Travel Inc. (travel services company); director of BCE and Bell Canada (telecommunications holding company); former Chairman of Wajax Corporation; former Chairman of the Board of Directors of Empire Company Limited and Sobeys Inc. (food retail and corporate investments company);	Human Resources Committee
Andrew J. Hennigar Nova Scotia, Canada	2020	Director of Thornridge Holdings Limited (<i>investment company</i>), and was previously director of High Liner Foods from May 2015 to May 2018.	
David J. Hennigar Nova Scotia, Canada	1984	Chairman and Director of Thornridge Holdings Limited (<i>investment company</i>); former investment adviser at Wellington-Altus Private Wealth (<i>private wealth management company</i>)	

Name and Residence	Director Since	Principal Occupation ¹	Committees
Shelly L. Jamieson Ontario, Canada	2012	Chair of Sienna Senior Living and member of their Audit, Governance, Quality and Investment Committees (<i>senior housing facility company</i>); previous board member of Ontario Health (I) and several other not-for-profit boards and foundations; formerly Secretary of Cabinet and head of the Ontario Public Service, (<i>government organization</i>); formerly President of Extencicare (Canada) Inc. (<i>long-term care facilities company</i>); formerly Ontario's Deputy Minister of Transportation (<i>government organization</i>); retired from CEO of the Canadian Partnership Against Cancer (<i>federally funded agency</i>)	Governance Committee (Chair)
Paul A. Jewer Nova Scotia, Canada	2023	President & CEO of High Liner Foods Incorporated (since December 2023), formerly CFO of High Liner Foods Incorporated (February 2014 - January 2024), formerly CFO of Sobeys Inc. (<i>Canadian grocery and food distributor</i>), board member of Norcod AS (<i>Norwegian cod aquaculture company</i>), board advisor to Andfjord Salmon (<i>Norwegian salmon aquaculture company</i>)	
Pamela Kohn Boerne, Texas	2024	Formerly Senior Vice President and Chief Merchandising Officer, Rite-Aid; formerly Chief Merchandising Officer, Sally Beauty; formerly Chief Merchandising and Marketing Officer of Family Dollar, a division of Dollar Tree and before that, Fresh Market	Human Resources Committee Audit Committee Governance Committee
M. Jolene Mahody Nova Scotia, Canada	2014	Formerly Executive Vice President & Chief Strategy Officer, Chorus Aviation Inc. (<i>aviation company</i>); formerly CFO, Chorus Aviation Inc.; and formerly COO at Jazz Aviation LP (<i>aviation company</i>)	Human Resources Committee (Chair) Audit Committee Governance Committee
R. Andy Miller Newfoundland, Canada	2012	President of Andy Miller Consulting (<i>consulting company</i>); board member of Baader Food Systems USA (formerly Baader Linco Inc.) and Baader North America Corp. (<i>food processing machinery company</i>); executive board member of the Canadian Centre for Fisheries Innovation (<i>non-profit organization</i>); formerly CEO of Linco Food Systems A/S (<i>food processing machinery company</i>)	Human Resources Committee
Robert L. Pace Nova Scotia, Canada <i>Chairman since May 2019</i>	1998	Chairman (since May 2019) of High Liner Foods; President and CEO of The Pace Group Limited (<i>private holding company</i>); Chairman of Maritime Broadcasting System (<i>owner/operator of radio stations</i>); former Chairman of the Canadian National Railway Company (<i>transportation and logistics company</i>)	Governance Committee
Frank B.H. van Schaayk Nova Scotia, Canada	2014	Formerly Regional President - The Americas for McCain Foods Ltd. (<i>frozen food company</i>); Chairman and director of Bay State Milling Company	Human Resources Committee

¹ This reflects the principal occupations held by each director in the last five years, unless otherwise disclosed.

8.2 Executive Officers

The following table sets forth the names, residences, and offices held by the executive officers of High Liner Foods as of December 28, 2024.

Name and Residence	Position Held with the Company
Paul Jewer Nova Scotia, Canada	President & Chief Executive Officer (since December 2023), formerly Chief Financial Officer (February 2014 - January 2024), formerly CFO of Sobeys Inc. (<i>Canadian grocery and food distributor</i>)
Anthony Rasetta Ontario, Canada	Chief Commercial Officer (since July 2021); formerly held various cross functional roles, most recently Vice President, Sales, Commercial Center of Expertise, at Mondelez International (<i>food and beverage company</i>)
Darryl Bergman Nova Scotia, Canada	Executive Vice President, Chief Financial Officer (since July 2024), formerly CFO of Clearwater Seafoods Inc.
James Bishop Nova Scotia, Canada	Executive Vice President, General Counsel & Corporate Secretary (since April 2024), formerly EVP, General Counsel at WildBrain Ltd.
Tom Jansen New Hampshire, United States	Chief Supply Chain Officer (since September 2023); formerly the Senior Vice President, Ontario Division, of Atlantic Packaging Products.
Johanne McNally-Myers Ontario, Canada	Executive Vice President, Human Resources (since July 2021); Vice President, Human Resources (from April 2019 to July 2021), former Principal of JMM HR Consulting Inc (October 2017 to March 2019)

As of December 28, 2024, the number of common shares of High Liner Foods beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of High Liner Foods as a group is 1,132,535, or approximately 3.8% of those issued and outstanding. In addition, Mr. David Hennigar and Mr. Andrew Hennigar are directors of Thornridge Holdings Limited, which holds 39.0% of the Company's issued and outstanding common shares.

