

This document is important and requires your immediate attention. If you are in any doubt as to how to deal with it, you should consult your investment dealer, stock broker, bank manager, lawyer or other professional advisor.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer (as defined below) is not being made to Shareholders in any jurisdiction in which the making of the Offer would not be in compliance with the laws of such jurisdiction. This Offer has not been approved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offense.

Shareholders in the United States should read the "Information for United States Shareholders Only" included herein.

August 14, 2019



RECIPE UNLIMITED CORPORATION

OFFER TO PURCHASE FOR CASH

UP TO \$125,000,000 IN VALUE OF ITS SUBORDINATE VOTING SHARES AT A PURCHASE PRICE OF NOT LESS THAN \$24.50 AND NOT MORE THAN \$27.00 PER SUBORDINATE VOTING SHARE

Recipe Unlimited Corporation ("**Recipe**" or the "**Company**") hereby offers, upon the terms and subject to the conditions described herein, to purchase for cancellation a number of subordinate voting shares of the Company (the "**Shares**") for an aggregate purchase price not exceeding \$125,000,000. Only Shares will be taken up and purchased for cancellation pursuant to the Offer (as defined below). Holders of multiple voting shares of the Company (the "**Multiple Voting Shares**") are entitled to participate in the Offer by depositing their Multiple Voting Shares to the Offer. Only those Multiple Voting Shares proposed to be taken up by the Company will be converted into Shares immediately prior to take up. The purchase price of any Share taken up by the Company (the "**Purchase Price**") will be determined in the manner described below but will not be less than \$24.50 and not more than \$27.00 per Share. All Shares purchased by the Company pursuant to the Offer (including Shares or Multiple Voting Shares tendered at Auction Prices below the Purchase Price) will be purchased at the same Purchase Price.

The offer by the Company is subject to the terms and conditions set forth in this offer to purchase (the "**Offer to Purchase**"), the accompanying issuer bid circular (the "**Circular**"), and the related letter of transmittal (the "**Letter of Transmittal**") and notice of guaranteed delivery (the "**Notice of Guaranteed Delivery**") (which together constitute, and are herein referred to as, the "**Offer**").

The Offer will expire at 5:00 p.m. (Toronto time) on September 20, 2019 unless withdrawn, extended or varied by the Company (the "Expiration Date"). The Offer is not conditional upon any minimum number of Shares being properly deposited under the Offer. The Offer is, however, subject to other conditions and the Company reserves the right, subject to applicable laws, to withdraw, extend or vary the Offer if, at any time prior to the payment of any Shares, certain events occur. See Section 7 of the Offer to Purchase, "Certain Conditions of the Offer".

Holders of Shares and Multiple Voting Shares (collectively, the "**Shareholders**") wishing to tender to the Offer may do so pursuant to:

- auction tenders in which the tendering Shareholders specify the number of Shares being tendered at a price (the "**Auction Price**") of not less than \$24.50 per Share and not more than \$27.00 per Share in increments of \$0.10 per Share (the "**Auction Tenders**"); or
- purchase price tenders in which the tendering Shareholders do not specify a price per Share, but rather agree to have a specified number of Shares purchased at the Purchase Price to be determined by the Auction Tenders (the "**Purchase Price Tenders**").

Promptly following the Expiration Date, the Company will determine the Purchase Price, which will not be less than \$24.50 per Share and not more than \$27.00 per Share. The Purchase Price will be the lowest price that enables the Company to purchase that number of Shares pursuant to valid Auction Tenders and Purchase Price Tenders having an aggregate purchase price not exceeding \$125,000,000. If the Purchase Price is determined to be \$24.50 per Share (which is the

minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Company is 5,102,040 Shares. If the Purchase Price is determined to be \$27.00 per Share (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Company is 4,629,629 Shares. If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Company. For the purpose of determining the Purchase Price, Shares and Multiple Voting Shares tendered pursuant to a Purchase Price Tender will be considered to have been tendered at a price of \$24.50 per Share (which is the minimum price per Share under the Offer). Shareholders who validly tender Shares or Multiple Voting Shares without specifying the method in which they are tendering their shares, including by tendering an insufficient number of Shares or Multiple Voting Shares, will be deemed to have made a Purchase Price Tender.

As of August 8, 2019, there were 26,309,673 Shares and 34,396,284 Multiple Voting Shares issued and outstanding. The Offer would be for approximately 8.4% of the combined aggregate number of issued and outstanding Shares and Multiple Voting Shares if the Purchase Price is determined to be \$24.50 per Share (which is the minimum price per Share under the Offer) or approximately 7.6% of the combined aggregate number of issued and outstanding Shares and Multiple Voting Shares if the Purchase Price is determined to be \$27.00 per Share (which is the maximum price per Share under the Offer).

Each Shareholder who has properly deposited Shares or Multiple Voting Shares pursuant to an Auction Tender at or below the Purchase Price, or a Purchase Price Tender and who has not withdrawn such shares will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to proration and the preferential acceptance of odd lots described herein. Shares and Multiple Voting Shares tendered by a Shareholder pursuant to an Auction Tender will not be purchased by the Company pursuant to the Offer if the price per Share or Multiple Voting Share specified by the Shareholder is greater than the Purchase Price.

The Purchase Price will be payable in Canadian dollars.

If the aggregate purchase price for Shares and Multiple Voting Shares validly tendered and not withdrawn pursuant to Auction Tenders at Auction Prices at or below the Purchase Price and Purchase Price Tenders (the "**Auction Tender Purchase Amount**") is less than or equal to \$125,000,000, the Company will purchase at the Purchase Price all Shares (including Shares underlying Multiple Voting Shares) so tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders. If the Auction Tender Purchase Amount is greater than \$125,000,000, the Company will purchase a portion of the Shares (including Shares underlying Multiple Voting Shares) so tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders, as follows: (i) first, the Company will purchase all Shares tendered at or below the Purchase Price by Shareholders who own fewer than 100 Shares (the "**Odd Lot Holders**") at the Purchase Price; and (ii) second, the Company will purchase at the Purchase Price on a *pro rata* basis that portion of the Shares (including Shares underlying Multiple Voting Shares) tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders having an aggregate purchase price, based on the Purchase Price, equal to (A) \$125,000,000, less (B) the aggregate amount paid by the Company for Shares tendered by Odd Lot Holders.

All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to deduction of applicable withholding taxes. See Section 3 of the Offer to Purchase, "Number of Shares and Proration".

Certificates for all Shares and Multiple Voting Shares not purchased under the Offer (including shares not purchased because of proration), or properly withdrawn before the Expiration Date, will be returned (in the case of certificates representing Shares or Multiple Voting Shares all of which are not purchased) or replaced with new certificates representing the balance of Shares or Multiple Voting Shares not purchased (in the case of certificates representing Shares or Multiple Voting Shares of which less than all are purchased), promptly after the Expiration Date or termination of the Offer or the date of withdrawal of the shares, without expense to the Shareholder. In the case of Shares or Multiple Voting Shares tendered through book-entry transfer, such shares will be credited to the appropriate account, without expense to the Shareholder.

Fairfax Financial Holdings Limited and its affiliates ("**Fairfax**") owns 7,224,180 Shares and 19,903,378 Multiple Voting Shares, representing approximately 57.0% of the total votes attached to all classes of our voting shares (approximately 27.5% of the total votes attached to the subordinate voting shares and approximately 57.9% of the total votes attached to the Multiple Voting Shares).

The Phelan family, through Cara Holdings Limited and its affiliates ("**Cara Holdings**", and together with Fairfax, the "**Principal Shareholders**"), owns 14,492,906 Multiple Voting Shares, representing approximately 40.9% of the total votes attached to all classes of our voting shares (approximately 42.1% of the total votes attached to the Multiple Voting Shares).

Recipe has been advised that Fairfax will participate in the Offer but will not be lowering its equity position in the Company as Fairfax will be acquiring the same number of Multiple Voting Shares from Cara Holdings, thereby increasing its voting

position and increasing its proportionate equity interest in the Company. Fairfax has agreed to purchase Multiple Voting Shares from Cara Holdings as permitted by the terms of the shareholders agreement dated April 10, 2015 between the Company and Fairfax and Cara Holdings (as the sole holders of Multiple Voting Shares) (the "**Principal Shareholders Agreement**"). Specifically, Fairfax intends to participate in the Offer by tendering 1,550,000 Shares and, following completion of the Offer, Fairfax will be purchasing from Cara Holdings at the Purchase Price such number of Multiple Voting Shares equal to the number of Shares tendered by Fairfax and taken-up by the Company in the Offer. Completion of Fairfax's acquisition of Multiple Voting Shares from Cara Holdings is conditional upon the completion of the Offer and will be effected at the Purchase Price under the Offer. Cara Holdings has also advised the Company that it intends to tender 375,000 Multiple Voting Shares to the Offer. In addition, no director or officer of the Company has advised the Company that he or she intends to deposit Shares under the Offer.

The Shares are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "RECP". On August 13, 2019, the last full trading day prior to the date of announcement of the Company's intention to make the Offer, the closing price of the Shares on the TSX was \$25.05 per Share.

In accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the Company has determined that: (i) a liquid market existed for the Shares at the time of the Offer, and (ii) it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. The board of directors of Recipe (the "**Board of Directors**") has also obtained, on a voluntary basis, an opinion from Scotia Capital Inc. which, subject to the qualifications, assumptions and restrictions set out therein, confirms the determination of the Company with respect to market liquidity. A copy of the opinion is attached hereto as Schedule A.

