

A final short form base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the final short form base shelf prospectus, any amendment to the final short form base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final short form base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

For full particulars, reference is made to the trust indenture between Saputo Inc. and Computershare Trust Company of Canada dated November 14, 2014, as supplemented or amended from time to time (the "Trust Indenture"), providing for the issue of medium term notes. Should any conflict arise between the following summary and the Trust Indenture, the terms of the Trust Indenture will govern.

Capitalized terms used in this document and not otherwise defined herein have the meanings given to them in the final short form base shelf prospectus of Saputo Inc. dated December 12, 2018 (the "base shelf prospectus") or the Trust Indenture.

The medium term notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and will not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an applicable exemption from registration under the U.S. Securities Act. See "Plan of Distribution" in the base shelf prospectus.



Saputo Inc.
Final Term Sheet – Series 8 Medium Term Notes (the "Notes") – November 12, 2020

Issuer:	Saputo Inc. ("Saputo" or the "Issuer")
Anticipated Ratings: ⁽¹⁾	DBRS: BBB (high) / Stable trend; Moody's: Baa1 / Stable outlook
Issue:	The Notes are to be issued pursuant to the base shelf prospectus and a pricing supplement dated November 12, 2020.
Ranking:	The Notes will be direct unsecured obligations of the Issuer and will rank equally and <i>pari passu</i> with each other and with the notes of every other series issued under the Trust Indenture and, subject to statutory preferred exceptions, with all other existing and future unsecured and unsubordinated Indebtedness of the Issuer, except as to sinking fund provisions applicable to different series and other similar types of obligations of the Issuer.
Amount:	\$350 million
Settlement Date:	November 19, 2020 (T + 5)
Maturity Date:	June 19, 2026
Coupon:	1.415%
Issue Price:	\$1,000 per \$1,000 principal amount
Yield:	1.415%
Issue Spread: ⁽²⁾	[Redacted in accordance with subsection 9A.3(4) of National Instrument 44-102 – Shelf Distributions.]
Coupon Payment Dates:	Payable, with the exception of the first coupon, in equal semi-annual instalments in arrears on June 19 th and December 19 th of each year, beginning June 19, 2021 until maturity. The first interest payment will be a long first coupon payable on June 19, 2021



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and will be in the amount of \$2,883,304.79, such payment being equivalent to \$8.23801369 per \$1,000 of principal amount outstanding.

Use of Proceeds:

The net proceeds of this offering will be used by the Issuer for the repayment of a portion of the third tranche of the non-revolving term facility under the credit agreement dated February 21, 2019, as amended from time to time, entered into in connection with the acquisition of Dairy Crest Group plc completed on April 15, 2019, and for general corporate purposes.

Optional Redemption:

The Issuer may redeem the Notes, at any time and from time to time, (a) prior to May 19, 2026, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) par; and (b) on or after May 19, 2026, on payment of a redemption price equal to par, together, in each case, with accrued and unpaid interest, if any, up to the date fixed for redemption.

“**Canada Yield Price**” means a price equal to the price of the Notes calculated to provide a yield from the date fixed for redemption to May 19, 2026, compounded semi-annually and calculated in accordance with generally accepted Canadian financial practice, equal to the Government of Canada Yield calculated at 10:00 a.m. (Montreal time) on the business day preceding the day on which the Issuer gives notice of redemption pursuant to the Trust Indenture, plus 0.235%.

“**Government of Canada Yield**” means, on any date, the yield from the date fixed for redemption to May 19, 2026, compounded semi-annually and calculated in accordance with generally accepted Canadian financial practice, which a non-callable Government of Canada bond would carry if issued in dollars in Canada, at 100% of its principal amount on such date with a term to maturity equal to, or if no Government of Canada bond having an equal term to maturity exists, as close as possible to, the remaining term to May 19, 2026, such yield being the average of the yields provided by two Canadian investment dealers specified by the Issuer.

The above redemptions are at the option of the Issuer, may be in whole or in part, on not fewer than 10 nor more than 60 days’ prior notice to the holders of the Notes to be redeemed, and upon such conditions as may be specified in the applicable notice of redemption. Where less than all of the Notes are to be redeemed, the applicable Notes to be so redeemed shall be redeemed in accordance with the Trust Indenture.

Any optional redemption is subject to the condition that immediately before and after giving effect to such redemption, no Event of Default or event that with the passing of time or the giving of notice, or both, would constitute an Event of Default shall have occurred and be continuing.

The notice of the Issuer to redeem the Notes may be conditional and, in such case, such notice of redemption shall specify the details and terms of any event on which such redemption is conditional.

Change of Control:

101% put right upon a Change of Control Triggering Event.

“**Change of Control Triggering Event**” means the occurrence of both a Change of Control and a Rating Event.



