

PREMIUM BRANDS HOLDINGS CORPORATION

Interim Condensed Consolidated Financial Statements

Third Quarter 2026

Thirteen and Thirty-Nine Weeks Ended September 26, 2026 and September 27, 2025
(Unaudited)

Premium Brands Holdings Corporation

Consolidated Balance Sheets

(in millions of Canadian dollars)

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Current assets:			
Cash and cash equivalents	8.7	28.6	29.3
Accounts receivable (note 23)	683.7	592.4	570.5
Inventories	1,310.5	1,059.3	1,045.8
Prepaid expenses and other assets	39.3	41.5	55.6
Assets held for sale (note 25)	5.4	-	-
	2,047.6	1,721.8	1,701.2
Capital assets (note 3)	1,410.0	1,249.6	1,263.5
Right of use assets (note 4)	850.3	890.9	866.8
Intangible assets (note 5)	756.4	548.2	536.7
Goodwill (note 6)	1,548.7	1,122.1	1,112.7
Investments in and advances to associates (note 7)	403.0	447.5	413.7
Other assets	37.2	20.8	24.0
Deferred income tax assets (note 20)	36.5	27.0	28.8
	7,089.7	6,027.9	5,947.4
Current liabilities:			
Bank indebtedness (note 8)	6.8	4.8	5.2
Dividends payable (note 15)	44.3	38.2	38.2
Accounts payable and accrued liabilities	821.3	675.7	613.7
Current portion of puttable interest in subsidiaries (note 11)	34.3	34.7	35.7
Current portion of long-term debt (note 9)	0.6	0.6	0.6
Current portion of lease obligations (note 4)	82.4	78.7	64.1
Current portion of provisions (note 10)	-	8.4	8.2
Convertible unsecured subordinated debentures (note 12)	628.7	455.9	622.5
Liabilities held for sale (note 25)	2.6	-	-
	1,621.0	1,297.0	1,388.2
Long-term debt (note 9)	1,892.2	1,950.3	1,813.4
Lease obligations (note 4)	873.8	899.9	895.4
Puttable interest in subsidiaries (note 11)	-	43.8	43.0
Provisions (note 10)	134.0	16.1	16.3
Performance share unit plan liability (note 22)	3.3	-	-
Deferred income tax liabilities (note 20)	219.6	140.0	135.7
	4,743.9	4,347.1	4,292.0
Equity attributable to shareholders:			
Retained earnings (deficit)	(144.2)	(92.6)	(123.3)
Share capital (note 13)	2,428.0	1,727.5	1,732.5
Reserves (note 14)	62.0	45.9	46.2
	2,345.8	1,680.8	1,655.4
	7,089.7	6,027.9	5,947.4

Subsequent events (note 26)

Approved by the Board of Directors

(signed) George Paleologou Director

(signed) Johnny Ciampi Director

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Premium Brands Holdings Corporation

Consolidated Statements of Operations

(in millions of Canadian dollars except per share amounts)

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 Restated (note 2)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 Restated (note 2)
Revenue	2,378.9	1,949.8	6,805.6	5,476.4
Cost of goods sold	1,962.6	1,593.5	5,574.6	4,449.5
Gross profit before depreciation, amortization, and plant start-up and restructuring costs	416.3	356.3	1,231.0	1,026.9
Investment income (note 7)	16.8	15.7	48.5	46.0
Selling, general and administrative expenses before depreciation and amortization	220.1	196.9	670.3	588.9
Operating profit before depreciation, amortization, and plant start-up and restructuring costs	213.0	175.1	609.2	484.0
Depreciation of capital assets (note 3)	35.5	25.3	105.3	74.9
Amortization of intangible assets (note 5)	8.3	5.5	24.9	16.9
Amortization of right of use assets (note 4)	22.6	19.8	65.7	55.2
Accretion of lease obligations (note 4)	13.7	13.5	41.7	30.2
Plant start-up and restructuring costs	9.5	17.7	19.0	33.4
Interest and other financing costs (note 18)	42.4	41.6	130.6	128.2
Acquisition transaction costs	2.7	1.0	11.6	2.8
Change in value of puttable interest in subsidiaries (note 11)	0.5	1.0	1.5	3.0
Change in value and accretion of provisions (note 10)	3.2	0.2	9.1	0.6
Equity losses (earnings) from investments in associates (note 7)	13.2	37.9	62.3	80.6
Change in fair value of option liabilities (note 12)	-	-	-	(12.0)
Performance share unit plan expense (note 22)	1.6	-	3.3	-
Other losses (gains) (note 19)	-	(0.4)	23.4	(2.0)
Earnings before income taxes	59.8	12.0	110.8	72.2
Provision for income taxes (recovery) (note 20)				
Current	12.2	13.2	41.1	40.3
Deferred	8.2	(0.9)	7.1	(0.6)
	20.4	12.3	48.2	39.7
Earnings (loss) from continuing operations	39.4	(0.3)	62.6	32.5
Earnings (loss) from discontinued operations (note 25)	(1.1)	(1.4)	49.5	(3.7)
Earnings (loss)	38.3	(1.7)	112.1	28.8
Basic earnings (loss) per share from continuing operations	0.76	(0.01)	1.21	0.73
Basic earnings (loss) per share from discontinued operations	(0.02)	(0.03)	0.95	(0.09)
Basic earnings (loss) per share (note 16)	0.74	(0.04)	2.16	0.64
Diluted earnings (loss) per share from continuing operations	0.76	(0.01)	1.21	0.72
Diluted earnings (loss) per share from discontinued operations	(0.03)	(0.03)	0.95	(0.08)
Diluted earnings (loss) per share (note 16)	0.73	(0.04)	2.16	0.64
Weighted average shares outstanding (in millions) (note 16):				
Basic	52.0	44.7	51.9	44.7
Diluted	52.1	44.9	52.0	44.9

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Premium Brands Holdings Corporation

Consolidated Statements of Comprehensive Earnings

(in millions of Canadian dollars)

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 (restated)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 (restated)
Earnings (loss) from continuing operations	39.4	(0.3)	62.6	32.5
Items that may be realized to earnings (losses) in future periods:				
Unrealized gain on foreign exchange currency contracts (note 14, 23)	0.4	-	1.8	5.1
Unrealized foreign exchange gain (loss) on investments in foreign operations (note 14)	(9.1)	0.3	16.5	(10.2)
Other comprehensive earnings (losses) from continuing operations	(8.7)	0.3	18.3	(5.1)
Earnings (loss) from discontinued operations (note 25)	(1.1)	(1.4)	49.5	(3.7)
Comprehensive earnings (loss)	29.6	(1.4)	130.4	23.7

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Premium Brands Holdings Corporation