8.3 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including a personal holding company) that:

- A. was subject to an order (as defined in Form 51-102F2 of National Instrument 51-102 - Continuous Disclosure Obligations) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer other than:
 - a Mr. David Hennigar who was a director of Aquarius Coatings Inc. whose shares were suspended from trading effective November 3, 2014 for failure to comply with Exchange Requirements; and
 - b Mr. David Hennigar is a director of Metalo Manufacturing Inc. whose shares were suspended from trading effective November 6, 2023 pursuant to Canadian Securities Exchange Policy 3.
- B. was subject to an order (as defined in Form 51-102 F2 of National Instrument 51-102 - Continuous Disclosure Obligations) that was issued after the director or executive officer ceased to be a director, chief executive officer

or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director, executive officer, shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, or a personal holding company thereof:

- A. is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director or executive officer of any company (including a personal holding company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- B. has, within 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the trustee, executive officer or shareholder; or
- C. has been subject to: any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

9. AUDIT COMMITTEE INFORMATION

9.1 Audit Committee Charter

The Company's Audit Committee Charter is attached as an appendix to this AIF.

9.2 Composition of the Audit Committee

The Audit Committee of High Liner Foods has four members: Joan K. Chow (Chair), the Honourable Scott A. Brison, Pamela Kohn and M. Jolene Mahody.

Each member of the Audit Committee is both independent and financially literate. The Governance Committee of the Board determines whether each director is independent under applicable laws. For full biographies of these directors and the full discussion on independence, please see the Management Information Circular ("MIC") to be filed in connection with the Annual General Meeting of Shareholders to be held on May 13, 2025.

9.3 Relevant Education and Experience of Audit Committee Members

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Ms. Joan Chow (Chair) has held many different senior executive roles over the course of her career, including Executive Vice President and Chief Marketing Officer, ConAgra Foods (now known as Conagra Brands) and Chief Marketing Officer of the Greater Chicago Food Depository. She also serves on the board of Spectrum Brands, where she is on the Audit Committee, and Energy Recovery Inc., where she is a member of the Audit Committee

and Chair of the Compensation Committee. She has previously served as Chair of the Compensation Committee and a member of the Governance Committee of Welbilt Inc., and a Director of the Manitowoc Company, RC2 Corporation and Feeding America.

Ms. M. Jolene Mahody is formerly the Executive Vice President & Chief Strategy Officer of Chorus Aviation Inc. She previously held the position of Executive Vice President & CFO of Chorus Aviation Inc. and prior to that Chief Operating Officer at Jazz Aviation LP, a subsidiary of Chorus Aviation Inc. Ms. Mahody is a Fellow of the Chartered Professional Accountants and also received her ICD.D designation through the Institute of Corporate Directors, Rotman School of Management. Ms. Mahody is the past Chair of the Board of Governors of Mount Saint Vincent University and has served on several other not-for-profit boards.

The Honourable Scott Brison is the Vice Chair, BMO Wealth and former Vice-Chair, Investment & Corporate Banking for BMO Capital Markets. He was elected MP for the riding of Kings-Hants seven consecutive times over 21 years. During his time in government, Mr. Brison served in many positions, including as the President of the Treasury Board, Minister of Public Works and Government Services and as a Parliamentary Secretary to the Prime Minister with an emphasis on Canada-US relations. He is a member of the Trilateral Commission and serves on numerous boards, including the Canada-China and Canadian-American Business Councils. He served as Dalhousie University's 8th Chancellor. Mr. Brison holds a Bachelor of Commerce degree from Dalhousie University and has completed the Global Leadership and Public Policy for the 21st Century Executive Education Program at the Harvard University Kennedy School of Government.

Ms. Pamela Kohn has held many different senior executive roles over the course of her career, including Senior Vice President and Chief Merchandising Officer of Rite-Aid which she retired from in September 2024. Among her previous executive roles, she was the Chief Merchandising Officer of Sally Beauty, as well as Chief Merchandising and Marketing Officer of Family Dollar, a division of Dollar Tree, and before that, Fresh Market. Her earlier career included 13 years at Walmart, including such roles as President, U.S. Realty and EVP, Merchandise Services, as well as an early foundation at Food Lion across, buying, merchandising and operations functions. She comes with end-to-end retail, merchandising, supply chain, marketing, and operations experience in the grocery retail space gained through 35 years of experience working for large U.S. retailers alternating channels, functions and geographies. She is currently an independent board of director for Americold Realty Trust Inc. and also sits on the advisory board of Pairwise and is a previous board member of several not-for-profit organizations.

9.4 Audit Fees

The following table sets forth the fees paid to Ernst & Young LLP ("EY"), the Company's external auditor, by category, for the fiscal years ended December 28, 2024 and December 30, 2023.

		2024		2023
Audit fees ⁽¹⁾	\$	617,609	\$	550,067
Audit-related fees ⁽²⁾		377,121		—
Tax consulting fees ⁽³⁾		85,013		7,792
Total fees	\$	1,079,743	\$	557,859

⁽¹⁾ Audit fees were paid to EY for professional services rendered for the audit of the annual financial statements or review of quarterly financial statements of High Liner Foods and its subsidiaries or services provided in connection with statutory and regulatory filings or engagements.

⁽²⁾ Audit-related fees were paid to EY for assurance and related services that are reasonably related to the performance of the audit or review of the annual financial statements and are not reported under the audit fees item above.

⁽³⁾ Tax consulting fees were paid to EY for assistance with dealing with various tax authorities.