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“**Change of Control**” means the occurrence of any one of the following: (a) the direct or indirect sale, transfer, conveyance, lease or other disposition (other than by way of consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the Property of the Issuer and the Subsidiaries, taken as a whole, to any Person or group of Persons acting jointly or in concert for purposes of such transaction (other than to the Issuer, the Subsidiaries and one or more members of the Saputo Family); or (b) the consummation of any transaction including, without limitation, any consolidation, amalgamation, merger, arrangement or issue of voting securities the result of which is that any Person or group of Persons acting jointly or in concert for purposes of such transaction (other than the Issuer, the Subsidiaries and one or more members of the Saputo Family) becomes the beneficial owner, directly or indirectly, of more than 50% of the voting securities of the Issuer or of any such consolidated, amalgamated, merged or other continuing entity, measured by voting power rather than number of securities (but shall not include the creation of a holding company or similar transaction that does not involve a change in the beneficial ownership of the Issuer).

“**Rating Event**” means the rating on the Notes is lowered to below an Investment Grade Rating by each of the Specified Rating Agencies, if there are less than three Specified Rating Agencies, or by two out of three of the Specified Rating Agencies, if there are three Specified Rating Agencies (the “Required Threshold”), on any day within the 60-day period (which 60-day period will be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by the Specified Rating Agencies which, together with the Specified Rating Agencies which have already lowered their ratings on the Notes as aforesaid, would aggregate in number the Required Threshold, but only to the extent that, and for so long as, a Change of Control Triggering Event would result if such downgrade were to occur) after the earlier of (a) the occurrence of a Change of Control and (b) public notice of the occurrence of a Change of Control or of the Issuer’s intention or agreement to effect a Change of Control.

Guarantees:

The Notes will be solidarily (jointly and severally) and unconditionally guaranteed, on a senior unsecured basis, as to the payment of principal, interest and Premium, if any, and certain other amounts specified in the Trust Indenture, by the Guarantors, the combined unconsolidated EBITDA of which (when aggregated with the unconsolidated EBITDA of the Issuer) shall represent at all relevant times at least the EBITDA Threshold, which is, as of the date hereof, 80% of the Consolidated EBITDA (which is the requirement currently applicable under the Main Credit Facility); provided that such threshold shall be deemed to be amended or varied for the purposes of the Trust Indenture upon and to the extent of any amendment or variation to the Main Credit Facility in respect of such percentage for the purposes of the Main Credit Facility.

For purposes of the Trust Indenture, calculations with regard to the EBITDA Threshold will be made as at each Calculation Date for the most recently completed Calculation Period. “EBITDA”, as defined in the Trust Indenture, with respect to the four fiscal quarters ended September 30, 2020, represents earnings before interest, income taxes, depreciation, amortization, impairment of intangible assets, gain on disposal of assets, inventory revaluation resulting from a business acquisition, acquisition and restructuring costs, and gain on hyperinflation.

Guarantor(s):

Saputo Foods Limited, Saputo Dairy Products Canada G.P., Saputo U.S., L.P., Saputo Cheese USA Inc., Saputo Dairy Foods USA, LLC, Warrnambool Cheese and Butter Factory Company Holdings Limited, The King Island Company Pty Ltd, King Island Dairy Pty Ltd, Lactos Pty Ltd, Saputo Dairy Australia Pty Ltd, Dairy Crest Group Limited, Dairy





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Crest Limited, MH Foods Limited and Saputo Dairy UK Ltd will each initially provide a guarantee of the Notes and will initially be the only Guarantors. The combined unconsolidated EBITDA of the Guarantors and the Issuer represented approximately 88% of the Consolidated EBITDA of the Issuer for the four fiscal quarters ended September 30, 2020. Under the terms of the Trust Indenture, the Issuer may, from time to time and in certain circumstances, release certain Guarantors or designate one or more other Subsidiaries to be Guarantors.

So long as any Notes issued under the Trust Indenture remain outstanding and the Main Credit Facility is in full force and effect, all of the Subsidiaries that are guarantors from time to time in respect of Indebtedness under the Main Credit Facility will be Guarantors in respect of the Notes.

Form and Denomination: Book entry only through participants in CDS.

CUSIP / ISIN: 80310ZAH2 / CA80310ZAH25

Syndicate: National Bank Financial Inc. (Joint-Bookrunner & Joint-Lead)
BMO Nesbitt Burns Inc. (Joint-Bookrunner & Joint-Lead)
TD Securities Inc. (Joint-Bookrunner & Joint-Lead)
Desjardins Securities Inc. (Joint-Bookrunner & Joint-Lead)
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Merrill Lynch Canada Inc.
MUFG Securities (Canada), Ltd.
Rabo Securities Canada, Inc.

(1) A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

(2) [Footnote redacted in accordance with subsection 9A.3(4) of National Instrument 44-102 – Shelf Distributions.]

There is no market through which the Notes may be sold and purchasers may not be able to resell the Notes purchased pursuant to this offering. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes, and the extent of issuer regulation. See "Risk Factors" in the base shelf prospectus.