The Board of Directors has approved the Offer. However, none of Recipe or its Board of Directors, or the Depositary (as defined herein) makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares or Multiple Voting Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own financial, legal, investment and tax advisors and make their own decisions as to whether to deposit Shares or Multiple Voting Shares under the Offer, and, if so, how many shares to deposit. See Section 2 "Purpose and Effect of the Offer", Section 9 "Interest of Directors and Officers – Ownership of Recipe's Securities" and Section 10 "Arrangements Concerning Shares – Acceptance of the Offer" of the Circular.

Shareholders should carefully consider the income tax consequences of having Shares being purchased under the Offer. See Section 13 of the Circular, "Income Tax Considerations". If Shareholders reside in the United States, Shareholders should retain and consult with their own tax advisors to understand the tax related consequences of the Offer.

Shareholders wishing to deposit all or any portion of their Shares or Multiple Voting Shares pursuant to the Offer must comply in all respects with the delivery procedures described herein. See Section 5 of the Offer to Purchase, "Procedure for Depositing Shares and Multiple Voting Shares".

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF RECIPE AS TO WHETHER YOU SHOULD DEPOSIT OR REFRAIN FROM DEPOSITING SHARES OR MULTIPLE VOTING SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY RECIPE.

No Canadian or foreign securities commission has approved or disapproved of this Offer or passed upon the merits or fairness of this Offer or passed upon the adequacy or accuracy of the information contained in this Offer. Any representation to the contrary is a criminal offense. The Offer is not being made to, nor will deposits be accepted from or on behalf of, Shareholders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Company may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

Any questions or requests for information regarding the Offer should be directed to Computershare Investor Services Inc. (the "**Depositary**") at the address and telephone numbers of the Depositary set forth on the last page of the accompanying Circular.

The Offer will expire at 5:00 p.m. (Toronto time) on September 20, 2019, unless extended or withdrawn.

The Depositary for the Offer is:

Computershare Investor Services Inc.

Regular Mail:

Computershare Investor Services Inc.
P.O. Box 7021
31 Adelaide Street East
Toronto, ON M5C 3H2
Attention: Corporate Actions

Telephone (outside North America): 1 (514) 982-7888

Toll Free (within North America): 1 (800) 564-6253

Email: corporateactions@computershare.com

Registered Mail, Hand or Courier

100 University Avenue
8th Floor
Toronto, ON M5J 2Y1
Attention: Corporate Actions

ADDITIONAL INFORMATION

The Company is subject to the continuous disclosure requirements of applicable Canadian securities legislation and the rules of the TSX, and in accordance therewith, files periodic reports and other information with Canadian provincial and territorial securities regulators and the TSX. Shareholders may access our disclosure documents and any reports, statements or other information that we file with the securities regulatory authorities in each of the provinces of Canada through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") and which may be accessed at www.sedar.com. Copies of these documents may also be obtained upon written or oral request without charge upon request to the Chief Financial Officer of the Company, Kenneth Grondin at the head office: 199 Four Valley Drive, Vaughan, Ontario, L4K 0B8.

You are invited to read and copy any reports, statements or other information that the Company files with the securities regulatory authorities in each of the provinces of Canada at their respective public reference rooms.

FORWARD-LOOKING STATEMENTS

Certain statements in this Offer about the Offer, including the terms and conditions of the Offer, the aggregate amount of Shares to be purchased for cancellation under the Offer, the expected expiration date of the Offer, as well as the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute "forward-looking statements" within the meaning of applicable Canadian securities laws. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that the Company's expectations regarding this Offer or the Company's actual results, level of activity, performance or achievements or future events or developments will be achieved.

Many factors could cause the Company's expectations regarding this Offer or the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors: potential volatility of the price of the Shares; uncertainty in the level of Shareholder participation in the Offer; payment of dividends; significant ownership by the Principal Shareholders; future sales of shares by the Principal Shareholders; dilution; limited voting rights attached to the Shares; fluctuation of quarterly operating results; securities analysts' research or reports impacting the price of Shares; changes in the restaurant industry; competition with other franchisors; quality control and health concerns; food safety; security breaches of confidential guest information; public safety issues; damage to the Company's reputation; availability and quality of raw materials; reliance on suppliers; growth of the Company; franchisees; franchise fees and other revenue; franchisee relations; revenue reporting risks; opening new restaurants; potential inability to consummate acquisitions; integration of acquisitions and brand expansion; achieving expected synergies from acquisitions' retail licensing opportunities; seasonality and weather; regulations governing alcoholic beverages; laws concerning employees; dependence on key personnel; attracting and retaining quality employees; the disruption of Company operations by unionization activities; reliance on information technology; intellectual property; lawsuits; regulation; and Company's insurance may not provide adequate levels of coverage. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company and/or the Company's expectations regarding the Offer. These factors and assumptions, however, should be considered carefully.

Other factors could also cause the Company's expectations regarding the Offer to differ materially from those expressed or implied by the forward-looking statements, including with respect to the Company's ability to complete the Offer on the timelines anticipated, the Company's expectation that any purchases of Shares pursuant to the Offer will be funded by a drawdown under the Company's available credit facilities, the Company continuing to have sufficient financial resources and working capital following the completion of the Offer, the Offer not precluding the Company from pursuing future business opportunities, the market for the Shares not being materially less liquid after the completion of the Offer than the market that exists at the time of the Offer, the satisfaction or waiver of the conditions to the Offer, the intention of each of Fairfax and Cara Holdings to participate in the Offer and the extent to which Shareholders determine to deposit their Shares to the Offer and the Company's status as a reporting issuer and the continued listing of the Shares on the TSX. These factors are not intended to represent a complete list of the factors that could affect the

Company and the Offer; however, these factors should be considered carefully. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this Offer are made as of the date of this Offer, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this Offer are expressly qualified by this cautionary statement. Further details and descriptions of these and other factors are disclosed in the Offer and in Recipe's public filings with provincial or territorial securities regulatory authorities, which may be accessed on SEDAR's website at www.sedar.com.

NOTICE TO HOLDERS OF MULTIPLE VOTING SHARES

The Offer is made only for Shares and is not made for any Multiple Voting Shares. Any holder of Multiple Voting Shares who wishes to participate in the Offer should, to the extent permitted by the terms hereof, duly deposit such Multiple Voting Shares in accordance with the terms and conditions of the Offer. Holders of Multiple Voting Shares depositing Multiple Voting Shares to the Offer will be electing to convert all Multiple Voting Shares that are taken up by the Company into Shares. Multiple Voting Shares will be automatically converted into Shares immediately prior to take up. See Section 5 of the Offer, "Procedure for Depositing Shares and Multiple Voting Shares – Holders of Multiple Voting Shares".

NOTICE TO HOLDERS OF OPTIONS

The Offer is made only for Shares and is not made for any options or other securities or other rights to acquire Shares. Any holder of such securities who wishes to accept the Offer must, to the extent permitted by the terms thereof and applicable law, fully exercise, convert or exchange, as applicable, the options or other securities or other rights in order to deposit the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise, conversion or exchange must occur sufficiently in advance of the Expiration Date to assure holders of options or other securities or other rights to acquire Shares that they will have sufficient time to comply with the procedures for depositing Shares under the Offer. Any such exercise, conversion or exchange will be irrevocable, including where the Shares tendered are subject to proration or otherwise are not taken up. The tax consequences to holders of options or other securities or other rights to acquire Shares in respect of any such exercise, conversion or exchange are not described herein and all such holders are advised to contact their own tax advisors for tax advice having regard to their own particular circumstances.

INFORMATION FOR UNITED STATES SHAREHOLDERS ONLY

The Offer is being made for the securities of a Canadian issuer and by a Canadian issuer that is permitted to prepare the Offer in accordance with the disclosure requirements of the Province of Ontario and the other provinces and territories of Canada. Shareholders in the United States should be aware that such requirements are different from those of the United States. Financial statements of Recipe have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are subject to Canadian auditing and auditor independence standards and, therefore, they may not be comparable to financial statements of U.S. companies prepared in accordance with United States generally accepted accounting principles.

The enforcement by Shareholders of civil liabilities under U.S. federal and state securities laws may be adversely affected by the fact that Recipe is incorporated under the *Business Corporations Act* (Ontario), that all of its directors and officers are residents of Canada, that some or all of the experts named in the Offer to Purchase and Circular are non-residents of the United States and that all or a substantial portion of the assets of the Company and said persons are located outside the United States. It may be difficult to effect service of process on the Company, its officers and directors and the experts named in the Offer to Purchase and Circular. In addition, U.S. Shareholders should not assume that courts of Canada or in the countries where such directors and officers reside or in which Recipe's non-U.S. assets or the assets of such persons are located (i) would enforce judgments of U.S. courts obtained in actions against Recipe or such persons predicated upon civil liability provisions of U.S. federal and state securities laws as may be applicable, or (ii) would enforce, in original actions, any asserted liabilities against Recipe, its subsidiaries or such persons predicated upon such laws. Enforcement of any asserted civil liabilities under U.S. securities laws may be further adversely affected by the fact that some or all of the experts named in the Offer may be residents of Canada.

The Offer will not be conducted in the United States or for the account or for the benefit of a person in the United States, unless the Company is satisfied that the Offer may be conducted in the relevant jurisdiction in reliance

upon available exemptions from the United States Securities Act of 1933, as amended (the "**Securities Act**") and the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the securities laws of the relevant United States state or other local jurisdiction, or on a basis otherwise determined to be acceptable to the Company in its sole discretion, and without subjecting the Company to any registration, qualification, or similar requirements.