The Audit Committee approves all fees (for both audit and non-audit services) paid to the Company's auditors. Any engagement of EY for non-audit services must be approved in advance by the Audit Committee, considering whether the nature or extent of such services could detract from EY's independence in carrying out the audit function. In between meetings of the Committee, and provided the Committee is not in session, the Chair of the Audit Committee may perform this function, provided any approvals of the Chair shall be referred to the next meeting of the Audit Committee for ratification.

Accounting firms other than EY are also engaged when required to provide various services, including assisting with: due diligence, integration support services, investigation counseling and purchase price allocation issues in connection with acquisitions; taxation matters; tax compliance; accounting advisory; human resource consulting; ESG consulting; goodwill impairment valuations; 401(k) audits; and advice on certifying the Company's annual and interim filings in accordance with National Instrument 52-109.

10. CONFLICTS OF INTEREST

The Company is not aware of any existing or potential material conflicts of interest between High Liner Foods or a subsidiary of High Liner Foods and any director or officer of the Company or a subsidiary of the Company.

11. LEGAL PROCEEDINGS

As previously reported, High Liner Foods instituted legal proceedings in California against Mr. Brian Wynn in connection with the sale of Rubicon Resources, LLC ("Rubicon") to the Company. On March 5, 2024, a settlement agreement ("Settlement Agreement") was reached between the Company and the previous shareholders of Rubicon, including Mr. Wynn. On June 6, 2024, the Settlement Agreement was completed and has been reflected in the financial results for the fifty-two weeks ended December 28, 2024. In accordance with the terms of the Agreement, 2,429,014 common shares of the Company issued in connection with the acquisition of Rubicon were surrendered and subsequently cancelled, resulting in a \$9.8M gain in the Company's statement of income under *Business acquisition, integration and other (income) expense*. The difference between the value attributed to the shares upon issuance and the value of the settlement, in the amount of \$15.9 million, was allocated to retained earnings. In addition, as per the Settlement Agreement, \$5.7M was paid directly to the insurance company to reimburse funds received from a previous insurance claim settlement on Representation and Warranties Insurance the Company procured to provide coverage of breaches of representation by Rubicon and Mr. Wynn.

Other than the claim noted above, the Company is not and has not been party to, and none of its property is or was the subject of, any legal proceedings which involved a claim for damages exceeding 10% of the Company's current assets, nor is the Company aware that any such legal proceedings are contemplated.

There were no penalties or sanctions imposed against the Company by, and no settlement agreements entered into by the Company with, a court relating to securities legislation or a securities regulatory authority during Fiscal 2024 which involved damages exceeding 10% of the Company's current assets.

12. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction which has materially affected the Company in the past three financial years or the current financial year (or in any transactions or proposed transaction which is reasonably expected to materially affect High Liner Foods in the future).

13. INTERESTS OF EXPERTS

13.1 Names of Experts

The Company's auditor is Ernst & Young LLP Chartered Professional Accountants, who have prepared the Independent Auditors' Report to the shareholders of the Company in respect of its Annual Audited Consolidated Financial Statements.

13.2 Interests of Experts

Ernst & Young LLP Chartered Professional Accountants have confirmed that they are independent with respect to High Liner Foods in accordance with the Rules of Professional Conduct as outlined by Chartered Professional Accountants of Nova Scotia. These rules are equivalent or similar to Rules of Professional Conduct applicable to chartered accountants in the other provinces of Canada.

14. TRANSFER AGENTS

The Company's transfer agent and registrar with respect to the shares of the Company is TSX Trust Company. The register of the transfers for common shares is kept at their office in Halifax, NS, located at the following address:

TSX Trust Company
P.O. Box 2082, Station C
Halifax, Nova Scotia B3J 3B7
Tel: 1-800-387-0825 (toll-free in North America) or
1-416-682-3860 (all other countries)

15. MATERIAL CONTRACTS

The material contracts entered into by High Liner or its subsidiaries during the 2024 financial year or entered into prior to the most recently completed financial year, but after January 1, 2002, and that are still in effect, other than in the ordinary course of business, are as follows:

- A. High Liner Foods entered into the following financing arrangements on December 19, 2011 (with material amendments as outlined below, which replaced term loan and working capital facilities in place at that time:
 - a) A five year \$180 million working capital facility entered into with Royal Bank of Canada as Administrative and Collateral Agent (originally) expiring December 19, 2016. This facility replaced all existing working capital debt facilities. The facility is asset based and is collateralized by the Company's inventory and accounts receivable and other personal property in Canada and the U.S., subject to a first charge on brands and trade names and related intangibles under the long-term debt facilities. The facility allows borrowings by way of Prime loans, Base Rate loans, LIBOR, or Canadian Bankers' Acceptances ("BA"). Prior to the amendments described below, interest rates and spreads depended on leverage, defined as Funded Debt to EBITDA. In certain circumstances the Company must maintain a fixed charge coverage ratio of 1.1x to 1.0x. Fixed charges include interest and debt repayments, capital lease payments and capital distributions, such as dividends or repurchase of shares under normal course issuer bids. Prior to the amendments described below, the facility allowed the Company to borrow Canadian Prime Rate loans in CAD, and Canadian Base Rate and U.S. Prime Rate loans in USD at Prime or Base Rate plus 0.00% to 1.00%; BA

loans at BA rates plus 1.75% to 2.50%; and LIBOR advances at LIBOR plus 1.75% to 2.50%, (SOFR effective Fiscal 2022). Standby fees are also required to be paid on the unutilized line.