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025
Cash flows from (used in) operating activities:				
Earnings (loss)	38.3	(1.7)	112.1	28.8
Items not involving cash:				
Depreciation of capital assets (note 3)	35.4	26.5	106.4	78.4
Amortization of intangible assets (note 5)	8.4	5.8	25.2	17.8
Amortization of right of use assets (note 4)	22.4	20.8	66.6	58.4
Accretion of lease obligations (note 4)	13.6	14.0	42.1	31.5
Change in value of puttable interest in subsidiaries (note 11)	0.5	1.0	1.5	3.0
Equity losses (earnings) from investments in associates (note 7)	13.2	37.9	62.3	80.6
Financing costs	3.2	2.2	9.0	6.7
Change in value and accretion of provisions (note 10)	3.2	0.2	9.1	0.6
Change in fair value of option liabilities (note 12)	-	-	-	(12.0)
Deferred income tax expense (recovery) (note 20)	8.2	(0.1)	7.1	(2.0)
Performance share unit plan expense (note 22)	1.6	-	3.3	-
Other losses (gains)	1.1	-	(0.6)	0.9
	149.1	106.6	444.1	292.7
Change in non-cash working capital (note 24)	126.3	(76.6)	12.0	(217.5)
	275.4	30.0	456.1	75.2
Cash flows from (used in) financing activities:				
Long-term debt, borrowings	209.3	216.1	1,318.9	969.4
Long-term debt, repayments	(355.4)	(135.5)	(1,323.5)	(886.6)
Payments for lease obligations (note 4)	(30.6)	(28.6)	(91.5)	(77.3)
Bank indebtedness and cheques outstanding	(3.0)	(22.2)	4.2	(30.2)
Dividends paid to shareholders (note 15)	(44.3)	(38.1)	(126.8)	(114.4)
Common shares issued from subscription receipts and concurrent private placements – net of issuance costs (note 13)	-	-	465.7	-
Repayment of convertible debentures (note 12)	-	-	-	(172.5)
Proceeds from issuance of convertible debentures – net of issuance costs (note 12)	-	-	-	164.6
	(224.0)	(8.3)	247.0	(147.0)
Cash flows from (used in) investing activities:				
Capital asset additions (note 3)	(52.0)	(46.0)	(165.8)	(164.6)
Business acquisitions net of cash acquired (note 17)	-	(3.3)	(692.3)	(23.1)
Proceeds from Shaw Bakers LLC divestiture (note 25)	-	-	151.7	-
Payment of provisions (note 10)	(9.0)	-	(9.0)	-
Payment to shareholders of non-wholly owned subsidiaries (note 11)	-	-	(2.7)	-
Payments for settlement of puttable interest of non-wholly owned subsidiary (note 11)	-	-	(0.2)	-
Net change in share purchase loans and notes receivable	0.7	0.2	1.8	1.3
Distributions from investments in associates, net of investments and advances	2.3	43.1	(7.2)	4.8
Proceeds from sale of assets and leaseback of real estate (note 3)	-	-	-	232.8
	(58.0)	(6.0)	(723.7)	51.2
Change in cash and cash equivalents	(6.6)	15.7	(20.6)	(20.6)
Cash and cash equivalents – beginning of period	15.3	12.9	29.3	49.2
Cash and cash equivalents – end of period	8.7	28.6	8.7	28.6
Supplemental cash flow information (note 24)				
Interest and other financing costs paid	34.6	33.2	113.4	112.0
Income taxes paid	2.5	7.8	36.0	42.4

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Premium Brands Holdings Corporation

Consolidated Statements of Changes in Shareholders' Equity

(in millions of Canadian dollars)

	Retained earnings	Share capital	Reserves	Share-holders' equity
Balance as at December 28, 2024	(6.8)	1,721.5	54.5	1,769.2
Earnings for the period attributable to shareholders	28.8	-	-	28.8
Common shares issued (note 13)	-	7.5	-	7.5
Dividends declared (note 15)	(114.6)	-	-	(114.6)
Effect of share-based compensation plans (note 13,14)	-	(1.5)	(3.5)	(5.0)
Unrealized gain on foreign exchange contracts (note 14, 23)	-	-	5.1	5.1
Foreign currency translation adjustment	-	-	(10.2)	(10.2)
Balance as at September 27, 2025	(92.6)	1,727.5	45.9	1,680.8
Balance as at December 27, 2025	(123.3)	1,732.5	46.2	1,655.4
Earnings for the period attributable to shareholders	112.1	-	-	112.1
Common shares issued (note 13)	-	692.0	-	692.0
Dividends declared (note 15)	(133.0)	-	-	(133.0)
Effect of share-based compensation plans (note 13,14)	-	3.5	(2.5)	1.0
Unrealized gain on foreign exchange contracts (note 14, 23)	-	-	1.8	1.8
Foreign currency translation adjustment	-	-	16.5	16.5
Balance as at September 26, 2026	(144.2)	2,428.0	62.0	2,345.8

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Corporate information

Premium Brands Holdings Corporation (the Company) is incorporated under the Canada Business Corporations Act and located at 100-10991 Shellbridge Way, Richmond, B.C. Through its subsidiaries, the Company owns a broad range of specialty food manufacturing and premium food distribution and wholesale businesses with operations in Canada and the United States.

Due to the seasonal nature of the Company's business, the results of operations for any interim period are not necessarily indicative of the results to be expected for other interim periods or the full year. In general, the first quarter is the Company's weakest, and the second and third quarters are its strongest.

The Company's Board of Directors approved these interim condensed consolidated financial statements on November 4, 2026.

2. Material accounting policies

Basis of presentation

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards 34 (IAS 34), Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB). Accordingly, they do not include all of the financial statement disclosures required by International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) for annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements and notes for the fiscal year ended December 27, 2025, which were prepared in accordance with IFRS Accounting Standards, are filed electronically through SEDAR+ and are available at www.sedarplus.ca. These interim condensed consolidated financial statements follow the same accounting policies and methods of computation as used in the Company's 2025 annual consolidated financial statements, and as updated herein.

Assets and liabilities held for sale and discontinued operations

As of the first quarter of 2026, the assets and liabilities of Shaw Bakers LLC and the Duso's culinary business have been classified as held for sale and their respective financial results have been presented separately as discontinued operations. The classification of assets and liabilities held for sale signifies the Company has committed to a strategic plan for the divestiture of these businesses and anticipates that the corresponding transactions will be finalized within a twelve-month period.

Discontinued operations are excluded from the results of continuing operations and are presented in a single amount as discontinued operations in the consolidated statement of operations. Comparative amounts are restated as if the operations had been discontinued from the beginning of the comparative year (note 25).

Accounting pronouncements adopted

In May 2024, the IASB issued amendments to IFRS 7 and IFRS 9 to clarify the recognition and derecognition date of certain financial assets and liabilities and to address the derecognition of financial assets settled via electronic payments and the related disclosures. These amendments apply for annual reporting periods beginning on or after January 1, 2026. For financial liabilities settled in cash using an electronic payment system, the Company applied the election to deem these financial liabilities to be discharged at the settlement date. The amendments have been elected to be applied retrospectively.

Accounting pronouncements not yet adopted

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure of Financial Statements for reporting of financial performance and presentation of assets, liabilities, equity, income and expenses. IFRS 18 replaces IAS 1 and applies for annual reporting periods beginning on or after January 1, 2027 requiring retrospective application. The Company is currently assessing the impact of the new standard on its consolidated financial statements.