U.S. Shareholders should be aware that the acceptance of the Offer will have certain tax consequences under United States and Canadian law. Such consequences for Shareholders who are resident in, or citizens of, the United States are not described herein and, as such, Shareholders are encouraged to consult their own tax advisors with respect to their particular circumstances and tax considerations applicable to them. See Section 13 of the Circular, "Income Tax Considerations".

THIS OFFER HAS NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") NOR HAS THE SEC NOR ANY UNITED STATES STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFER. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CURRENCY

All dollar references in the Offer to Purchase and the Circular are in Canadian dollars except where otherwise indicated.

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SUMMARY

This summary is provided for your convenience. It highlights certain material information relating to the Offer, but you should understand that it does not describe all of the details of the Offer to the same extent as described elsewhere herein. The Company therefore urges you to read the entire Offer to Purchase, Circular, Letter of Transmittal and Notice of Guaranteed Delivery because they each contain important information. References have been included to certain sections of the Offer where you will find a more complete discussion.

Expiration Date The Offer expires at 5:00 p.m. (Toronto time) on September 20, 2019 or at such later time and date to which the Offer may be extended or varied by the Company. See Section 1 of the Offer to Purchase, "The Offer".

Payment Date Recipe will take up the Shares to be purchased pursuant to the Offer as soon as reasonably practicable after the Expiration Date and in any event not later than 10 days after the Expiration Date, provided that the conditions of the Offer (as the same may be varied) have been satisfied or waived. Any Shares taken up will be paid for as soon as reasonably practicable, but in any event no later than three business days after they are taken up in accordance with applicable Canadian securities laws. See Section 9 of the Offer to Purchase, "Taking Up and Payment for Deposited Shares".

Currency of Payment The Purchase Price will be denominated in Canadian dollars and payments of amounts owing to Shareholders whose Shares are taken up will be made in Canadian dollars. See Section 2 of the Offer to Purchase, "Purchase Price".

Methods of Tender Shareholders wishing to tender to the Offer may do so pursuant to:

- **Auction Tenders** in which the tendering Shareholders specify the number of Shares being tendered and an Auction Price of not less than \$24.50 per Share and not more than \$27.00 per Share in increments of \$0.10 per Share; or
- **Purchase Price Tenders** in which the tendering Shareholders do not specify a price per Share, but rather agree to have a specified number of Shares purchased at the Purchase Price to be determined by the Auctions Tenders.

Purchase Price The Purchase Price will be determined in the manner described in the Offer but will be not less than \$24.50 per Share and not more than \$27.00 per Share, taking into account the Auction Prices and the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders. The Purchase Price will be the lowest price that enables the Company to purchase that number of Shares pursuant to valid Auction Tenders and Purchase Price Tenders having an aggregate purchase price not exceeding \$125,000,000.

All Shares purchased by the Company pursuant to the Offer (including Shares or Multiple Voting Shares tendered at Auction Prices below the Purchase Price) will be purchased at the same Purchase Price.

A Shareholder making an Auction Tender may deposit different Shares or Multiple Voting Shares at different prices, but a Shareholder cannot deposit the same Shares or Multiple Voting Shares pursuant to more than one method of tender or pursuant to an Auction Tender at more than one price.

The Company will return all Shares and Multiple Voting Shares not purchased under the Offer, including Shares and Multiple Voting Shares not purchased as a result of proration or invalid tender, promptly after the Expiration Date. See Section 2 of the Offer to Purchase, "Purchase Price".

Number of Shares to be Purchased

Recipe will purchase Shares under the Offer to a maximum aggregate amount of \$125,000,000. Since the Purchase Price will only be determined after the Expiration Date, the number of Shares that will be purchased will not be known until after the Expiration Date.

Proration

If the aggregate purchase price for Shares and Multiple Voting Shares tendered pursuant to Auction Tenders at Auction Prices at or below the Purchase Price is less than or equal to \$125,000,000, the Company will purchase at the Purchase Price all Shares (including Shares underlying Multiple Voting Shares) so tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders. If the Auction Tender Purchase Amount is greater than \$125,000,000, the Company will purchase a portion of the Shares (including Shares underlying Multiple Voting Shares) so tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders, as follows: (i) first, the Company will purchase all Shares tendered by Odd Lot Holders at or below the Purchase Price; and (ii) second, the Company will purchase at the Purchase Price on a *pro rata* basis that portion of the Shares (including Shares underlying Multiple Voting Shares) tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders having an aggregate purchase price, based on the Purchase Price, equal to (A) \$125,000,000, less (B) the aggregate amount paid by the Company for Shares tendered by Odd Lot Holders. See Section 3 of the Offer to Purchase, "Number of Shares and Proration".

Delivery Procedure

Each Shareholder wishing to deposit Shares or Multiple Voting Shares pursuant to the Offer must:

- transfer Shares pursuant to a book-entry transfer, provided that a Book-Entry Confirmation through the CDSX system (in the case of shares held in CDS) is received by the Depository at its office in Toronto, Ontario prior to the Expiration Date (as such terms are defined herein);
- provide certificates for all deposited shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal, in accordance with the instructions in such Letter of Transmittal, together with all other documents required by the Letter of Transmittal and must be delivered to, and received by, the Depository at one of the addresses listed in the Letter of Transmittal by the Expiration Date; or
- follow the guaranteed delivery procedure described in Section 5 of the Offer to Purchase, "Procedure for Depositing Shares and Multiple Voting Shares".

A Shareholder who wishes to deposit Shares or Multiple Voting Shares under the Offer and who holds such shares through an investment dealer, stock broker, bank, trust company or other nominee should immediately contact such nominee in order to take the necessary steps to be able to deposit such shares under the Offer. See Section 5 of the Offer to Purchase, "Procedure for Depositing Shares and Multiple Voting Shares."

Brokerage Commissions

Shareholders depositing Shares or Multiple Voting Shares will not be obligated to pay brokerage fees or commissions to the Company or to the Depositary. However, Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their own brokers or other intermediaries in connection with a deposit of Shares or Multiple Voting Shares pursuant to the Offer. See Section 9 of the Offer to Purchase, "Taking Up and Payment for Deposited Shares".

Conditions to the Offer

The obligation of the Company to take up and pay for any Shares deposited under the Offer is subject to the conditions described in Section 7 of the Offer to Purchase, "Certain Conditions of the Offer".

Withdrawal Rights

Shares and Multiple Voting Shares deposited pursuant to the Offer may be withdrawn by the Shareholder (a) at any time if the shares have not been taken up by the Company before actual receipt by the Depositary of a notice of withdrawal in respect of such shares, (b) at any time before the expiration of ten (10) days from the date that a notice of change or variation (unless (i) the Company has taken up the Shares and Multiple Voting Shares deposited pursuant to the Offer before the date of the notice of change or variation, (ii) the variation consists solely of an increase in the consideration offered for those Shares pursuant to the Offer where the time for deposit is not extended for greater than ten (10) days, or (iii) the variation consists solely of the waiver of a condition of the Offer) has been given in accordance with Section 8, "Extension and Variation of the Offer", or (c) at any time if the shares have been taken up but not paid for by the Company within three business days of being taken up.

Position of the Company and its Directors

Neither the Company nor its Board of Directors makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares or Multiple Voting Shares. Shareholders are urged to evaluate carefully all information in the Offer, consult their own investment and tax advisors and make their own decisions whether to deposit Shares or Multiple Voting Shares under the Offer. See Section 1 of the Offer to Purchase, "The Offer".

Interest of Principal Shareholders

Fairfax owns 7,224,180 Shares and 19,903,378 Multiple Voting Shares, representing approximately 57.0% of the total votes attached to all classes of our voting shares (approximately 27.5% of the total votes attached to the Shares and approximately 57.9% of the total votes attached to the Multiple Voting Shares).

Cara Holdings owns 14,492,906 Multiple Voting Shares, representing approximately 40.9% of the total votes attached to all classes of our voting shares (approximately 42.1% of the total votes attached to the Multiple Voting Shares).

Recipe has been advised that Fairfax will participate in the Offer but will not be lowering its equity position in the Company as Fairfax will be acquiring the same number of Multiple Voting Shares from Cara Holdings, thereby increasing its voting position and increasing its proportionate equity interest in the Company. Fairfax has agreed to purchase Multiple Voting Shares from Cara Holdings as permitted by the terms of the Principal Shareholders Agreement. Specifically, Fairfax intends to participate in the Offer by tendering 1,550,000 Shares and, following completion of the Offer, Fairfax will be purchasing from Cara Holdings at the Purchase Price such number of Multiple Voting Shares equal to the number of Shares tendered by Fairfax and taken-up by the Company in the Offer. Completion of Fairfax's acquisition of Multiple Voting Shares from Cara Holdings is conditional upon the completion of the Offer and will be effected at the Purchase Price under the Offer. Cara Holdings has also advised the Company that it intends to tender 375,000 Multiple Voting Shares to the Offer.

Directors & Officers

No director or officer of the Company has advised the Company that he or she intends to deposit Shares under the Offer. However, they may decide to deposit Shares to the Offer in the event that the circumstances or decisions of any such persons change and, subject to applicable securities laws, such persons may sell their Shares through the facilities of the TSX or otherwise during the period prior to the Expiration Date. See Section 9 "Interest of Directors and Officers – Ownership of Recipe's Securities" and Section 10 "Arrangements Concerning Shares" of the Circular.

Purpose of the Offer

The Company believes that the purchase of Shares is in the best interests of the Company and its Shareholders and permits the Company to return up to \$125,000,000 of capital to Shareholders who elect to tender their shares. See Section 2 of the Circular, "Purpose and Effect of the Offer".