- In February 2013, the working capital facility was amended to change interest rates on the facility to be based on availability on the line rather than a leverage test, which reduced interest rates. This facility provides for the following based on the Average Adjusted Aggregate Availability as defined in the credit agreement: Canadian Prime Rate loans in CAD, and Canadian Base Rate and U.S. Prime Rate loans in USD at Prime or Base Rate plus 0.00% to 0.75%; BA loans at BA rates plus 1.75% to 2.25%; and LIBOR advances at LIBOR plus 1.75% to 2.25%. Changes also provided more flexibility for future acquisitions.
 - In April 2014, the working capital facility was amended and based on the Average Adjusted Aggregate Availability, as defined in the credit agreement, allowed the Company to borrow Canadian Prime Rate loans denominated in CAD, and Canadian Base Rate and U.S. Prime Rate loans denominated in USD, at Prime or Base Rate, plus 0.00% to 0.25%; BA loans at BA rates plus 1.25% to 1.75%; LIBOR advances at LIBOR plus 1.25% to 1.75; and unused line fees of 0.25% to 0.375%. Required fixed charge coverage ratio was reduced to 1.0x to 1.0x and applicable when Average Adjusted Aggregate Availability is less than the greater of (a) \$18,000,000, and (b) an amount equal to ten percent (10%) of the lesser of (i) the Maximum Revolver Amount, and (ii) the Aggregate Borrowing Base. The term of this facility was extended from December 2016 to April 2019 and other changes provided for increased capacity and flexibility for acquisitions, investments, distributions, capital expenditures and operational matters.
 - In April 2018, the Company amended the \$180.0 million working capital facility to extend the term from April 2019 to April 2021. There were no other significant changes to the existing terms, other than an amendment to the standby fees paid on the unutilized facility to 0.25% (previously 0.25% to 0.375%).
 - In October 2019, the Company amended the \$180.0 million working capital facility to reduce the amount of the facility to \$150.0 million and extend the term from April 2021 to April 2023. There were no other significant changes to existing terms.
 - In April 2022, the Company amended its working capital facility to extend the term from April 2023 to April 2027. The amendment also included a necessary update from LIBOR plus 3.75% (0.75% LIBOR floor) to SOFR plus 3.75% (0.75% SOFR floor) based loans. There were no other significant changes to existing terms.
 - In October 2022, the Company amended its working capital facility to increase the revolving limit on the Facility from \$150.0 million to \$200.0 million, there were no other significant changes to existing terms.
 - In June 2024, the Company amended its working capital facility to replace the wording for BA Equivalent revolving loans to Canada Overnight Repo Rate Average (CORRA) revolving loans. There were no other significant changes to existing terms.
 - In July 2024, the Company amended its working capital facility to update the Term Loan Facility Agent and maximum Term Loan Facility amount. There were no other significant changes to existing terms.
- b) On December 19, 2011, the Company secured a \$250 million long-term loan. Secured on a first priority basis by substantially all tangible and intangible assets, and the assets and stock of its present and future subsidiaries. Repayments are to be made in twenty-three consecutive quarterly installments, with the unpaid balance due in full on December 19, 2017. Prior to the amendments described below, the agreement included financial covenant requirements of minimum interest coverage ratio, maximum total leverage ratio, and maximum capital expenditures.

- In February 2013, the term loan was amended to reduce interest rates and provide leverage covenants more favourable to the Company, including the elimination of a minimum interest coverage ratio.
- In April 2014, the term loan was amended with the following changes: the principal amount was increased to \$300 million; the term was extended from December 2017 to April 2021; borrowing rates were reduced from LIBOR plus 3.50% (with a 1.25% LIBOR floor) to LIBOR plus 3.25% (with a 1.00% floor); the leverage ratio financial covenant was removed; and increased capacity and flexibility was provided for acquisitions, investments, distributions, capital expenditures and operational matters.
- In June 2017, the term loan facility was increased from \$300.0 million to \$370.0 million to facilitate the Rubicon Acquisition. The \$70.0 million addition to the term loan was made in accordance with the term loan credit agreement, which provides for incremental increases that meet stated provisions, under existing terms and conditions.
- In October 2019, the term loan facility was amended to reduce the amount of the facility from \$370.0 million to \$300.0 million, extend the term of the facility from April 2021 to October 2026, and to increase the applicable interest rate for loans under the facility from LIBOR plus 3.25% (LIBOR floor of 1.00%) to LIBOR plus 4.25% (LIBOR floor of 1.00%).
- In March 2021, the term loan facility was amended to decrease the applicable interest rates for loans under the facility from LIBOR plus 4.25% (1.00% LIBOR floor) to LIBOR plus 3.75% (0.75% LIBOR floor). All other material terms of the facility remain unchanged, including the maturity date of October 2026.
- In October 2022, the term loan facility interest rate was amended from LIBOR plus 3.75% (0.75% LIBOR floor) to SOFR plus 3.75% (0.75% SOFR floor). All other material terms remain unchanged.
- In July 2024, the term loan facility was amended to reduce the amount of the facility from \$300 million to \$240 million, extend the term from October 2026 to July 2031, and reduce the applicable interest rates from SOFR plus 3.75% (0.75% SOFR floor) to SOFR plus 3.25% (0.50% SOFR floor).

The agreements are filed, as required, as material documents under High Liner Foods' profile on SEDAR+ at www.sedarplus.ca.