3. Capital assets

	Land, buildings and leaseholds	Machinery and equipment	Total
September 27, 2025			
Cost	751.6	1,439.8	2,191.4
Accumulated depreciation	(223.6)	(718.2)	(941.8)
Net book value	528.0	721.6	1,249.6
September 26, 2026			
Cost	855.8	1,698.6	2,554.4
Accumulated depreciation	(258.8)	(885.6)	(1,144.4)
Net book value	597.0	813.0	1,410.0

	Land, buildings and leaseholds	Machinery and equipment	Total
Net book value as at December 28, 2024	729.7	692.3	1,422.0
Acquired through business and asset acquisitions (note 17)	-	1.6	1.6
Additions	61.3	103.3	164.6
Disposals	(233.2)	(1.0)	(234.2)
Depreciation	(17.3)	(61.1)	(78.4)
Foreign currency exchange adjustment	(12.5)	(13.5)	(26.0)
Net book value as at September 27, 2025	528.0	721.6	1,249.6
Net book value as at December 27, 2025	541.4	722.1	1,263.5
Acquired through business and asset acquisitions (note 17)	49.4	91.2	140.6
Additions	41.1	124.7	165.8
Disposals	-	(1.5)	(1.5)
Depreciation	(21.6)	(84.8)	(106.4)
Transfer to assets held for sale	(22.3)	(54.6)	(76.9)
Foreign currency exchange adjustment	9.0	15.9	24.9
Net book value as at September 26, 2026	597.0	813.0	1,410.0

In the second quarter of 2025, the Company completed the sale and leaseback of one of its properties for proceeds of $232.8 million. The transaction resulted in a sale and disposal of capital assets for $232.1 million and the recognition of a right of use asset for $232.5 million and a lease obligation for $232.8 million (note 4).

4. Leases

Right of use assets

	Buildings and leaseholds	Machinery and equipment	Total
September 27, 2025			
Right of use assets	1,215.8	73.3	1,289.1
Accumulated depreciation	(355.8)	(42.4)	(398.2)
Net book value	860.0	30.9	890.9
September 26, 2026			
Right of use assets	1,231.8	79.4	1,311.2
Accumulated depreciation	(415.6)	(45.3)	(460.9)
Net book value	816.2	34.1	850.3

	Buildings and leaseholds	Machinery and equipment	Total
Net book value as at December 28, 2024	660.7	20.9	681.6
Acquired through business and asset acquisitions (note 17)	0.7	-	0.7
Additions	259.9	17.6	277.5
Disposals	(0.3)	(0.1)	(0.4)
Amortization	(51.1)	(7.3)	(58.4)
Foreign currency exchange adjustment	(9.9)	(0.2)	(10.1)
Net book value as at September 27, 2025	860.0	30.9	890.9
Net book value as at December 27, 2025	832.6	34.2	866.8
Acquired through business and asset acquisitions (note 17)	27.7	0.8	28.5
Additions	27.0	9.4	36.4
Disposals	(0.3)	(3.4)	(3.7)
Amortization	(59.4)	(7.2)	(66.6)
Transfer to assets held for sale	(27.9)	-	(27.9)
Foreign currency exchange adjustment	16.5	0.3	16.8
Net book value as at September 26, 2026	816.2	34.1	850.3

Lease obligations

	Buildings and leaseholds	Machinery and equipment	Total
Net book value as at December 28, 2024	735.0	21.9	756.9
Acquired through business and asset acquisitions (note 17)	0.7	-	0.7
Payments	(68.2)	(9.1)	(77.3)
Additions	260.3	17.6	277.9
Disposals	(0.3)	(0.1)	(0.4)
Accretion	29.3	2.2	31.5
Foreign currency exchange adjustment	(10.4)	(0.3)	(10.7)
Net book value as at September 27, 2025	946.4	32.2	978.6
Net book value as at December 27, 2025	924.1	35.4	959.5
Acquired through business and asset acquisitions (note 17)	27.7	0.8	28.5
Payments	(81.5)	(10.0)	(91.5)
Additions	27.0	9.4	36.4
Disposals	(0.3)	(3.5)	(3.8)
Accretion	38.9	3.2	42.1
Transfer to assets held for sale	(32.7)	-	(32.7)
Foreign currency exchange adjustment	17.5	0.2	17.7
Net book value as at September 26, 2026	920.7	35.5	956.2

Minimum lease payments in respect of lease obligations and the effect of discounting cash flows are as follows:

	Sep 26, 2026
Undiscounted minimum lease payments	
1 year out	120.6
2 years out	112.0
3 years out	106.4
4 years out	98.4
5 years out and thereafter	1,120.4
	1,557.8
Effect of discounting	(601.6)
Present value of minimum lease payments	956.2
Current portion	(82.4)
	873.8

5. Intangible assets

	Brand names	Customer relationships	Total
September 27, 2025			
Cost	243.9	521.4	765.3
Accumulated amortization	-	(217.1)	(217.1)
Net book value	243.9	304.3	548.2
September 26, 2026			
Cost	267.5	733.5	1,001.0
Accumulated amortization	-	(244.6)	(244.6)
Net book value	267.5	488.9	756.4

	Brand names	Customer relationships	Total
Net book value as at December 28, 2024	245.6	310.3	555.9
Additions resulting from business acquisitions (note 17)	3.4	17.0	20.4
Amortization	-	(17.8)	(17.8)
Foreign currency exchange adjustment	(5.1)	(5.2)	(10.3)
Net book value as at September 27, 2025	243.9	304.3	548.2
Net book value as at December 27, 2025	241.1	295.6	536.7
Additions resulting from business acquisitions (note 17)	23.4	225.3	248.7
Amortization	-	(25.2)	(25.2)
Transfer to assets held for sale	(2.6)	(18.0)	(20.6)
Foreign currency exchange adjustment	5.6	11.2	16.8
Net book value as at September 26, 2026	267.5	488.9	756.4

The Company performed its annual indefinite lived intangibles (brand names) impairment test as at September 27, 2025 and concluded there was no impairment. As of the end of September 26, 2026, there were no indicators of impairment.

6. Goodwill

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Balance – beginning of period	1,112.7	1,133.9	1,133.9
Additions resulting from business acquisitions (note 17)	448.7	4.5	4.7
Adjustments to purchase price allocations of prior year acquisitions	-	-	(0.5)
Transfer to assets held for sale	(43.9)	-	-
Foreign currency exchange adjustment	31.2	(16.3)	(25.4)
Balance – end of period	1,548.7	1,122.1	1,112.7

The Company performed its annual goodwill impairment test as at September 27, 2025 and concluded there was no impairment. As of the end of September 26, 2026, there were no indicators of impairment.

Goodwill acquired from business and asset acquisitions is primarily attributable to expected earnings growth and synergies in excess of net tangible and intangible assets acquired. A portion of the amounts assigned to goodwill may be deductible for income tax purposes.