Tax Considerations

Shareholders should carefully consider the income tax consequences of having Shares being purchased under the Offer. See Section 13 of the Circular, "Income Tax Considerations".

Trading Information

On August 13, 2019, the last full trading day prior to the public announcement of the Company's intention to make the Offer, the closing price of the Shares on the TSX was \$25.05 per Share. During the 12-month period ended August 13, 2019, the closing prices of the Shares on the TSX has ranged from a low of \$23.74 to a high of \$30.95. See Section 3 of the Circular, "Price Range of Shares".

Further Information

The audited consolidated financial statements of Recipe and the related management's discussion and analysis as at and for the financial years ended December 30, 2018 and December 31, 2017 have previously been filed and are available on SEDAR at www.sedar.com. The unaudited condensed interim consolidated financial statements for Recipe as at and for the three and six months ended June 30, 2019 and the related management's discussion and analysis have also previously been filed and are available under Recipe's profile on SEDAR at www.sedar.com. Shareholders may obtain copies of these financial statements, without charge, upon request to Recipe, attention: Kenneth Grondin, 199 Four Valley Drive, Vaughan, Ontario, L4K 0B8.

For further information regarding the Offer, Shareholders may contact the Depositary or consult their own brokers. The address and telephone numbers and email of the Depositary are set forth on p. 4 and the back cover of the Offer.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE COMPANY AS TO WHETHER SHAREHOLDERS SHOULD DEPOSIT OR REFRAIN FROM DEPOSITING SHARES OR MULTIPLE VOTING SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THE OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

OFFER TO PURCHASE

To the holders of Shares of Recipe Unlimited Corporation:

1. THE OFFER

The Company hereby offers, upon the terms and subject to the conditions described in this Offer to Purchase, the accompanying Circular, the related Letter of Transmittal and the Notice of Guaranteed Delivery, to purchase for cancellation a number of Shares having an aggregate purchase price not exceeding \$125,000,000.

The Offer will expire at 5:00 p.m. (Toronto time) on September 20, 2019, or at such later time and date to which the Offer may be extended by Recipe.

THE OFFER IS NOT CONDITIONAL UPON ANY MINIMUM NUMBER OF SHARES BEING DEPOSITED. THE OFFER IS, HOWEVER, SUBJECT TO CERTAIN OTHER CONDITIONS. SEE SECTION 7 OF THE OFFER TO PURCHASE, "CERTAIN CONDITIONS OF THE OFFER".

Each Shareholder who has properly deposited Shares or Multiple Voting Shares pursuant to an Auction Tender at or below the Purchase Price or a Purchase Price Tender and who has not withdrawn such shares will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to proration and the preferential acceptance of odd lots described herein.

Recipe will return all Shares and Multiple Voting Shares not purchased under the Offer (including shares not purchased because of proration or invalid tenders), or properly withdrawn before the Expiration Date.

None of Recipe or its Board of Directors, or the Depositary (as defined herein) makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares or Multiple Voting Shares. Shareholders must make their own decisions as to whether to deposit Shares or Multiple Voting Shares under the Offer. **Shareholders should carefully consider the income tax consequences of having Shares being purchased under to the Offer. See Section 13 of the Circular, "Income Tax Considerations".**

The accompanying Circular and Letter of Transmittal contain important information and should be read carefully before making a decision with respect to the Offer.

2. PURCHASE PRICE

Purchase Price

Promptly following the Expiration Date, the Company will determine the Purchase Price, which will not be less than \$24.50 per Share and not more than \$27.00 per Share. The Purchase Price will be the lowest price that enables the Company to purchase that number of Shares tendered pursuant to valid Auction Tenders and Purchase Price Tenders and not properly withdrawn having an aggregate purchase price not to exceed \$125,000,000. If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Company. If the Purchase Price is determined to be \$24.50 per Share (which is the minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Company is 5,102,040 Shares. If the Purchase Price is determined to be \$27.00 per Share (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Company is 4,629,629 Shares. For the purpose of determining the Purchase Price, Shares and Multiple Voting Shares tendered pursuant to a Purchase Price Tender will be considered to have been tendered at a price of \$24.50 per Share (which is the minimum price per Share under the Offer). Shares and Multiple Voting Shares tendered by a Shareholder pursuant to an Auction Tender will not be purchased by the Company pursuant to the Offer if the price per Share or Multiple Voting Share specified by the Shareholder is greater than the Purchase Price. Shareholders who tender Shares or Multiple Voting Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

All Shares purchased by the Company pursuant to the Offer (including Shares or Multiple Voting Shares tendered at Auction Prices below the Purchase Price) will be purchased at the Purchase Price. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. Recipe will return all Shares and Multiple Voting Shares not purchased under the Offer, including Shares and Multiple Voting Shares not

purchased because of proration or invalid tenders, or properly withdrawn before the Expiration Date. All payments to Shareholders will be subject to deduction of applicable withholding taxes.

As promptly as practicable after determining the Purchase Price, Recipe will publicly announce the Purchase Price and all Shareholders who have validly deposited and not withdrawn their shares pursuant to Auction Tenders at or below the Purchase Price or pursuant to Purchase Price Tenders will receive the Purchase Price, payable in cash, for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to proration and the preferential acceptance of odd lots described herein. See 3 of this Offer, "Number of Shares and Proration".

Shareholders should be aware that Shares and Multiple Voting Shares tendered in Purchase Price Tenders will be deemed to have been tendered at the minimum price of \$24.50 per Share and such tenders may result in a lower Purchase Price than might otherwise have been determined.

No alternative, conditional or contingent tenders will be accepted.

3. NUMBER OF SHARES AND PRORATION

The number of Shares that the Company will purchase pursuant to the Offer and the aggregate purchase price will vary depending on whether the Auction Tender Purchase Amount is less than or equal to \$125,000,000. If the Auction Tender Purchase Amount is less than \$125,000,000, the Company will purchase fewer Shares and the aggregate purchase price therefor will be proportionately less. If the Auction Tender Purchase Amount is equal to or greater than \$125,000,000, the Company will purchase 4,629,629 Shares if the Purchase Price is \$27.00 per Share (the maximum price per Share under the Offer) and 5,102,040 Shares if the Purchase Price is \$24.50 per Share (the minimum price per Share under the Offer), in both cases for an aggregate purchase price of \$125,000,000. The Offer is not conditional upon any minimum number of Shares being properly deposited under the Offer.

As of August 8, 2019, there were 26,309,673 Shares and 34,396,284 Multiple Voting Shares issued and outstanding. Accordingly, the Offer is for approximately 8.4% of the combined aggregate number of issued and outstanding Shares and Multiple Voting Shares if the Purchase Price is determined to be \$24.50 per Share (which is the minimum price per Share pursuant to the Offer) or approximately 7.6% of the combined aggregate number of issued and outstanding Shares and Multiple Voting Shares if the Purchase Price is determined to be \$27.00 per Share (which is the maximum price per Share pursuant to the Offer).

If the Auction Tender Purchase Amount is less than or equal to \$125,000,000, the Company will purchase at the Purchase Price all Shares so tendered (including Shares underlying Multiple Voting Shares) pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders. If the Auction Tender Purchase Amount is greater than \$125,000,000, the Company will purchase a portion of the Shares (including Shares underlying Multiple Voting Shares) so tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders, as follows: (i) first, the Company will purchase all Shares tendered by Odd Lot Holders at or below the Purchase Price; and (ii) second, the Company will purchase at the Purchase Price on a *pro rata* basis that portion of the Shares (including Shares underlying Multiple Voting Shares) tendered pursuant to Auction Tenders at or below the Purchase Price and Purchase Price Tenders having an aggregate purchase price, based on the Purchase Price, equal to (A) \$125,000,000, less (B) the aggregate amount paid by the Company for Shares tendered by Odd Lot Holders.

For purposes of the Offer, the term "**Odd Lots**" means all Shares validly tendered at or below the Purchase Price by Shareholders who own, as of the close of business on the Expiration Date, fewer than 100 Shares (the "**Odd Lot Holders**"). As set out above, Odd Lots will be accepted for purchase before any proration. In order to qualify for this preference, an Odd Lot Holder must properly tender, pursuant to an Auction Tender at a price at or below the Purchase Price or pursuant to a Purchase Price Tender, all Shares beneficially owned by such Odd Lot Holder. Partial tenders will not qualify for this preference. This preference is not available to holders of 100 or more Shares even if holders have separate share certificates for fewer than 100 Shares or hold fewer than 100 Shares in different accounts. Any Odd Lot Holder wishing to tender all Shares beneficially owned, without proration, must complete the appropriate box on the Letter of Transmittal and, if applicable, on the Notice of Guaranteed Delivery. Shareholders owning an aggregate of fewer than 100 Shares whose Shares are purchased pursuant to the Offer not only will avoid the payment of brokerage commissions, but will also avoid any odd lot discounts, each of which may be applicable on a sale of their Shares in a transaction on the TSX.

4. ANNOUNCEMENT OF RESULTS OF THE OFFER

The Company will publicly announce the results of the Offer, including the Purchase Price, the number of Shares and Multiple Voting Shares validly tendered to the Offer and the aggregate purchase price of the Shares to be purchased for cancellation pursuant to the Offer, as promptly as reasonably practicable after the Expiration Date.