16. ADDITIONAL INFORMATION

Further information, including additional copies of this AIF, the comparative consolidated financial statements and accompanying report of the auditor, the most recent interim financial statements and the MIC for the Company's annual meeting for shareholders to be held on May 13, 2025, may be obtained on SEDAR+ at www.sedarplus.ca or upon request from the Secretary of the Company at investor@highlinerfoods.com, or on the Company's website at www.highlinerfoods.com, or by writing to the Secretary at High Liner Foods Incorporated, P.O. Box 910, Lunenburg, NS, B0J 2C0.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and options to purchase securities, is contained in the Company's MIC, and additional financial information is provided in the Company's consolidated financial statements and MD&A for the fifty-two weeks ended December 28, 2024. All additional information referred to in this AIF may also be found on SEDAR+ at www.sedarplus.ca.

17. FORWARD-LOOKING INFORMATION

Certain statements contained in this AIF constitute "forward-looking information" within the meaning of applicable securities laws, including the provincial securities laws in Canada, and are based on expectations, estimates and projections as of the date on which the statements are made in this AIF. These statements relate to future events or future performance and reflect the Company's expectations and assumptions regarding the growth, results of operations, performance, business prospects and opportunities of the Company. Forward-looking statements are often, but not always, identified by the use of words such as "may", "would", "could", "will", "should", "expect", "expects", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", "pursue", "continue", "seek", "intend", or the negative of these terms or other similar expressions concerning matters that are not historical facts. Specific forward-looking statements in this AIF include, but are not limited, to statements regarding: future growth strategies and their impact on the Company's market share and shareholder value; sustainability goals and targets; achievement, and timing of achievement, of strategic goals and publicly stated financial targets, including to increase our market share, acquire and integrate other businesses and reduce operating and supply chain costs; the ability to develop new and innovative products that result in increased sales and market share; increased demand for the Company's products whether due to the recognition of the health benefits of seafood or otherwise; inflation, changes in costs for seafood and other raw materials; increases or decreases in processing costs; the USD/CAD exchange rate; percentage of sales from the Company's brands; expectations with regards to sales volume, earnings, product margins, product innovations, brand development and anticipated financial performance; competitor reaction to Company strategies and actions; impact of price increases or decreases on future profitability; sufficiency of working capital facilities; future income tax rates; the expected amount and timing of integration activities related to acquisitions; expected leverage levels and expected Net Debt to Adjusted EBITDA; demand expectations; sales of new product; the efficiency of plant production; U.S. and Canadian tariffs; economic and geopolitical conditions such as Russia's invasion of Ukraine and the implementation and/or expansion of related sanctions; impact of the inflationary environment; expected amount and timing of cost savings related to the optimization of the Company's structure; estimated capital spending; future inventory trends and seasonality; market forces and the maintenance of existing customer and supplier relationships; availability of credit facilities; the projection of excess cash flow and minimum repayments under the Company's long-term loan facility; expected decreases in debt-to-capitalization ratio; dividend payments; the amount and timing of the capital expenditures in excess of normal requirements to allow the movement of production between plants; expectations regarding the potential future impact of a global pandemic on the Company's operations and performance, customer and consumer behavior and economic patterns; M&A and other investment and growth strategies; product innovation and distribution, consumer preferences and purchasing decisions; growth in alternative species and other diversification of products and the Company's supply chain; the markets and industries in which the Company operates; and the business strategies and operational activities of the Company.

Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this AIF, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect. In addition to any other factors and assumptions set forth in this AIF, the material factors and assumptions used to develop the forward-looking information include, but are not limited to: availability, demand and prices of raw materials, energy and supplies; the ability of the Company to mitigate the impacts of tariffs; expectations with regards to sales volume, earnings, product margins, product innovations, brand development and anticipated financial performance; the ability to develop new and innovative products that result in increased sales and market share; the maintenance of existing customer and supplier relationships; manufacturing facility efficiency; the ability of the Company to reduce operating and supply chain costs; the condition of the Canadian and American economies; product pricing; foreign exchange rates, especially

the rate of exchange of the CAD to the USD; the ability to attract and retain customers; operating costs and improvement to operating efficiencies; interest rates; continued access to capital; the competitive environment and related market conditions; and the general assumption that none of the risks identified below or elsewhere in this document will materialize.

Forward-looking information is inherently subject to risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections, or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A number of known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, could cause actual events, performance, or results to differ materially from what is projected in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: compliance with food safety laws and regulations; timely identification of and response to events that could lead to a product recall; volatility in the CAD/USD exchange rate; competitive developments including increases in overseas seafood production and industry consolidation; ability to import seafood into North America while adhering to updated government sanctions; ability to adapt to regulatory changes and increase flexibility on seafood substitutions in certain products with customers; availability and price of seafood raw materials and finished goods and the impact of geopolitical events (and related economic sanctions) on the same; the impact of the U.S. and Canadian tariffs on certain seafood products and other supplies; costs of commodity products, freight, storage and other production inputs, and the ability to pass cost increases on to customers; successful integration of acquired operations and other acquisition-related risk; potential increases in maintenance and operating costs; shifts in market demands for seafood; performance of new products launched and existing products in the market place; changes in laws and regulations, including environmental, taxation and regulatory requirements; technology changes with respect to production and other equipment and software programs; enterprise resource planning system risk; adverse impacts of cybersecurity attacks or breach of sensitive information; supplier fulfillment of contractual agreements and obligations; competitor reactions; completion and/or advancement of sustainability initiatives, including, without limitation, initiatives relating to the carbon workplan, waste reduction and/or seafood sustainability and traceability initiatives; High Liner Foods' ability to generate adequate cash flow or to finance its future business requirements through outside sources; credit risk associated with receivables from customers; volatility associated with the funding status of the Company's post-retirement pension benefits; adverse weather conditions and natural disasters; the availability of adequate levels of insurance; management retention and development; economic and geopolitical conditions such as Russia's invasion of Ukraine and the implementation and/or expansion of related sanctions; and the potential impact of a pandemic outbreak of a contagious illness, on general economic and business conditions and therefore the Company's operations and financial performance. In evaluating these forward-looking statements, investors and prospective investors should specifically consider these and various other risks, uncertainties and other factors which may cause actual events, performance, or results to differ materially from any forward-looking statement and not put undue reliance on forward-looking statements.