7. Investments in associates

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Balance – beginning of period	413.7	457.1	457.1
Other investments in and interest-bearing advances and receipts to/from associates	54.4	72.0	51.8
Proceeds from divestitures in investments in associates	(3.7)	-	-
Equity losses from investments in associates	(62.3)	(80.6)	(93.6)
Foreign currency exchange adjustment	0.9	(1.0)	(1.6)
Balance – end of period	403.0	447.5	413.7

Investments in Associates consist of: (i) the Company's investments in businesses that it does not control (Associates), including Clearwater Seafood Incorporated (Clearwater) and 35% to 40% interests in real estate investment limited partnerships (REILPs) which, on a combined basis, own and lease seven industrial real estate properties to some of the Company's businesses, and (ii) long-term debt advanced to Associates. Equity earnings (losses) from investments in associates includes the Company's proportionate share of the earnings and losses of its investments in associates, the majority of which relates to Clearwater.

During the first quarter of 2026, the Company sold a 12.5% interest in North Delta Seafood (NDS) for net proceeds of $3.7 million, resulting in a $0.3 million gain being recorded in other income. The Company continues to hold a 37.5% equity interest in NDS, which is accounted for as an Associate.

As at September 26, 2026, the Associates had assets of $1,203.7 million and liabilities of $1,652.4 million (2025 – assets of $1,304.8 million and liabilities of $1,575.2 million). Amounts owing to the Company from the Associates as at September 26, 2026 totalled $615.5 million (2025 – $580.7 million).

During the thirteen weeks ended September 26, 2026, the Associates had total revenues of $127.0 million and losses of $56.4 million (2025 – revenues of $163.9 million and losses of $75.5 million). During the thirty-nine weeks ended September 26, 2026, the Associates had total revenues of $321.3 million and losses of $154.7 million (2025 – revenues of $434.8 million and losses of $161.9 million).

During the thirteen weeks ended September 26, 2026, the Company purchased inventory of $18.6 million (2025 – $28.8 million), incurred lease expenses of $4.3 million (2025 – $4.1 million), and earned interest and management fees of $16.8 million (2025 – $15.7 million) from its Associates. During the thirty-nine weeks ended September 26, 2026, the Company purchased inventory of $52.8 million (2025 – $84.6 million), incurred lease expenses of $12.8 million (2025 – $12.2 million), and earned interest and management fees of $48.5 million (2025 – $46.0 million) from its Associates.

The following tables summarize Clearwater's financial information:

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Current assets:			
Cash and cash equivalents	6.5	26.7	21.6
Accounts receivable	57.2	58.7	34.6
Assets held for sale	-	-	67.6
Other current assets	67.3	84.4	43.0
	131.0	169.8	166.8
Non-current assets	822.6	889.3	830.5
	953.6	1,059.1	997.3

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Current liabilities:			
Accounts payable and accrued liabilities	213.6	145.0	152.3
Current portion of long-term debt and other liabilities	32.6	12.7	8.8
Liabilities held for sale	-	-	4.9
Other current liabilities	2.8	3.9	1.4
	249.0	161.6	167.4
Non-current liabilities	1,165.9	1,191.4	1,163.1
	1,414.9	1,353.0	1,330.5

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 (restated)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 (restated)
Continuing Operations				
Revenue	103.2	106.9	232.8	255.9
Depreciation and amortization	10.2	11.6	29.4	37.3
Interest on senior debt and shareholders' debt	21.6	21.3	61.6	62.6
Management fees and quota license fees to shareholders	8.2	18.4	54.9	35.1
Tax expense (recovery)	(0.5)	1.1	1.4	(0.8)
Loss in Clearwater	(27.0)	(76.7)	(125.9)	(159.9)
Equity loss in Clearwater investment	(13.5)	(38.4)	(63.0)	(80.0)

Continuing operations excludes the results of businesses that have been exited.

8. Bank indebtedness

Bank indebtedness consists of amounts drawn on operating lines of credit. As at September 26, 2026, the Company had total operating line limits of $182.5 million (2025 – $184.1 million) of which $175.7 million (2025 – $179.3 million) was unutilized.

All of the Company's operating lines of credit bear interest at floating rates based on bank prime rates, Canadian Overnight Repo Rate Average (CORRA), or Secured Overnight Financing Rate (SOFR).

9. Long-term debt

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Unsecured revolving credit facility maturing in March 2030 with no required principal payments until maturity. The credit facility bears interest at a rate that is calculated quarterly based on the Company's ratio of senior debt to cash flow and performance relative to certain environmental and social objectives. The interest rate can fluctuate up to 1.29 percentage points over the bank prime rate or 0.96 to 2.59 percentage points over CORRA and SOFR	1,889.2	1,945.1	1,808.0
US$6.1 million secured Industrial Development Revenue Bond with no principal payments until maturity in July 2036. The bond bears interest at the weekly variable rate for such bonds, which averaged 2.52% (2025 – 2.68%)	8.7	8.5	8.4
Unsecured promissory notes, bearing interest between nil to 6.00% with maturity dates to December 2029	1.4	2.0	2.0
Other term loans	1.1	0.1	0.1
	1,900.4	1,955.7	1,818.5
Financing costs	(7.6)	(4.8)	(4.5)
Current portion	(0.6)	(0.6)	(0.6)
	1,892.2	1,950.3	1,813.4

The Company's overall unutilized debt capacity on long-term debt as at September 26, 2026 was $1,002.2 million (2025 – $527.7 million) after deducting outstanding letters of credit.

Financial covenants for the Company's unsecured revolving credit facility are tested quarterly and consist of an interest coverage ratio and senior funded debt to EBITDA ratio. As at September 26, 2026, the Company was in compliance with all covenants. The Company's credit agreement defines: (i) interest as excluding interest and accretion on convertible debentures and deferred financing costs; (ii) senior funded debt as long-term debt including its current portion and bank indebtedness net of cash and cash equivalents; and (iii) EBITDA as earnings before interest, taxes, depreciation and amortization adjusted for plant start-up and restructuring costs, certain other expenses and income for the trailing twelve months, and annualized EBITDA for acquisitions completed in the last four quarters.

Scheduled principal repayments on long-term debt are as follows:

1 year out	0.6
2 years out	0.6
3 years out	0.2
4 years out	1,889.5
5 years out and thereafter	9.5
	1,900.4

10. Provisions

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Balance – beginning of period	24.5	24.2	24.2
Provisions arising from business and asset acquisitions (note 17)	105.8	-	-
Change in value and accretion of provisions	9.1	0.6	0.8
Cash payments	(9.0)	-	-
Foreign currency exchange adjustment	3.6	(0.3)	(0.5)
Balance – end of period	134.0	24.5	24.5

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Current portion	-	8.4	8.2
Non-current	134.0	16.1	16.3
	134.0	24.5	24.5

11. Puttable interest in subsidiaries

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Balance – beginning of period	78.7	77.0	77.0
Change in value of puttable interest in subsidiaries	1.5	3.0	4.0
Payments for settlement of remaining interest of non-wholly owned subsidiary pursuant to put option	(0.2)	-	-
Payments to shareholders of non-wholly owned subsidiaries	(2.7)	-	-
Transfer to liabilities held for sale	(43.6)	-	-
Foreign currency exchange adjustment	0.6	(1.5)	(2.3)
Balance – end of period	34.3	78.5	78.7