5. PROCEDURE FOR DEPOSITING SHARES AND MULTIPLE VOTING SHARES

Proper Deposit of Shares and Multiple Voting Shares

Shareholders who wish to accept the Offer may do so by making Auction Tenders or Purchase Price Tenders. A Shareholder who wishes to make an Auction Tender will be required to specify, among other things, the number of Shares or Multiple Voting Shares that it wishes to sell and the price per Share (not less than \$24.50 per Share and not more than \$27.00 per Share and in increments of \$0.10 per Share) at which it is prepared to sell those Shares or Multiple Voting Shares. A Shareholder may make multiple Auction Tenders but not in respect of the same shares (i.e., Shareholders may deposit different Shares or Multiple Voting Shares at different prices but cannot deposit the same Shares or Multiple Voting Shares at different prices). A Shareholder may also make an Auction Tender in respect of certain Shares or Multiple Voting Shares and a Purchase Price Tender in respect of other Shares or Multiple Voting Shares. Odd Lot Holders making an Auction Tender or a Purchase Price Tender will be required to tender all Shares or Multiple Voting Shares owned by the Shareholder.

A Shareholder who wishes to make a Purchase Price Tender may not specify an Auction Price. Shares or Multiple Voting Shares deposited pursuant to an Auction Tender in compliance with the procedures set forth herein will be taken up (it being understood that any Multiple Voting Shares proposed to be taken up will be converted into Shares immediately prior to take up) only if the Auction Price specified in the Auction Tender is equal to or less than the Purchase Price.

Shareholders who tender Shares or Multiple Voting Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender. If multiple boxes are checked in the same Letter of Transmittal indicating that Shares are being deposited pursuant to an Auction Tender and/or Purchase Price Tender, all Shares identified will be deemed to have been tendered pursuant to a Purchase Price Tender.

Holders of Shares

To deposit Shares pursuant to the Offer, holders of Shares must (a) provide certificates for all deposited Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), in accordance with the instructions in such Letter of Transmittal, together with all other documents required by the Letter of Transmittal and must be delivered to, and received by, the Depository at one of the addresses listed in the Letter of Transmittal by the Expiration Date, (b) follow the guaranteed delivery procedure described below, or (c) transfer Shares pursuant to the procedures for book-entry transfer, provided that the Depository receives at its office in Toronto, Ontario prior to the Expiration Date, (i) in the case of Shares held by CDS Clearing and Depository Services Inc. ("**CDS**"), a confirmation of a book-entry transfer (a "**Book-Entry Confirmation**") of Shares into the Depository's account established at CDS in accordance with the terms of the Offer, through the book-entry system administered by CDS ("**CDSX**").

A non-registered Shareholder who desires to deposit Shares under the Offer should immediately contact such Shareholder's investment dealer, stock broker, commercial bank, trust company or other nominee in order to take the necessary steps to be able to deposit such Shares under the Offer.

If an investment dealer, stock broker, bank, trust company or other nominee holds Shares for a Shareholder, it is likely the nominee has established an earlier deadline for that Shareholder to act to instruct the nominee to accept the Offer on its behalf. A Shareholder should immediately contact the Shareholder's investment dealer, stock broker, bank, trust company or other nominee to find out the nominee's deadline.

Participants of CDS should contact CDS to obtain instructions as to the method of depositing Shares under the terms of the Offer. CDS will be issuing instructions to CDS participants as to the method of depositing Shares under the terms of the Offer.

Holders of Multiple Voting Shares

To deposit Shares pursuant to the Offer, holders of Multiple Voting Shares must (a) provide certificates for all deposited Multiple Voting Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), in accordance with the instructions in such Letter of Transmittal, together with all other documents required by the Letter of Transmittal and must be delivered to, and received by, the Depositary at one of the addresses listed in the Letter of Transmittal by the Expiration Date, or (b) follow the guaranteed delivery procedure described below.

By delivering the Letter of Transmittal, holders of Multiple Voting Shares will be electing to convert all Multiple Voting Shares that are taken up by the Company into Shares. Multiple Voting Shares will be automatically converted on a one-for-one basis into Shares immediately prior to take up. If less than all of the Multiple Voting Shares deposited are taken up by the Company, the holder shall be entitled to receive a new certificate representing the Multiple Voting Shares represented by the deposited certificate which are not taken up and automatically converted.

Signature Guarantees

No signature guarantee is required on the Letter of Transmittal if (a) the Letter of Transmittal is signed by the registered holder of the Shares or Multiple Voting Shares exactly as the name of the registered holder appears on the share certificate deposited therewith, and payment is to be made directly to such registered holder, or (b) shares are deposited for the account of a Canadian Schedule I chartered bank, a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (each such entity, an "**Eligible Institution**"). In all other cases, all signatures on the Letter of Transmittal must be guaranteed by an Eligible Institution. See the appropriate instructions in the Letter of Transmittal.

If a certificate representing Shares or Multiple Voting Shares is registered in the name of a person other than the signatory to a Letter of Transmittal, or if payment is to be made, or certificates representing Shares or Multiple Voting Shares not purchased are to be issued, to a person other than the registered holder, the certificate must be endorsed or accompanied by an appropriate stock power, in either case, signed exactly as the name of the registered holder appears on the certificate with the signature on the certificate or stock power signature guaranteed by an Eligible Institution.

Method of Delivery of Certificates

The method of delivery of certificates representing Shares or Multiple Voting Shares and all other required documents is at the option and risk of the depositing Shareholder. If certificates representing Shares or Multiple Voting Shares are to be sent by mail, registered mail that is properly insured is recommended and it is suggested that the mailing be made sufficiently in advance of the Expiration Date to permit delivery to the Depositary on or prior to such date. Delivery of a share certificate representing Shares or Multiple Voting Shares will only be made upon actual receipt of such share certificate representing Shares or Multiple Voting Shares by the Depositary.

Book-Entry Transfer Procedures

An account with respect to the Shares will be established at CDS for purposes of the Offer. Any financial institution that is a participant in CDS may make book-entry delivery of the Shares through CDSX by causing CDS to transfer such Shares into the Depositary's account in accordance with CDS's procedures for such transfer. Delivery of Shares to the Depositary by means of a book-entry transfer through CDSX will constitute a valid tender under the Offer.

Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depositary at its Toronto, Ontario office address set forth on the back-cover page of this Offer to Purchase and Circular prior to the Expiration Date. Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer through a book-entry transfer of their holdings into the Depositary's account with CDS shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and, therefore, such instructions received by the Depositary are considered a valid tender in accordance with the terms of the Offer. **Delivery of documents to CDS does not constitute delivery to the Depositary.**

Procedure for Guaranteed Delivery

If a Shareholder wishes to deposit Shares or Multiple Voting Shares pursuant to the Offer and cannot deliver certificates for such Shares or Multiple Voting Shares, or the book-entry transfer procedures described above cannot be completed, prior to the Expiration Date, or time will not permit all required documents to reach the Depository by the Expiration Date, such Shares or Multiple Voting Shares may nevertheless be deposited if all of the following conditions are met:

- (a) such deposit is made by or through an Eligible Institution;
- (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Company through the Depository is received by the Depository, at its Toronto office listed in the Notice of Guaranteed Delivery, by the Expiration Date; and
- (c) the share certificates for all Shares proposed to be taken up in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) or, in the case of a book-entry transfer, a Book-Entry Confirmation through CDSX (in the case of Shares held in CDS, and any other documents required by the Letter of Transmittal, are received by the Toronto office of the Depository, before 5:00 p.m. (Toronto time) on or before the second trading day on the TSX after the Expiration Date.

The Notice of Guaranteed Delivery may be hand delivered, couriered, mailed or transmitted by electronic mail transmission to the Toronto office of the Depository listed in the Notice of Guaranteed Delivery, and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery.

Notwithstanding any other provision hereof, payment for Shares accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of the share certificates for all Shares proposed to be taken up in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) or Book-Entry Confirmation in lieu thereof relating to such Shares, with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently deposited.

Determination of Validity, Rejection and Notice of Defect

All questions as to the number of tenders to be accepted, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any Shares will be determined by the Company, in its sole discretion, which determination shall be final and binding on all parties. Recipe reserves the absolute right to reject any deposits of Shares or Multiple Voting Shares determined by it not to be in proper form or completed in accordance with the instructions herein and in the Letter of Transmittal or the acceptance for payment of or payment for which may, in the opinion of the Company's counsel, be unlawful. Recipe also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in the deposit of any particular Shares or Multiple Voting Shares and Recipe's interpretation of the terms of the Offer (including these instructions) will be final and binding on all parties. No individual deposit of Shares or Multiple Voting Shares will be deemed to be properly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with deposits must be cured within such time as Recipe shall determine. **None of Recipe, the Depository nor any other person is or will be obligated to give notice of defects or irregularities in deposits, nor shall any of them incur any liability for failure to give any such notice.** The Company's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding.

Under no circumstances will interest be paid by the Company by reason of any delay in making payment to any person using the guaranteed delivery procedures, including without limitation any delay arising because the Shares to be delivered pursuant to the guaranteed delivery procedures are not so delivered to the Depository, and therefore payment by the Depository on account of such Shares is not made until after the date the payment for the deposited Shares taken up pursuant to the Offer is to be made by the Company.