The risk factors above are not intended to represent a complete list of the factors that may affect the Company and its forward-looking statements. Please refer to the Company's MD&A for the fifty-two weeks ended December 28, 2024 which is on file with SEDAR+ at www.sedarplus.ca for further details concerning these factors and other risks applicable to the Company, including under the heading "Risk Factors".

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

actual events and such forward-looking statements, except to the extent required by applicable law. All forward-looking statements in this AIF are qualified by these cautionary statements.

Audit Committee Charter (Reviewed November 2024)

Purpose

The Committee shall primarily be responsible for assisting the board of directors of the Company (the “Board”) in fulfilling its oversight responsibilities for the:

- (a) integrity of the Company’s financial statements and related reporting materials;
- (b) Company’s compliance with legal and regulatory requirements;
- (c) Company’s risk management structure and performance;
- (d) external auditor’s qualifications and independence; and
- (e) performance of the Company’s internal audit function and external auditors.

Composition

1. The Committee shall be comprised of persons who have the suitable experience and skills given the nature and function of the Committee. The Board will appoint the members (the “Members”) of the Committee. The Committee shall be comprised of a minimum of three directors as appointed by the Board annually, who shall meet the independence, financial literacy and audit committee composition requirements under any applicable rules or regulations of applicable securities regulators and stock exchanges on which the Corporation’s securities are listed, including, but not limited to, the rules of the Toronto Stock Exchange (the “TSX”) and National Instrument 52-110 — *Audit Committees* (the “NI 52-110”), as in effect from time to time, and each such director shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. All Members shall either be financially literate⁽¹⁾ or become financially literate within a reasonable period of time following their appointment to the Committee, subject to and in accordance with NI 52-110.
2. The Members’ terms of appointment should coincide with the terms of appointment of other Board committees and provide for continuity of membership, while at the same time allowing fresh perspectives to be added by periodic changes in the membership of the Committees. Each member of the Committee shall continue to be a member thereof until their successor is appointed, unless they resign or are removed by the Board, or shall cease to be a director of the Company. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than the minimum membership. In the event of a vacancy on the Committee, the remaining members may exercise all of the powers of the Committee, so long as a quorum remains.

Organization

3. The Board shall appoint a chair (the “Committee Chair”) from among the members of the Committee to preside at its meetings. In the absence of the Committee Chair, one of the present Committee members shall be chosen by the Committee to preside as chair at the meeting. The Committee shall also appoint a secretary (the “Secretary”) who need not be a director and who shall be the Corporate Secretary of the Company or his or her designate, unless the Committee determines otherwise.
4. The President and Chief Executive Officer, Executive Vice President and Chief Financial Officer, Executive Vice President, General Counsel and Corporate Secretary, Vice President Finance, and the internal audit lead (Director of Internal Audit) shall attend meetings of the Committee by invitation of the Committee Chair.

Authority

5. The Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered and shall have the responsibility to:
 - (a) appoint, compensate, and oversee the work of the external auditing firm employed by the Company to conduct the annual audit. The external auditors shall report directly to the Committee and attend every meeting;
 - (b) resolve any disagreements between management and the external auditor regarding financial reporting;
 - (c) pre-approve all auditing and permitted non-audit services performed by the external auditor, as set out below;
 - (d) retain independent counsel, accountants or others to advise the Committee or assist in the conduct of an investigation;
 - (e) seek any information it requires from employees – all of whom are directed to cooperate with the Committee’s requests – or external parties; and
 - (f) meet with Company officers, external and internal auditors, or outside counsel, as necessary.

Meetings

6. The Committee shall meet on a regular basis but at least four times a year. Special meetings shall be called at the request of the Committee Chair, the external or internal auditors (including any external advisors engaged to perform such internal audit functions). The external auditors and representatives of the any internal auditor and/or any third party engaged to perform the internal audit functions shall attend all meetings of the Committee. Notice of the time and place of every meeting shall be given orally or in writing, including any electronic method of delivering notice, to each member of the Committee at least 24 hours prior to the time for such meeting, provided however, that a member may in any manner waive a notice of meeting.
7. Attendance of a member at a meeting shall be deemed to be a waiver of notice of that meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
8. A quorum of the meeting shall be a majority of the members of the Committee. All Committee members are expected to attend each meeting, absent a legitimate reason for being unable to do so and are expected to participate fully and frankly in Committee deliberations and discussions. Committee members may attend meetings in person or by telephone, videoconference or other electronic method of communication that permits all persons participating in the meeting to speak and hear each other.
9. The Committee shall meet privately with the external auditors and the Director of Internal Auditor at every meeting. The Committee will invite members of management to attend meetings and provide pertinent information as necessary, and will meet separately, at least quarterly, with management. It will also meet regularly in camera, without members of management in attendance, and should do so for a portion of each meeting of the Committee.
10. In advance of every regular meeting of the Committee, the Committee Chair, with the assistance of the Secretary, should prepare and distribute to the Committee members and others as deemed appropriate by the Committee Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

11. The minutes of the Committee shall be recorded and maintained by the Secretary of the meeting.
12. The Committee Chair shall report the business of the meeting to the Board at the next regularly scheduled meeting thereof.