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Current portion	34.3	34.7	35.7
Non-current	-	43.8	43.0
	34.3	78.5	78.7

12. Convertible unsecured subordinated debentures

	4.65% Debentures	4.20% Debentures	5.40% Debentures	5.50% Debentures (Mar 2025)	Total
Maturity date	Apr 30, 2025	Sep 30, 2027	Sep 30, 2029	Mar 31, 2030	
Balance as at December 28, 2024	171.7	155.0	144.2	-	470.9
Issuance of debentures	-	-	-	164.6	164.6
Repayment of debentures at redemption	(172.5)	-	-	-	(172.5)
Change in fair value of options liabilities	-	(7.0)	(5.0)	-	(12.0)
Accretion (note 18)	0.8	1.2	1.7	1.2	4.9
Balance as at September 27, 2025	-	149.2	140.9	165.8	455.9

On March 25, 2025, the Company completed an issuance of $172.5 million of convertible unsecured subordinated debentures (the 5.50% Debentures (Mar 2025)) resulting in net proceeds of $164.6 million after transaction costs of approximately $7.9 million. The 5.50% Debentures (Mar 2025) bear interest at an annual rate of 5.50% payable semi-annually, have a maturity date of March 31, 2030 and are convertible into common shares of the Company at a conversion price of $126.15 per common share.

On April 30, 2025, the Company issued a redemption notice for its 4.65% Debentures resulting in $172.5 million of the debentures being retired through a cash payment.

On December 19, 2025, the Company completed an issuance of $172.5 million of convertible unsecured subordinated debentures (the 5.50% Debentures (Dec 2025)) resulting in net proceeds of $164.9 million after transaction costs of approximately $7.6 million. The 5.50% Debentures (Dec 2025) bear interest at an annual rate of 5.50% payable semi-annually, have a maturity date of December 31, 2032 and are convertible into common shares of the Company at a conversion price of $156.00 per common share.

	4.20% Debentures	5.40% Debentures	5.50% Debentures (Mar 2025)	5.50% Debentures (Dec 2025)	Total
Maturity date	Sep 30, 2027	Sep 30, 2029	Mar 31, 2030	Dec 31, 2032	
Balance as at December 27, 2025	149.7	141.5	166.3	165.0	622.5
Accretion (note 18)	1.4	1.8	1.7	1.3	6.2
Balance as at September 26, 2026	151.1	143.3	168.0	166.3	628.7

Cash Conversion Option

All of the Company's convertible unsecured subordinated debentures outstanding as at September 26, 2026 have a cash conversion option. If the Company elects to utilize this option, then instead of issuing common shares in conjunction with a conversion, it will pay the holder an amount based on the common shares that would otherwise have been issued multiplied by the daily volume weighted average price of its common shares on the Toronto Stock Exchange (TSX) as measured over a period of ten consecutive trading days commencing on the third day following the conversion date.

13. Share capital

	Common shares (millions)	Share capital
Balance as at December 28, 2024	44.6	1,721.5
Effect of share-based compensation plan	-	(1.5)
Common shares issued as a result of business acquisitions (note 17)	0.1	7.5
Balance as at September 27, 2025	44.7	1,727.5
Balance as at December 27, 2025	44.7	1,732.5
Effect of share-based compensation plan	0.1	3.5
Common shares issued as a result of subscription receipts and concurrent private placements - net of issuance costs	5.0	465.7
Common shares issued as a result of business acquisitions (note 17)	2.2	226.3
Balance as at September 26, 2026	52.0	2,428.0

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to: (i) dividends, in proportion to the number of common shares held by them, if, as and when declared by the Company's Board of Directors; (ii) one vote per common share at meetings of the holders of common shares of the Company; and (iii) upon liquidation, dissolution or winding-up of the Company, to participate in the distribution of the remaining property and assets of the Company. Common shares issued as a result of business acquisitions are valued at the observable share price as at the acquisition date.

After taking into account the 0.1 million common shares held in the Company's employee benefit plan that had not yet vested with the beneficiaries, the Company had 52.2 million common shares outstanding as at September 26, 2026.

On January 2, 2026, the Company issued $487.8 million of subscription receipts (sub receipts) and completed a private placement at a price of $97.50 per common share resulting in net proceeds of $465.7 million after transaction costs of $22.1 million.

14. Reserves

	Non-controlling interest reserve	Foreign currency translation adjustment	Foreign exchange contracts and interest rate swaps	Share-based compensation reserve	Total
Balance as at December 28, 2024	(3.5)	51.4	(7.4)	14.0	54.5
Effect of share-based compensation plans	-	-	-	(3.5)	(3.5)
Unrealized gain (loss)	-	(10.2)	5.1	-	(5.1)
Balance as at September 27, 2025	(3.5)	41.2	(2.3)	10.5	45.9
Balance as at December 27, 2025	(3.5)	45.3	(4.3)	8.7	46.2
Effect of share-based compensation plans	-	-	-	(2.5)	(2.5)
Unrealized gain (loss)	-	16.5	1.8	-	18.3
Balance as at September 26, 2026	(3.5)	61.8	(2.5)	6.2	62.0

15. Dividends

During the thirty-nine weeks ended September 27, 2025, the Company declared dividends to shareholders of $114.6 million or $2.55 per common share. The record dates of the Company's dividends were as follows:

Record date	Amount	Per share
Accumulated dividends declared – beginning of period	1,096.7	
March 31, 2025	38.2	$0.85
June 30, 2025	38.2	$0.85
September 30, 2025	38.2	$0.85
2025 dividends declared	114.6	$2.55
Accumulated dividends declared – end of period	1,211.3	

During the thirty-nine weeks ended September 26, 2026 the Company declared dividends to shareholders of $133.0 million or $2.55 per common share. The record date of the Company's dividends was as follows:

Record date	Amount	Per share
Accumulated dividends declared – beginning of period	1,249.5	
March 31, 2026	44.3	$0.85
June 30, 2026	44.4	$0.85
September 30, 2026	44.3	$0.85
2026 dividends declared	133.0	$2.55
Accumulated dividends declared – end of period	1,382.5	

16. Earnings per share

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025
Weighted average number of shares outstanding	52.0	44.7	51.9	44.7
Adjustment for shares held pursuant to the employee benefit plan	0.1	0.2	0.1	0.2
Diluted weighted average number of shares outstanding	52.1	44.9	52.0	44.9
Net earnings (loss) from continuing operations	39.4	(0.3)	62.6	32.5
Net earnings (loss) from discontinued operations	(1.1)	(1.4)	49.5	(3.7)
Net earnings (loss) attributable to shareholders	38.3	(1.7)	112.1	28.8
Basic earnings (loss) per share from continuing operations	$0.76	$(0.01)	$1.21	$0.73
Basic earnings (loss) per share from discontinued operations	$(0.02)	$(0.03)	$0.95	$(0.09)
Basic earnings (loss) per share	$0.74	$(0.04)	$2.16	$0.64
Diluted earnings (loss) per share from continuing operations	$0.76	$(0.01)	$1.21	$0.72
Diluted earnings (loss) per share from discontinued operations	$(0.03)	$(0.03)	$0.95	$(0.08)
Diluted earnings (loss) per share	$0.73	$(0.04)	$2.16	$0.64

The Company has two sources of potential dilution to its earnings per share: (i) convertible debentures, which are convertible into common shares; and (ii) the vesting of common shares acquired pursuant to the Company's employee benefit plan (EBP). The convertible debentures are determined to be anti-dilutive and are therefore excluded from the calculation of the diluted weighted average number of common shares outstanding.