Formation of Agreement

The proper deposit of Shares or Multiple Voting Shares pursuant to any one of the procedures described above will constitute a binding agreement between the depositing Shareholder and the Company, effective as of the Expiration Date, upon the terms and subject to the conditions of the Offer. Such agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Further Assurances

Each Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Recipe, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of any Shares proposed to be taken up by the Company. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Shareholder and all obligations of the Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

6. WITHDRAWAL RIGHTS

Except as otherwise provided in this Section, deposits of Shares and Multiple Voting Shares pursuant to the Offer will be irrevocable. Shares and Multiple Voting Shares deposited pursuant to the Offer may be withdrawn by the Shareholder (a) at any time if the Shares (including Shares underlying Multiple Voting Shares) have not been taken up by the Company before actual receipt by the Depository of a notice of withdrawal in respect of such shares, (b) at any time before the expiration of ten (10) days from the date that a notice of change or variation (unless (i) the Company has taken up the Shares and Multiple Voting Shares deposited pursuant to the Offer before the date of the notice of change or variation, (ii) the variation consists solely of an increase in the consideration offered for those Shares pursuant to the Offer where the time for deposit is not extended for greater than ten (10) days, or (iii) the variation consists solely of the waiver of a condition of the Offer) has been given in accordance with Section 8, "Extension and Variation of the Offer"; or (c) at any time if the Shares (including Shares underlying Multiple Voting Shares) have been taken up but not paid for by the Company within three business days of being taken up.

For a withdrawal to be effective, a written or printed copy of a notice of withdrawal must be actually received by the Depository by the applicable date specified above at the place of deposit of the relevant Shares or Multiple Voting Shares. Any such notice of withdrawal must be signed by or on behalf of the person who signed the Letter of Transmittal or Notice of Guaranteed Delivery in respect of the Shares or Multiple Voting Shares being withdrawn or, in the case of shares tendered by a CDS participant through CDSX, be signed by such participant in the same manner as the participant's name is listed on the applicable Book-Entry Confirmation, and must specify the name of the person who deposited the shares to be withdrawn, the name of the registered holder, if different from that of the person who deposited such shares, and the number of shares to be withdrawn. If the certificates for the Shares or Multiple Voting Shares deposited pursuant to the Offer have been delivered or otherwise identified to the Depository, then, prior to the release of such certificates, the depositing Shareholder must submit the serial numbers shown on the particular certificates evidencing the shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution (as defined in Section 5 of the Offer to Purchase, "Procedure for Depositing Shares and Multiple Voting Shares"), except in the case of shares deposited by an Eligible Institution. **A withdrawal of Shares or Multiple Voting Shares deposited pursuant to the Offer may only be accomplished in accordance with the foregoing procedure. The withdrawal shall take effect only upon actual receipt by the Depository of a written or printed copy of a properly completed and executed notice of withdrawal.**

A Shareholder who wishes to withdraw Shares under the Offer and who holds Shares through an investment dealer, stock broker, bank, trust company or other nominee should immediately contact such nominee in order to take the necessary steps to be able to withdraw such Shares under the Offer. Participants of CDS should contact these depositaries with respect to the withdrawal of Shares under the Offer.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Company, in its sole discretion, which determination shall be final and binding. None of the Company, the Depository or any other person shall be obligated to give any notice of any defects or irregularities in any notice of withdrawal and none of them shall incur any liability for failure to give any such notice.

Any Shares or Multiple Voting Shares properly withdrawn will thereafter be deemed not deposited for purposes of the Offer. However, withdrawn shares may be redeposited prior to the Expiration Date by again following the procedures described in the Offer to Purchase, "Procedure for Depositing Shares and Multiple Voting Shares".

If the Company extends the period of time during which the Offer is open, is delayed in its purchase of Shares or is unable to purchase Shares pursuant to the Offer for any reason, then, without prejudice to the Company's rights under the Offer, the Depositary may, subject to applicable law, retain on behalf of the Company all deposited Shares or Multiple Voting Shares, and such Shares or Multiple Voting Shares may not be withdrawn except to the extent that depositing Shareholders are entitled to withdrawal rights as described in this Section.

7. CERTAIN CONDITIONS OF THE OFFER

Notwithstanding any other provision of the Offer, the Company shall not be required to accept for purchase, to purchase or, subject to any applicable rules or regulations, to pay for any Shares deposited, and may terminate, cancel or amend the Offer or may postpone the payment for Shares deposited, if, at any time before the payment for any such Shares, any of the following events shall have occurred (or shall have been determined by the Company to have occurred) which, in the Company's sole judgment, acting reasonably, in any such case and regardless of the circumstances, makes it inadvisable to proceed with the Offer or with such acceptance for purchase or payment:

- (a) there shall have been threatened, taken or pending any action, suit or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of some or all of the Shares by the Company or otherwise directly or indirectly relating in any manner to or affecting the Offer, or (ii) seeking material damages or that otherwise, in the sole judgment of the Company, acting reasonably, has or may have a material adverse effect on the Shares or Multiple Voting Shares, or the business, income, assets, liabilities, condition or position (financial or otherwise), properties, operations, results of operations or prospects of the Company and its subsidiaries taken as a whole or has impaired or may materially impair the contemplated benefits of the Offer to the Company or otherwise make it inadvisable to proceed with the Offer;
- (b) there shall have been any action or proceeding threatened, pending or taken or approval withheld or any statute, rule, regulation, stay, decree, judgment or order or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or the Company or any of its subsidiaries by or before any court, government or governmental authority or regulatory or administrative agency or any statute, rule or regulation shall become operative or applicable in any jurisdiction that, in the sole judgment of the Company, acting reasonably, might directly or indirectly result in any of the consequences referred to in clauses (i) or (ii) of paragraph (a) above or would or might prohibit, prevent, restrict or delay consummation of the Offer or would or might impair the contemplated benefits of the Offer to the Company;
- (c) there shall have occurred (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada or the United States, (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the United States (whether or not mandatory), (iii) a natural disaster or the commencement of a war, armed hostilities, act of terrorism or other international or national calamity directly or indirectly involving Canada or the United States, (iv) any limitation (whether or not mandatory) by any government or governmental authority or regulatory or administrative agency or any other event that, in the sole judgment of the Company, acting reasonably, might affect the extension of credit by banks or other lending institutions, (v) any significant decrease, in the sole judgment of the Company, acting reasonably, in the market price of the Shares since the close of business on August 13, 2019 (including, without limitation, a decrease in excess of 10% of the market price of the Shares on the TSX since the close of business on August 13, 2019), (vi) any change in the general political, market, economic or financial conditions that, in the sole judgment of the Company, acting reasonably, has or may have a material adverse effect on the Company's or its subsidiaries', taken as a whole, business, operations or prospects or the trading in, or value of, the Shares, or (vii) any decline in any of the S&P/TSX Composite Index, the Dow Jones Industrial Average or the S&P 500 Index by an amount in excess of 10%, measured from the close of business on August 13, 2019 or (viii) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof;
- (d) there shall have occurred any change or changes (or any development involving any prospective change or changes) in the business, earnings, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of the Company or any of its subsidiaries that, in the sole judgment of the Company, acting reasonably, has, have or may have, individually or in the aggregate, material adverse effect with respect to the Company and its subsidiaries taken as a whole;

- (e) any take-over bid or tender or exchange offer with respect to some or all of the securities of Recipe, or any merger, amalgamation, arrangement, business combination or acquisition proposal, disposition of assets, or other similar transaction with or involving Recipe or any of its affiliates, other than the Offer, or any solicitation of proxies, other than by management, to seek to control or influence the Board of Directors, shall have been proposed, announced or made by any individual or entity;
- (f) Scotia Capital Inc. shall have withdrawn or amended the liquidity opinion provided by it in connection with the Offer;
- (g) the Company shall have determined, in its sole judgment, acting reasonably, that the Purchase Price for a Share exceeds the fair market value of such Share at the time of the acquisition of such Share by the Company pursuant to the Offer, determined without reference to the Offer;
- (h) the Company shall have concluded, in its sole judgment, acting reasonably, that the Offer or the take up and payment for any or all of the Shares by the Company is illegal or not in compliance with applicable law;
- (i) any changes shall have occurred or been proposed to the *Income Tax Act* (Canada) (the "**Tax Act**") to the currently published and publicly available administrative policies or assessing practices of the Canada Revenue Agency ("**CRA**") or other relevant taxing authority, or to relevant tax jurisprudence that, in the sole judgment of the Company, are detrimental to Recipe or its affiliates taken as a whole or any one or more Shareholders, or with respect to making the Offer or taking up and paying for Shares deposited under the Offer;
- (j) the Company has determined, in its sole judgment, acting reasonably, that the Company would be subject to Part VI.1 tax under the Tax Act in connection with the Offer;
- (k) the completion of the Offer subjects the Company to any material tax liability; or
- (l) the Company reasonably determines that the consummation and completion of the Offer and the purchase of the Shares may cause the Shares to be delisted from the TSX.

The foregoing conditions are for the sole benefit of the Company and may be asserted by the Company in its sole discretion, acting reasonably, regardless of the circumstances (including any action or inaction by the Company) giving rise to any such conditions, or may be waived by the Company, in its sole discretion, in whole or in part at any time. The failure by the Company at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time. Any determination by the Company concerning the events described in this Section 7 shall be final and binding on all parties.

Any waiver of a condition or the withdrawal of the Offer by Recipe shall be deemed to be effective on the date on which notice of such waiver or withdrawal by the Company is delivered or otherwise communicated to the Depositary. Recipe, after giving notice to the Depositary of any waiver of a condition or the withdrawal of the Offer, shall immediately make a public announcement of such waiver or withdrawal and provide or cause to be provided notice of such waiver or withdrawal to the TSX and the applicable Canadian securities regulatory authorities. If the Offer is withdrawn, the Company shall not be obligated to take up, accept for purchase or pay for any Shares deposited under the Offer, and the Depositary will return all certificates for deposited Shares and Multiple Voting Shares, Letters of Transmittal and Notices of Guaranteed Delivery and any related documents to the parties by whom they were deposited.