Written Resolutions

13. Powers of the Committee may also be exercised by written resolutions signed by all Committee members.

Responsibilities

14. The Committee will carry out the following responsibilities:

Financial Statements and Reporting:

15. Review with management and the external auditors, and recommend for approval, all published financial information and other disclosure that requires approval by the Board (“Financial Disclosure Documents”). Financial Disclosure Documents would include, without limitation, interim statements, year-end audited statements, Management Discussion & Analysis (MD&A), Annual Information Form, Annual Report (as required), statements in prospectuses and other offering memoranda, as well as all news releases relating to financial or material information about the Company. The Committee will review environmental, social and governance (“ESG”) disclosures (including climate-related disclosures) required to be included in the Financial Disclosure Documents. The Committee will seek to ensure that adequate procedures are in place for the review of Company’s public disclosure of financial information extracted or derived from Company’s financial statements, periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration.
16. Review significant accounting and reporting issues and understand their impact on the financial statements. These issues may include complex or unusual transactions and highly judgmental areas, major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and the effect of regulatory or accounting initiatives on the financial statements of the Company.
17. Review with management and the external auditors the results of the external audits, including any difficulties encountered, restrictions on the auditor’s work, the co-operation received in performance of the audit, and the audit findings. In addition, the Committee shall review any accruals, provisions or estimates that have a significant effect upon the financial statements as well as other sensitive matters such as disclosure of related party transactions.
18. Review with management, the external auditors and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments, or any other matters, that could have a material effect upon the financial position or operating results of the Company, and the manner in which these matters have been disclosed in the financial statements.
19. Review the certification of the Chief Executive Officer and Chief Financial Officer that: 1) the interim and annual financial statements, MD&A and AIF of the Company do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they are made, not misleading; 2) the financial statements, together with other financial information in the MD&A and AIF, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer; 3) the internal controls of the issuer have been designed by or under

the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurances that the Company's financial statements are fairly presented in accordance with International Financial Reporting Standards (IFRS); 4) the disclosure controls or procedures of the Company have been designed by or under the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurances that material information is made known to him or her or to others within the Company, in each case, as appropriate and consistent with any applicable laws and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.

20. Review all subsidiary company or special purpose audit reports, including those of pension funds, if any, as well as the minutes of all audit committee meetings of subsidiaries and any significant issues and auditor recommendations.
21. Consider any other matter that in its judgement shall be taken into account in reaching its recommendation to the Board concerning the approval of the financial information intended for publication.

External Auditing

22. The external auditors shall report directly to the Committee and shall attend every regular meeting of the Committee.

The Committee will carry out the following responsibilities:

23. Review and approve the engagement letter with the external auditors.
24. Review the audit plans of the external auditors, including the co-ordination of audit effort with internal auditing. The Committee shall enquire as to the extent the planned audit scope can be relied upon to detect weaknesses in internal control or fraud or other illegal acts. Any significant recommendations made by the auditors for the strengthening of internal controls shall be reviewed and shall be discussed with management, if necessary.
25. Review the performance of the external auditors, and consider whether the external auditors shall be reappointed after obtaining management's view of the competency of the incumbent auditors and recommend accordingly to the Board to be put forward to shareholders at the Company's annual meeting.
26. Review and approve the Company's hiring policies regarding employees or former employees of the external auditor (or former auditors).
27. If the Committee considers a change in external auditors appropriate, articulate the reasons for the change, including the response of the incumbent auditors in its recommendation to the Board, and shall oversee the search for and appointment of newly proposed auditors before making a recommendation to the Board of Directors. The Committee shall review all issues related to a change in auditors under National Instrument 51-102 – Continuous Disclosure Obligations and any other applicable laws and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.
28. Review and approve the basis and amount of the external auditors' fees in light of the number and nature of reports issued by the auditors, the quality of the internal controls, the size, complexity and financial condition

of the Company and the extent of the internal audit and other support provided by the Company to the external auditors.

29. Review the nature of any non-audit services proposed to be performed for the Company by the audit firm, and consider whether the nature or extent of such services could detract from the audit firm's independence in carrying out the audit function. The Committee shall pre-approve all non-audit services and fees to be provided to the Company or its subsidiaries by the external auditor. In between meetings of the Committee, and provided the Committee is not in session, the Committee Chair may perform this function, provided any approvals of the Committee Chair shall be referred to the next meeting of the Committee for ratification.

Internal Auditing and Control

30. The Director of Internal Audit shall be instructed by management of the Company but shall report to the Audit Committee.

The Committee will establish, maintain, and ensure the Company's internal audit function has sufficient authority to fulfill its duties and carry out the following responsibilities with respect to the internal auditing and control functions:

31. Review with management the plans, activities, staffing and organizational structure of the internal audit function and review and concur in the appointment, replacement, or dismissal of the Director of Internal Audit and/or any third party performing any internal audit function.
32. Review the effectiveness of the internal audit function, and shall meet regularly with to the Director of Internal Audit to discuss any matters that the Committee or the Director of Internal Audit believes should be discussed privately. This shall include ensuring no unjustified restrictions or limitations are placed on Internal Audit and discussing impairments of independence or objectivity, if any.
33. Consider the effectiveness of the Company's internal control system, including controls over financial reporting disclosures and information technology security and change management and shall receive quarterly reports regarding same.
34. Approve the risk-based internal audit plan and quarterly reports on performance relevant to its plan. As part of this, the Committee will understand the scope of internal review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses. The Committee will inquire as to and investigate if necessary any significant deficiencies in the design or operation of internal controls.
35. Provide input to and approve the internal audit function's charter, which includes the internal audit mandate and the scope and types of internal audit services. Review and approve the Internal Audit Charter at least every three years.

