

SAPUTO ANNOUNCES CAPITAL INVESTMENTS AND OPTIMIZATION INITIATIVES AS PART OF ITS GLOBAL STRATEGIC PLAN

(Montréal, August 3, 2022) – Saputo Inc. (we, Saputo or the Company) (TSX: SAP) announces today capital investments and consolidation initiatives intended to further streamline its manufacturing footprint in its USA Sector. This announcement marks the continuation of the Company’s network optimization program that plays an integral role in its Global Strategic Plan designed to enhance operations and accelerate organic growth across its platforms.

The Company plans to invest CDN\$45 million to convert its long-standing mozzarella cheese manufacturing facility in Reedsburg, Wisconsin, to a goat cheese manufacturing plant to increase capacity, expand our position in growing specialty cheese categories, and improve productivity. In line with the Company’s strategy to modernize its mozzarella operations, current cheese manufacturing from this facility will be transferred to other existing Saputo facilities in the USA Sector, increasing capacity utilization, improving operational efficiencies and reducing costs. Complementing these network optimization activities, Saputo plans to close its existing goat cheese manufacturing facility in Belmont, Wisconsin. Approximately 200 impacted employees from this facility will be provided with financial support including severance. These initiatives will begin in the second quarter of fiscal 2023 and are expected to take up to 18 months to implement.

“The latest series of investments and consolidation activities will strengthen the competitiveness and long-term performance of our cheese operations in our USA Sector, while increasing efficiency and productivity,” said Lino A. Saputo, Chair of the Board, President and Chief Executive Officer. “The initiatives we are announcing today will allow us to enhance our manufacturing footprint and drive organic growth. We have been increasingly focused on accelerating our Global Strategic Plan initiatives, identifying new opportunities to streamline the operating model and further improve our cost structure.”

The capital investments and consolidation initiatives outlined above are expected to result in annual savings and benefits gradually, beginning in fiscal 2024, and reaching approximately CDN\$9 million (CDN\$6 million after taxes) by fiscal 2025. Costs related with the capital investments and consolidation initiatives outlined above will be approximately CDN\$15 million after taxes, which include a non-cash fixed assets write-down of approximately CDN\$10 million after taxes. These costs will start to be recorded in the second quarter of fiscal 2023.

About Saputo

Saputo produces, markets, and distributes a wide array of dairy products of the utmost quality, including cheese, fluid milk, extended shelf-life milk and cream products, cultured products, and dairy ingredients. Saputo is one of the top ten dairy processors in the world, a leading cheese manufacturer and fluid milk and cream processor in Canada, and the top dairy processor in Australia and Argentina. In the USA, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. In the United Kingdom, Saputo is the largest manufacturer of branded cheese and a top manufacturer of dairy spreads. In addition to its dairy portfolio, Saputo produces, markets, and distributes a range of dairy alternative cheeses and beverages. Saputo products are sold in several countries under market-leading brands, as well as private label brands. Saputo Inc. is a publicly traded company and its shares are listed on the Toronto Stock Exchange under the symbol “SAP”. Follow Saputo’s activities at Saputo.com or via [Facebook](#), [LinkedIn](#) and [Twitter](#).

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This news release contains statements which are forward-looking statements within the meaning of applicable securities laws. These forward-looking statements include, among others, statements with respect to planned capital investments, consolidation initiatives, the anticipated cost savings and benefits resulting from such capital investments and consolidation initiatives, the expected timing of capital investments, savings, benefits and related costs, the expected impact of consolidation activities on our employees, as well as our ambitions and strategic plans including our ability to achieve our ambitions and goals, and statements other than historical facts. The words “may”, “could”, “should”, “will”, “would”, “believe”, “plan”, or “expect”, or the negative of these terms or variations of them, the use of conditional or future tense or words and expressions of similar nature, are intended to identify forward-looking statements. All statements other than statements of historical fact included in this news release may constitute forward-looking statements within the meaning of applicable securities laws.

By their nature, forward-looking statements are subject to a number of inherent risks and uncertainties. Actual results could differ materially from those stated, implied, or projected in such forward-looking statements. As a result, we cannot guarantee that any forward-looking statements will materialize, and we warn readers that these forward-looking statements are not statements of historical fact or guarantees of future performance in any way. Assumptions, expectations, and estimates made in the preparation of forward-looking statements and risks and uncertainties that could cause actual results to differ materially from current expectations are discussed in our materials filed with the Canadian securities regulatory authorities from time to time, including the "Risks and Uncertainties" section of the Management's Discussion and Analysis dated June 9, 2022, available on SEDAR under Saputo's profile at www.sedar.com, and also include the following: our ability to deploy capital expenditure projects and implement consolidation initiatives as planned, the availability of all technology necessary to achieve the anticipated cost savings and benefits and our ability to implement it as planned, the performance of our technology, our ability to achieve productivity and efficiency gains resulting from capital investments and consolidation initiatives, the availability and cost of labour, construction materials, equipment, energy and other inputs, the effects of inflation and foreign exchange rates on such costs, and our ability to face ongoing economic uncertainty.

Forward-looking statements are based on Management's current estimates, expectations and assumptions.

Management believes that these estimates, expectations, and assumptions are reasonable as of the date hereof, and are inherently subject to significant business, economic, competitive, and other uncertainties and contingencies regarding future events, and are accordingly subject to changes after such date. Forward-looking statements are intended to provide shareholders with information regarding Saputo, including our assessment of future financial plans, and may not be appropriate for other purposes. Undue importance should not be placed on forward-looking statements, and the information contained in such forward-looking statements should not be relied upon as of any other date.

All forward-looking statements included herein speak only as of the date hereof or as of the specific date of such forward-looking statements. Except as required under applicable securities legislation, Saputo does not undertake to update or revise forward-looking statements, whether written or verbal, that may be made from time to time by itself or on our behalf, whether as a result of new information, future events, or otherwise. All forward-looking statements contained herein are expressly qualified by this cautionary statement.

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