17. Business acquisitions

During the thirty-nine weeks ended September 26, 2026, the Company invested $1,024.0 million in the acquisition of the following business:

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

The following table summarizes the provisional fair values of the net assets acquired and consideration paid for acquisitions completed during the thirty-nine weeks ended September 26, 2026:

Net assets acquired:	
Net working capital	238.3
Capital assets	140.6
Intangible assets – customer relationships	225.3
Intangible assets – brand names	23.4
Goodwill	448.7
Right of use assets	28.5
Lease obligations	(28.5)
Deferred income taxes payable	(52.3)
	1,024.0
Investment:	
Cash paid	731.9
Cash acquired	(39.6)
Cash consideration receivable	(0.4)
Common shares (note 13)	226.3
Provisions for contingent consideration (note 10)	105.8
	1,024.0

The above purchase price allocation with respect to capital assets, deferred income taxes, contingent consideration (which is based on certain milestones over a two year period), intangible assets and goodwill are provisional and subject to the Company's review of fair value assessments and procedures over independent valuations. The Company expects to finalize the purchase price allocation within one year from the date of acquisition. The goodwill represents earnings capacity and expected synergies in excess of the fair value of net assets acquired from the business and is not deductible for income tax purposes.

In the first three quarters of 2026, Stampede Culinary Partners generated revenue of $1,008.2 million and approximately net income of $33.0 million before acquisition and interest expenses.

During the thirty-nine weeks ended September 27, 2025, the Company invested $30.6 million in the acquisition of the following business:

Business	Primary Business Activity	Investment	Business Segment	Purchase Date
Denmark Sausage, LLC	Fresh sausages and value-added products	100%	Specialty Foods	Mar 3, 2025

The following table summarizes the fair values of the net assets acquired and consideration paid for acquisition completed during the thirty-nine weeks ended September 27, 2025:

Net assets acquired:	
Net working capital	4.1
Capital assets	1.6
Intangible assets – customer relationships	17.0
Intangible assets – brand names	3.4
Goodwill	4.5
Right of use assets	0.7
Lease obligations	(0.7)
	30.6
Investment:	
Cash paid	23.1
Common shares	7.5
	30.6

18. Interest and other financing costs

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025
Interest on convertible debentures	8.4	6.0	25.0	18.6
Interest on long-term debt	30.3	32.2	94.9	99.8
Interest on bank indebtedness	0.5	1.2	1.7	3.1
Accretion of convertible debentures	2.2	1.6	6.2	4.9
Amortization of deferred financing costs	1.0	0.6	2.8	1.8
	42.4	41.6	130.6	128.2

19. Other losses (gains)

In the first three quarters of 2026, the Company recorded a loss of $53.1 million related to the shutdown of a value-added beef processing facility in Ontario. This was partially offset by a $30.0 million fee paid to the Company by Clearwater with respect to certain lobster related assets and sales.

20. Income taxes

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Deferred tax assets:			
Deferred tax asset to be recovered after more than 12 months	344.9	334.2	325.8
Deferred tax asset to be recovered within 12 months	60.7	31.1	48.0
Deferred tax liabilities:			
Deferred tax liability to be paid after more than 12 months	(565.6)	(457.2)	(457.2)
Deferred tax liability to be paid within 12 months	(23.1)	(21.1)	(23.5)
Net deferred income tax liabilities	(183.1)	(113.0)	(106.9)

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Net deferred income tax liabilities – beginning of period	(106.9)	(116.9)	(116.9)
Charged to earnings	(7.1)	2.0	6.6
Deferred tax resulting from business acquisitions (note 17)	(52.3)	-	0.6
Deferred tax resulting from discontinued operations (note 25)	(13.7)	-	-
Other	0.8	-	-
Foreign currency exchange adjustment	(3.9)	1.9	2.8
Net deferred income tax liabilities – end of period	(183.1)	(113.0)	(106.9)
Comprised of:			
Deferred income tax assets	36.5	27.0	28.8
Deferred income tax liabilities	(219.6)	(140.0)	(135.7)
Net deferred income tax liabilities	(183.1)	(113.0)	(106.9)

21. Segmented information

The Company has two reportable segments, Specialty Foods and Premium Food Distribution, as well as non-segmented investment income and corporate costs (Corporate). The Specialty Foods segment consists of its specialty food manufacturing businesses and the Premium Food Distribution segment consists of its differentiated distribution and wholesale businesses as well as certain seafood processing businesses. Investment income includes interest and management fees generated from the Company's businesses that are accounted for using the equity method as well as miscellaneous investment income. Corporate consists of the Company's head office activities, including strategic leadership, finance, and information systems. The operating businesses within each reportable segment have been aggregated as a result of similar economic characteristics.

As part of the realignment of certain businesses and management responsibilities, starting in fiscal 2026 the Company reclassified a business from the Premium Food Distribution segment to the Specialty Foods segment. In addition, the results of discontinued operations are excluded from continuing operations (note 25). Segmented information for the comparative period has been retrospectively restated for these changes.

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 (restated)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 (restated)
Revenue:				
Specialty Foods	1,692.6	1,286.4	4,944.6	3,705.4
Premium Food Distribution	686.3	663.4	1,861.0	1,771.0
	2,378.9	1,949.8	6,805.6	5,476.4
Gross profit before depreciation, amortization, and plant start-up and restructuring costs:				
Specialty Foods	323.8	264.7	969.6	764.2
Premium Food Distribution	92.5	91.6	261.4	262.7
	416.3	356.3	1,231.0	1,026.9

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 (restated)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 (restated)
Selling, general and administrative expenses:				
Specialty Foods	160.2	139.5	487.2	410.9
Premium Food Distribution	52.9	49.5	157.5	151.4
Corporate	7.0	7.9	25.6	26.6
Investment income	(16.8)	(15.7)	(48.5)	(46.0)
	203.3	181.2	621.8	542.9
Segment earnings (losses) before depreciation, amortization, accretion, and plant start-up and restructuring costs:				
Specialty Foods	163.6	125.2	482.4	353.3
Premium Food Distribution	39.6	42.1	103.9	111.3
Corporate	(7.0)	(7.9)	(25.6)	(26.6)
Investment income	16.8	15.7	48.5	46.0
	213.0	175.1	609.2	484.0
Depreciation of capital assets and amortization of intangible assets:				
Specialty Foods	37.7	24.9	112.1	74.8
Premium Food Distribution	5.7	5.3	16.9	15.8
Corporate	0.4	0.6	1.2	1.2
	43.8	30.8	130.2	91.8
Amortization of right of use assets:				
Specialty Foods	14.9	12.8	43.9	33.6
Premium Food Distribution	7.4	6.8	21.1	21.0
Corporate	0.3	0.2	0.7	0.6
	22.6	19.8	65.7	55.2
Accretion of lease obligations:				
Specialty Foods	9.5	9.6	29.4	19.1
Premium Food Distribution	4.1	3.8	12.0	10.9
Corporate	0.1	0.1	0.3	0.2
	13.7	13.5	41.7	30.2
Plant start-up and restructuring costs:				
Specialty Foods	9.5	17.0	18.5	32.1
Premium Food Distribution	-	0.7	0.5	1.3
	9.5	17.7	19.0	33.4
Segment operating earnings (losses):				
Specialty Foods	92.0	60.9	278.5	193.7
Premium Food Distribution	22.4	25.5	53.4	62.3
Corporate	(7.8)	(8.8)	(27.8)	(28.6)
Investment income	16.8	15.7	48.5	46.0
	123.4	93.3	352.6	273.4