Compliance

36. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

37. Request internal and external auditors to report any matters of which they are aware, that might be considered unethical or “on the fringe”.
38. Establish and maintain procedures for the (a) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing, or other matters; and (b) the confidential, anonymous submission of information by employee "whistle-blowers" regarding questionable accounting, auditing, or other matters.
39. Review (a) material tax planning initiatives and compliance with tax, financial reporting laws and regulations; (b) the findings of any examinations by regulatory authorities; and, (c) any auditor observations regarding the foregoing.
40. Review and approve the Company’s Code of Conduct and shall review the process for communicating the Code of Conduct to company personnel and for monitoring compliance with the Code.
41. Review and approve the Corporate Disclosure, Confidentiality and Employee Trading Policy and ensure that there is a process in place to provide timely disclosure of material corporate events that would be of interest to investors and to prevent unauthorized disclosures of confidential information in accordance with applicable law and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.
42. Review and approve all material related party transactions to be disclosed pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions, as applicable, and be responsible for the review and oversight contemplated by the rules of any applicable stock exchange on which the Company’s securities are listed, including, but not limited to, the TSX, with respect to any such reported transactions.
43. Obtain regular updates from management and company legal counsel regarding compliance matters.

Risk Management

44. Review quarterly the food safety and food quality results of the Company.
45. Review annually and discuss with management the Company’s Business Risk Management Policies, particularly the Enterprise Risk Management and Price Risk Management Policies.
46. On request of the Board, review, and in the Committee’s discretion make recommendations to the Board regarding, the adequacy of Company’s risk management policies and procedures with regard to identification of the Corporation’s principal risks and implementation of appropriate systems to manage such risks. Review annually and discuss with management the Company’s Risk Factors as disclosed in the Company’s MD&A and in the Annual Information Form.
47. Review compliance with the Company’s Financing and Credit Risk Policies, including the Delegation of Authority Policy, and review its credit risk profile annually.
48. Review the Company’s insurance program for adequacy.
49. Review and approve the Company’s disaster recovery plans and monitor management’s implementation of such plans; annually assess the Company’s disaster recovery readiness.

Other Responsibilities

50. Consider and, if appropriate, approve requests from individual directors to retain independent advisors.
51. The Chief Executive Officer's travel and professional expenses shall be approved by the chair of the Board, with a copy of such expenses to be provided to the Committee Chair.
52. Institute and oversee special investigations as needed.
53. Review and assess the adequacy of this Charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by applicable law and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.
54. Confirm annually that all responsibilities outlined in this charter have been carried out.

Reporting

55. The Board shall be kept informed of the Committee's activities by a report delivered by the Committee Chair following each Committee meeting.
56. The Committee shall provide an open avenue of communication between internal audit, the external auditors, and the Board.
57. The Committee shall review any other reports the Company issues that relate to Committee responsibilities, including the required Committee disclosure in the Annual Information Form, and the disclosure of Committee activities included in the Management Information Circular in accordance with applicable law and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.

Environment

58. The Committee shall assess the degree of compliance of the Company with existing environmental legislation and, if there are any areas of non-compliance, assess whether senior management of the Company has put in place procedures to bring the Company into compliance and report when necessary to the Board.
59. The Committee shall review and report to the Board where necessary all environmental incidents and all remedial orders regarding infractions or alleged infractions issued by a government authority which have been received since the previous communication with the Committee.
60. The Committee shall assess whether the Company has in place remedial and contingency plans for environmental occurrences such as spills, leaks, or other discharges of pollutants.
61. The Committee shall assess whether the Company is doing ongoing environmental audits and review, training and prevention programs at its various facilities.
62. The Committee shall determine whether the establishment, and periodic review, of appropriate internal authorities to act in the case of serious environmental occurrences are in place.

63. The Committee shall receive reports on and assess whether there are any potential sources of emissions or pollutants, risks of sudden discharge, etc and whether appropriate safeguards are in place to deal with these risk situations.
64. The Committee shall assess whether there are procedures to promote environmental awareness within the Company including education and training programs regarding risk management, response and reporting responsibilities.
65. The Committee shall determine whether executive officers and management are involved in and knowledgeable about existing environmental risk management systems.
66. The Committee shall receive reports from each of the employee Environment Steering Committee on environmental conditions on a regular basis.
67. The Committee shall review at least annually the Company's Environmental Management Policy and approve any changes to such policies.

Experts and Advisors

68. The Committee may, in consultation with the chair of the Board, engage, oversee and set the compensation for any outside advisor that it determines necessary in order to carry out its duties.

Limitation on Authority

69. Nothing articulated herein is intended to assign to the Committee the Board's responsibility to oversee the Company's compliance with applicable laws or regulations or to expand applicable standards of liability under statutory or regulatory requirements for the Directors or the members of the Committee.

No Rights Created

70. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with applicable generally accepted accounting principles. This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While this Charter should comply with the binding requirements of any stock exchanges on which the Company's securities are listed, including, but not limited to, the TSX, all other applicable laws, rules and regulations, and the Company's constating documents, including its Memorandum and Articles, this Charter does not create any legally binding obligations on the Committee, any director or the Company.

([1]) "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.