8. EXTENSION AND VARIATION OF THE OFFER

Subject to applicable law, the Company expressly reserves the right, in its sole discretion, and regardless of whether or not any of the conditions specified in Section 7 of this Offer to Purchase, "Certain Conditions of the Offer" shall have occurred, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer by giving written notice, or oral notice to be confirmed in writing, of extension or variation to the Depositary and by causing the Depositary to provide to all Shareholders, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth in Section 12 of this Offer to Purchase, "Notice". Promptly after giving notice of an extension or variation to the Depositary, but, in the case of an extension, no later than 9:00 a.m. (Toronto time) on the next business day following the last previously scheduled or announced Expiration Date, the Company will make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSX and the applicable Canadian securities regulatory authorities. Any notice of extension or variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated to the Depositary at its principal office in Toronto, Ontario.

Where the terms of the Offer are varied (other than a variation consisting solely of the waiver of a condition of the Offer), the period during which Shares or Multiple Voting Shares may be deposited pursuant to the Offer shall not

expire before ten days (except for any variation increasing or decreasing the percentage of Shares to be purchased, the consideration provided for under the Offer or fees payable to any soliciting dealer, in which case the Offer shall not expire before ten business days) after the notice of variation has been given to holders of Shares, unless otherwise permitted by applicable law. During any such extension or in the event of any variation, all Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by the Company in accordance with the terms of the Offer, subject to Section 6 of this Offer to Purchase, "Withdrawal Rights". An extension of the Expiration Date or a variation of the Offer does not constitute a waiver by the Company of its rights in Section 7 of this Offer to Purchase, "Certain Conditions of the Offer".

If the Company makes a material change in the terms of the Offer or the information concerning the Offer, the Company will extend the time during which the Offer is open to the extent required under applicable Canadian securities legislation.

The Company also expressly reserves the right, in its sole discretion, (a) to terminate the Offer and not take up and pay for any Shares not theretofore taken up and paid for upon the occurrence of any of the conditions specified in Section 7 of this Offer to Purchase, "Certain Conditions of the Offer", and/or (b) at any time or from time to time, to vary the Offer in any respect, including increasing or decreasing the aggregate purchase price for Shares that the Company may purchase or the range of prices it may pay pursuant to the Offer, subject to compliance with applicable Canadian and United States securities legislation.

Any such extension, delay, termination or variation will be followed as promptly as practicable by a public announcement. Without limiting the manner in which the Company may choose to make any public announcement, except as provided by applicable law, the Company shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release through a widely circulated news wire service.

9. TAKING UP AND PAYMENT FOR DEPOSITED SHARES

Upon the terms and provisions of the Offer (including proration) and subject to and in accordance with applicable securities laws, the Company will take up and pay for Shares properly deposited under the Offer in accordance with the terms thereof as soon as practicable after the Expiration Date, but in any event not later than ten days after the Expiration Date, provided that the conditions of the Offer (as the same may be varied) have been satisfied or waived. Any Shares taken up will be paid for as soon as reasonably practicable, but in any event no later than three business days after they are taken up in accordance with applicable Canadian securities laws.

For the purpose of the Offer, the Company will be deemed to have taken up and accepted for payment validly tendered Shares having an aggregate Purchase Price not exceeding \$125,000,000 if, as and when the Company gives written notice or other communication confirmed in writing to the Depositary to that effect.

The Company reserves the right, in its sole discretion, to delay taking up or paying for any Shares or to terminate the Offer and not take up or pay for any Shares upon the occurrence of any of the conditions specified in Section 7 of this Offer to Purchase by giving written notice thereof or other communication confirmed in writing to the Depositary. The Company also reserves the right, in its sole discretion and notwithstanding any other condition of the Offer, to delay taking up and paying for Shares in order to comply, in whole or in part, with any applicable law or as permitted pursuant to the regulatory exemptive relief obtained by the Company, as described above.

In the event of proration of Shares deposited pursuant to the Offer, the Company will determine the proration factor and pay for those deposited Shares accepted for payment as soon as practicable after the Expiration Date. However, the Company does not expect to be able to announce the final results of any such proration until approximately three business days after the Expiration Date.

Certificates for all Shares not purchased, including Shares not purchased due to proration, will be returned (in the case of certificates representing Shares all of which are not purchased), or replaced with new certificates representing the balance of Shares not purchased (in the case of certificates representing Shares of which less than all are purchased), as soon as practicable after the Expiration Date or termination of the Offer without expense to the depositing Shareholder.

The Company will pay for Shares taken up under the Offer by providing the Depositary with sufficient funds (by bank transfer or other means satisfactory to the Depositary) for transmittal to depositing Shareholders. **Under no circumstances will interest accrue or be paid by the Company or the Depositary on the Purchase Price of the Shares purchased by the Company, regardless of any delay in making such payment or otherwise.**

Depositing Shareholders will not be obligated to pay brokerage fees or commissions to the Company or the Depositary. However, Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their brokers or other intermediaries in connection with a deposit of Shares pursuant to the Offer. Recipe will pay all fees and expenses of the Depositary in connection with the Offer.

The Depositary will act as agent of persons who have properly deposited Shares under the Offer and have not properly withdrawn them, for the purposes of receiving payment from the Company and transmitting payment to such persons. Receipt by the Depositary from Recipe of payment for such Shares will be deemed to constitute receipt of payment by persons depositing Shares.

The settlement with each Shareholder who has deposited Shares under the Offer will be effected by the Depositary by forwarding a cheque or electronic payment, representing the cash payment (subject to applicable withholding taxes, if any) for such Shareholder's Shares taken up under the Offer. The cheque or electronic payment will be issued in the name of the person as specified by properly completing the appropriate box in the Letter of Transmittal. Unless the depositing Shareholder instructs the Depositary to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, the cheque will be forwarded by first class mail, postage prepaid, to the payee at the address specified in the Letter of Transmittal. If no such address is specified, the cheque will be sent to the address of the depositing Shareholder as it appears in the registers maintained in respect of the Shares. Cheques or electronic payments mailed or transmitted in accordance with this paragraph will be deemed to have been delivered at the time of mailing.

All Shares purchased by the Company pursuant to the Offer will be cancelled.

Each Shareholder who has tendered Shares or Multiple Voting Shares under the Offer will receive payment of the Purchase Price for purchased Shares in Canadian dollars.

10. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer, cheques in payment for Shares purchased under the Offer and certificates for any Shares or Multiple Voting Shares to be returned will not be mailed if the Company determines that delivery by mail may be delayed. Persons entitled to cheques or certificates that are not mailed for this reason may take delivery at the office of the Depositary at which the deposited certificates for the Shares or Multiple Voting Shares were delivered until the Company has determined that delivery by mail will no longer be delayed. Recipe will provide notice, in accordance with Section 12 of this Offer to Purchase, of any determination not to mail under this Section 10 as soon as reasonably practicable after such determination is made.

11. LIENS AND DIVIDENDS

Shares acquired pursuant to the Offer shall be acquired by the Company free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends or distributions that may be paid, issued, distributed, made or transferred on or in respect of such Shares to Shareholders of record on or prior to the date upon which the Shares are taken up and paid for under the Offer shall be for the account of such Shareholders. Each Shareholder of record on that date will be entitled to receive that dividend or distribution whether or not such Shareholder deposits Shares pursuant to the Offer.

12. NOTICE

Without limiting any other lawful means of giving notice, any notice to be given by the Company or the Depositary under the Offer will be deemed to have been properly given if it is mailed by first-class mail, postage prepaid, to the registered holders of Shares at their respective addresses as shown on the share registers maintained in respect of the Shares and will be deemed to have been received on the first business day following the date of mailing. These provisions apply despite (i) any accidental omission to give notice to any one or more Shareholders, and (ii) an interruption of mail service following mailing. In the event of an interruption of mail service following mailing, the Company will use reasonable efforts to disseminate the notice by other means, such as publication. If post offices are not open for deposit of mail, or there is reason to believe there is or could be a disruption in all or any part of the postal service, any notice which the Company or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by Shareholders if it is issued by way of a news release and if it

is published once in *The Globe and Mail* or the *National Post* and in a French language daily newspaper of general circulation in the Province of Québec.

13. OTHER TERMS

No broker, dealer or other person has been authorized to give any information or to make any representation on behalf of the Company other than as contained in the Offer, and, if any such information or representation is given or made, it must not be relied upon as having been authorized by the Company.

It is a term of the Offer that for the purposes of subsection 191(4) of the Tax Act, the "specified amount" in respect of each Share shall be \$24.50.

Shareholders should carefully consider the income tax consequences of accepting the Offer. See Section 13 of the Circular, "Income Tax Considerations".

The Offer and all contracts resulting from the acceptance thereof shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

The Company, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the validity of any acceptance of the Offer and the validity of any withdrawals of Shares. The Offer is not being made to, and deposits of Shares will not be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. Recipe may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and extend the Offer to Shareholders in any such jurisdiction.

The accompanying Circular, together with this Offer to Purchase, constitutes the issuer bid circular required under Canadian provincial securities legislation applicable to Recipe with respect to the Offer.

The accompanying Circular contains additional information relating to the Offer.

DATED this 14th day of August, 2019, at
Vaughan, Ontario.