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 (restated)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 (restated)
Segment operating earnings	123.4	93.3	352.6	273.4
Interest and other financing costs	42.4	41.6	130.6	128.2
Acquisition transaction costs	2.7	1.0	11.6	2.8
Change in value of puttable interest in subsidiaries	0.5	1.0	1.5	3.0
Change in value and accretion of provisions	3.2	0.2	9.1	0.6
Equity losses (earnings) from investments in associates	13.2	37.9	62.3	80.6
Change in fair value of option liabilities	-	-	-	(12.0)
Performance share unit plan expense	1.6	-	3.3	-
Other losses (gains)	-	(0.4)	23.4	(2.0)
Provision for income taxes	20.4	12.3	48.2	39.7
Earnings (loss) from continuing operations	39.4	(0.3)	62.6	32.5
Earnings (loss) from discontinued operations	(1.1)	(1.4)	49.5	(3.7)
Earnings (loss)	38.3	(1.7)	112.1	28.8

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025 (restated)	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025 (restated)
Capital asset additions:				
Specialty Foods	48.6	38.3	148.3	144.4
Premium Food Distribution	3.0	4.9	12.7	14.1
Corporate	0.4	0.2	0.9	0.6
	52.0	43.4	161.9	159.1
Revenue:				
Canada based businesses	1,226.4	1,144.9	3,489.4	3,198.7
United States based businesses	1,152.5	804.9	3,316.2	2,277.7
	2,378.9	1,949.8	6,805.6	5,476.4

The Company has two customers that accounted for 16.2% and 10.0% respectively, of its continuing operations revenue for the first three quarters of 2026 (2025 – 14.4% and 13.1%, respectively).

	Sep 26, 2026	Sep 27, 2025 (restated)	Dec 27, 2025 (restated)
Total assets:			
Specialty Foods	5,164.4	4,098.8	4,008.0
Premium Food Distribution	1,461.4	1,533.4	1,529.9
Corporate	463.9	395.7	409.5
	7,089.7	6,027.9	5,947.4
Total assets:			
Canada	3,339.6	3,348.7	3,388.0
United States	3,750.1	2,679.2	2,559.4
	7,089.7	6,027.9	5,947.4

22. Share-based compensation plans

Performance Share Unit (PSU) Plan

In 2026, the Company adopted a PSU Plan in which certain senior executives of the Company are eligible to participate. The purpose of the PSU Plan is to provide eligible participants with cash-settlement compensation opportunities that: (i) enhance the Company's ability to attract, retain, and motivate key personnel; (ii) provide incentive compensation that aligns eligible participants' long-term compensation with shareholder value creation; and (iii) reward officers and key employees for significant performance.

PSUs can vest such that between 0% and 200% of the PSUs granted, and associated dividend equivalents, become vested at the end of a three-calendar year period, subject to the satisfaction of applicable performance criteria. To determine vesting, the performance of the Company's share price is compared, over each applicable three-year period, on a percentile basis, to the performance of the share price of each member of a specified peer group.

The Company's PSU Plan activity is as follows:

	13 weeks ended Sep 26, 2026		39 weeks ended Sep 26, 2026	
	Outstanding share units	Weighted average price	Outstanding share units	Weighted average price
Balance – beginning of period	257,393	$ 83.71	-	$ -
Granted	-	$ -	257,393	$ 83.71
Forfeited / Cancelled	(2,406)	$ (83.71)	(2,406)	$ (83.71)
Balance – end of period	254,987	$ 83.71	254,987	$ 83.71

23. Financial instruments

Financial risk management

The Company's activities result in exposure to a variety of financial risks from time to time, including those relating to foreign currency, interest rates, credit, and liquidity.

Foreign currency risk

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

As at September 26, 2026, the Company had outstanding foreign currency contracts for: (i) the purchase of US$21.3 million at rates between C$1.3549 and C$1.4137; and (ii) the sale of US$21.0 million at rates between C$1.3450 and C$1.4025. For the thirty-nine weeks ended September 26, 2026, the Company recorded in respect of these contracts a gain of $1.8 million (2025 – gain of $5.1 million) in pre-tax comprehensive earnings.

Based on the outstanding contracts as at September 26, 2026 for the net purchase of U.S. dollars, a change of $0.01 in the value of the U.S. dollar relative to the Canadian dollar would result in an unrealized gain (if the U.S. dollar strengthens) or an unrealized loss (if the U.S. dollar weakens) of less than $0.1 million in pre-tax comprehensive earnings (2025 – less than $0.1 million).

As at September 26, 2026, US$904.3 million of the Company's long-term debt was in U.S. dollars. A 1% change in the value of the U.S. dollar relative to the Canadian dollar would result in a change in pre-tax comprehensive earnings of $12.6 million.

Interest rate risk

As at September 26, 2026, all of the Company's bank indebtedness and approximately 99% (2025 – 99%) of its long-term debt bear interest at floating rates. The Company manages some of its exposure to floating interest rates by entering into, from time to time, interest rate swap contracts. Based on the Company's long-term debt as at September 26, 2026, a 100 basis point change in interest rates would result in a change in pre-tax earnings of $19.0 million.

As at September 26, 2026, the Company did not hold any interest rate swap contracts (2025 – the Company did not hold any interest rate swap contracts).

Credit risk

The Company is subject to credit risk primarily through its accounts receivable. This risk is mitigated by the Company's diversified customer base, its customer credit evaluation procedures and the ongoing monitoring of the collectability of its trade accounts receivable and advances to associates. For trade receivables, the simplified approach is applied for determining expected credit losses, which is based on historical counterparty default rates adjusted for relevant forward-looking information.

The majority of the Company's customers are considered to have low default risk and its historical default rate and frequency of losses are low. The table below shows the lifetime expected credit loss allowance for trade receivables as at September 26, 2026. The credit loss for the Company's advances to Associates as at September 26, 2026 is nominal.

The aging of the Company's accounts receivable is as follows:

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Trade accounts receivable			
Outstanding 1-30 days	576.4	498.8	468.0
Outstanding 31-60 days	56.6	66.2	66.6
Outstanding 60+ days	17.6	16.6	12.9
	650.6	581.6	547.5
Credit loss allowance	(7.7)	(2.8)	(2.6)
Other receivables	40.8	13.6	25.6
	683.7	592.4	570.5

The Company has a trade receivables purchase agreement with a Canadian chartered bank whereby the Company can sell its trade receivables to the bank at the Company's discretion. The facility has a limit of US$300.0 million (2025 – US$150.0 million) for total allowable trade receivables to be sold at any time. As at September 26, 2026, the Company had total trade receivables sold of US$216.7 million (2025 – US$149.0 million). During the thirty-nine weeks ended September 26, 2026, US$1,077.3 million (2025 – US$913.0 million) cumulative trade receivables were sold under the program.

The change in the Company's credit loss allowance for provision is as follows:

	Sep 26, 2026	Sep 27, 2025	Dec 27, 2025
Balance – beginning of period	2.6	4.1	4.1
Net credit loss expense (recovery)	5.1	(1.3)	(1.5)
Balance – end of period	7.7	2.8	2.6

Liquidity risk

As part of its strategy to manage liquidity risk, the Company regularly monitors and reviews its actual and forecasted cash flows and maintains unutilized credit facilities to ensure it has sufficient available funds to meet current and foreseeable financial requirements. The Company's forecasting takes into consideration its debt and other financing plans as well as the debt covenant ratio requirements of its lenders.

The required payments for the Company's contractual undiscounted payments of financial liabilities as at September 26, 2026 are as follows:

	Total	1 year out	2 years out	3 years out	4 years out	5 years out & thereafter
Long-term debt	2,238.4	97.6	97.6	97.2	1,934.9	11.1
Bank indebtedness	6.8	6.8	-	-	-	-
Dividends payable	44.3	44.3	-	-	-	-
Accounts payable and accrued liabilities	821.3	821.3	-	-	-	-
Puttable interest in subsidiaries	34.3	34.3	-	-	-	-
Provisions	159.5	-	154.5	3.5	0.7	0.8
Convertible unsecured subordinated debentures	782.6	33.4	180.3	177.1	195.6	196.2
Lease obligations	1,557.8	120.6	112.0	106.4	98.4	1,120.4
Total	5,645.0	1,158.3	544.4	384.2	2,229.6	1,328.5

Cash outflows for interest payments on long-term debt and convertible unsecured subordinated debentures have been calculated based on outstanding debt balances, applicable interest rates, and currency exchange rates as at September 26, 2026.

24. Supplemental cash flow information

The change in non-cash working capital is made up of the following components:

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025
Accounts receivable	(5.8)	(10.3)	(54.1)	(104.7)
Interest on advances to investments in associates	(15.1)	(13.9)	(43.1)	(40.5)
Inventories	80.8	(41.3)	(29.1)	(171.4)
Prepaid expenses	20.4	3.5	23.2	14.5
Accounts payable and accrued liabilities	46.0	(14.6)	115.1	84.6
	126.3	(76.6)	12.0	(217.5)

25. Held for sale and discontinued operations

In the first three quarters of 2026, the Company: (i) sold its 73.72% interest in Shaw Bakers LLC for $151.7 million and a US$10 million 3-year promissory note bearing interest at 7% per annum, resulting in an after-tax gain on sale of $59.3 million, which is recorded in discontinued operations; and (ii) wrote down the net assets held for sale of its Duso's business by $5.3 million to $2.8 million. The net assets divested and proceeds received from the sale of Shaw Bakers LLC are as follows:

Net assets divested:	
Net working capital	5.6
Capital assets	78.0
Intangible assets	20.4
Goodwill	39.0
Right of use assets	26.9
Lease obligations	(32.2)
Puttable interest	(44.6)
Deferred income tax liabilities	(0.5)
	92.6
Proceeds received:	
Cash	151.7
Promissory note	14.2
	165.9

The results of discontinued operations presented in the consolidated statement of operations are as follows:

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025
Revenue	1.7	36.3	66.4	103.7
Cost of goods sold	1.4	28.3	57.8	82.8
Gross profit before depreciation, amortization, and plant start-up and restructuring costs	0.3	8.0	8.6	20.9
Selling, general and administrative expenses before depreciation and amortization	0.6	4.0	9.2	12.3
Operating profit before depreciation, amortization, and plant start-up and restructuring costs	(0.3)	4.0	(0.6)	8.6
Depreciation of capital assets	-	1.2	1.2	3.5
Amortization of intangible assets	-	0.3	0.3	0.9
Amortization of right of use assets	-	1.0	1.1	3.2
Accretion of lease obligations	-	0.4	0.4	1.2
Plant start-up and restructuring costs	-	1.5	1.2	2.2
Other losses (gains)	0.8	0.3	(54.3)	2.8
Accumulated currency translation reclassified to the income statement	-	-	0.3	-
Provision for income taxes (recovery)	-	0.7	(0.3)	(1.5)
Earnings (loss) from discontinued operations, net of tax impact	(1.1)	(1.4)	49.5	(3.7)

The net cash flows from (used in) discontinued operations are as follows:

	13 weeks ended Sep 26, 2026	13 weeks ended Sep 27, 2025	39 weeks ended Sep 26, 2026	39 weeks ended Sep 27, 2025
Cash flow from (used in) operating activities	(0.4)	(2.3)	(5.6)	(3.4)
Cash flow from (used in) financing activities	(0.1)	(1.2)	(1.8)	(4.0)
Cash flow from (used in) investing activities	(0.1)	(2.6)	(3.9)	(5.5)
Cash flows from (used in) discontinued operations	(0.6)	(6.1)	(11.3)	(12.9)

26. Subsequent events

Subsequent to September 26, 2026, the following events occurred:

Normal Course Issuer Bid (NCIB) and Automatic Securities Purchase Plan (ASPP)

On October 14, 2026, the Company put into place a NCIB under which it is authorized to purchase for cancellation up to 1,000,000 common shares, representing approximately 1.9% of its issued and outstanding common shares at the time the NCIB was established. The NCIB commenced on October 16, 2026 and will terminate no later than October 15, 2027.

Any purchases under the NCIB will be subject to applicable terms and limitations and will be made through the facilities of the TSX at the prevailing market price at the time of purchase. The actual number of common shares purchased, if any, and the timing of such purchases will be determined by the Company.

The Company believes that purchases of common shares under the NCIB may, under appropriate circumstances, represent an attractive investment and an appropriate use of available funds.

Subsequent to the quarter, the Company purchased and cancelled 10,100 common shares under the NCIB at an average price of $70.99 per share, for a total repurchase cost of $0.7 million.

Investment Divestiture

On October 19, 2026, the Company sold its 25% interest in Partners, a Tasteful Choice Company for net proceeds of US$28.0 million.

Interest rate hedge

The Company entered into a knock-in collar interest rate swap to limit its exposure to increases in SOFR on US$700.0 million of debt for a three year period. The arrangement caps the applicable SOFR rate at 5.0% plus the Company's applicable credit spread, while allowing the Company to take advantage of floating interest rates within a specified range, with a floor rate of 4.0% if SOFR falls below 3.8%.