Recipe Unlimited Corporation

By: *(Signed) FRANK HENNESSEY*

Frank Hennessey
Chief Executive Officer

ISSUER BID CIRCULAR

This Circular is being furnished in connection with the Offer by Recipe to purchase for cancellation a number of Shares for an aggregate purchase price not exceeding \$125,000,000 at a Purchase Price of not less than \$24.50 per Share and not more than \$27.00 per Share. Terms defined in the Offer to Purchase and not otherwise defined herein have the same meaning in this Circular. The terms and conditions of the Offer to Purchase, Letter of Transmittal and the Notice of Guaranteed Delivery are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of its terms and conditions.

The Company was amalgamated under the *Business Corporations Act* (Ontario) (the “**OBCA**”) on April 10, 2015, and is the successor to Canadian Railway News Company, which commenced operations in 1883 and was incorporated as Cara Operations Limited in 1961. On May 11, 2018, the Company changed its name from Cara Operations Limited to Recipe Unlimited Corporation. The Company’s head and registered office is located at 199 Four Valley Drive, Vaughan, Ontario, L4K 0B8, Canada. The Company holds its interest in certain restaurants, intellectual property and other assets through directly and indirectly owned companies. The only subsidiaries of the Company which exceed 10% of the consolidated assets or consolidated revenues of the Company are St-Hubert, a corporation existing under the laws of Quebec, and Keg Restaurant Ltd., a corporation existing under the laws of Ontario.

Recipe is a full-service restaurant company that franchises and operates iconic restaurant brands. As at June 30, 2019, Recipe had 24 brands and 1,384 restaurants, 1,323 of which were located in Canada with the remaining 61 located internationally (excludes 3 East Side Mario restaurants located in the United States). Recipe’s international operations are not material relative to its operations as a whole. The significant majority of Recipe’s restaurants are located across Canada. Of Recipe’s 1,384 restaurants, 85% are operated by franchisees and joint venture partners operating in 10 countries (Canada, USA, Bahrain, China, Macao, Oman, Panama, Qatar, Saudi Arabia and the UAE), and the remaining 15% are owned and operated corporately. Recipe’s restaurant network includes Harvey’s, Swiss Chalet, Kelsey’s, East Side Mario’s, Montana’s, Milestones, Prime Pubs, Casey’s, Bier Markt, Landing, New York Fries, St-Hubert, Original Joe’s, State & Main, Elephant & Castle, The Burger’s Priest, The Pickle Barrel restaurants, 1909 Taverne Moderne, The Keg, Fresh, Anejo, Blanco Cantina, Rose Reisman Catering and Marigolds & Onions. Recipe’s iconic brands have established Recipe as a nationally recognized franchisor of choice.

Additional Information

Recipe is subject to the information and reporting requirements of Canadian provincial and territorial securities laws, and the rules of the TSX, and in accordance therewith files periodic reports and other information with securities regulatory authorities in Canada and the TSX, relating to its business, financial condition and other matters. Shareholders may access documents on SEDAR’s website at www.sedar.com.

1. AUTHORIZED CAPITAL

Shares and Multiple Voting Shares

The Company’s authorized share capital consists of an unlimited number of Shares, an unlimited number of Multiple Voting Shares that may only be issued to the Principal Shareholders, and an unlimited number of preference shares, issuable in series. As at August 8, 2019, 26,309,673 Shares, 34,396,284 Multiple Voting Shares and no preference shares were issued and outstanding.

The Shares are “restricted securities” within the meaning of such term under applicable Canadian securities laws. Under applicable Canadian law, an offer to purchase Multiple Voting Shares would not necessarily require than an offer be made to purchase Shares. In accordance with the rules of the TSX, the Company entered into a coattail agreement on April 10, 2015 with the Principal Shareholders and a trustee (the “**Coattail Agreement**”). The Coattail Agreement is designed to ensure that, in the event of a take-over bid, the holders of Shares will be entitled to participate on an equal footing with holders of Multiple Voting Shares. The Coattail Agreement contains provisions customary for dual class, TSX-listed companies designed to prevent transactions that would otherwise deprive the holders of Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Multiple Voting Shares had been Shares.

Dividend Rights. Holders of Multiple Voting Shares and Shares are entitled to receive dividends out of the assets of the Company legally available for the payment of dividends at such times and in such amount and form as the board of directors of the Company (the “**Board**”) may from time to time determine and the Company will pay dividends thereon on a *pari passu* basis, if, as and when declared by the Board.

Voting Rights. The Multiple Voting Shares are entitled to 25 votes per Multiple Voting Shares and the Shares are entitled to one vote per Share.

Automatic Conversion of Multiple Voting Shares. A Multiple Voting Share will convert, without any further action on the part of the Company or the holder of such Multiple Voting Shares, automatically into a Share on a one-for-one basis in the event that such Multiple Voting Share is transferred to, or held by any person that is not a Permitted Assign, as such term is defined in the Principal Shareholders Agreement.

All Multiple Voting Shares held directly or indirectly by the Phelan Group Shareholders, as such term is defined in the Principal Shareholders Agreement, will convert, without any further action on the part of the Company or the holder of such Multiple Voting Shares, into Shares on the date on which the Phelan Group Shareholders beneficially own, directly or indirectly and in the aggregate, less than 50% of the number of Multiple Voting Shares held by them on April 10, 2015, as amended, being the closing date of the Company's initial public offering (subject to adjustment in the case of share splits, consolidations or similar changes affecting the number of outstanding Multiple Voting Shares).

All Multiple Voting Shares will convert, without any further action on the part of the Company or the holder of such Multiple Voting Shares, into Shares on the date on which the Fairfax Group Shareholders, as such term is defined in the Principal Shareholders Agreement, beneficially own, directly or indirectly and in the aggregate, less than 50% of the number of Multiple Voting Shares held by them on April 10, 2015 (subject to adjustment in the case of share splits, consolidations or similar changes affecting the number of outstanding Multiple Voting Shares).

Pre-Emptive, Redemption and Conversion Rights. Holders of Shares have no pre-emptive, redemption or conversion rights. Other than as described below, holders of Multiple Voting Shares have no pre-emptive rights. Multiple Voting Shares, however, are convertible at any time at the option of the holder into fully-paid, nonassessable Shares on a one-for-one basis. In accordance with the Company's amended articles, Multiple Voting Shares may only be issued to the Principal Shareholders or their Affiliates, as such term is defined in the Principal Shareholders Agreement.

In the event that the Company decides to issue additional Shares or securities convertible into or exchangeable for Shares or an option or other right to acquire any such securities ("**Issued Securities**"), the articles of the Company provide each Principal Shareholder Group, for as long as each such Principal Shareholder Group owns, in the aggregate, at least 50% of the Multiple Voting Shares owned by such Principal Shareholder Group on April 10, 2015 (subject to adjustment in the case of share splits, consolidations or similar changes affecting the number of outstanding Multiple Voting Shares), with pre-emptive rights to purchase that number of Issued Securities as is necessary to maintain, after such issuance of Issued Securities, each such Principal Shareholder Group's effective pro rata voting interest prior to the issuance of the Issued Securities. The pre-emptive right will not apply to the issuance of Shares in certain circumstances, including: (i) in respect of the exercise of options, warrants, rights or other securities issued under the Company's security-based compensation arrangements; (ii) in connection with a subdivision of then outstanding Shares into a greater number of Shares, provided that an equivalent change is made to the Multiple Voting Shares; (iii) the issuance of equity securities of the Company in lieu of cash dividends, if any; (iv) the exercise by a holder of a conversion, exchange or other similar privilege pursuant to the terms of a security in respect of which such Principal Shareholder Group did not exercise, failed to exercise, or waived its pre-emptive right or in respect of which the preemptive right did not apply; (v) pursuant to a shareholders' rights plan of the Company, if any; and (vi) to any subsidiary of the Company or an affiliate of any of them.

If the Company proposes to offer for sale any Issued Securities, the Company will deliver a written notice to each Principal Shareholder Group offering the opportunity to subscribe for Issued Securities pursuant to the pre-emptive rights described above. In order to exercise such rights, a Principal Shareholder Group must respond within the applicable time period provided in the articles of the Company. Each Principal Shareholder Group will be entitled to subscribe for Issued Securities pursuant to the exercise of such pre-emptive rights at the same price and on the most favourable terms as such Issued Securities are to be offered to any party, excluding commissions and other transaction expenses paid by the Company.

Liquidation Rights. Upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of Multiple Voting Shares and Shares, without preference or distinction, will be entitled to receive rateably all of the Company's assets remaining after payment of all debts and other liabilities, subject to the prior rights of the holders of any other prior ranking shares that may be outstanding at such time.

Subdivision, Consolidation and Issuance of Rights. No subdivision or consolidation of the Multiple Voting Shares or Shares may occur unless the shares of both classes are concurrently subdivided or consolidated and in the same manner and proportion. Other than as described herein, no new rights to acquire additional shares or other

securities or property of the Company will be issued to holders of Multiple Voting Shares or Shares unless the same rights are concurrently issued to the holders of shares of both classes.

Nomination of Directors. The Company's by-laws provide that the Company will have eight directors. Pursuant to the by-laws, each of the Principal Shareholders is entitled to identify four director nominees for election and the Principal Shareholders have agreed that they will vote the Multiple Voting Shares held by them for the election of such nominees.

For a full description of the rights, restrictions and conditions attached to each class of shares of the Company, please see the Annual Information Form for the year ended December 30, 2018, which may be accessed on SEDAR's website at www.sedar.com.

2. PURPOSE AND EFFECT OF THE OFFER

The Board of Directors believes that the purchase of Shares is in the best interests of the Company and its Shareholders and permits the Company to return up to \$125,000,000 of capital to Shareholders who elect to tender their shares while at the same time increasing the equity ownership of Shareholders who elect not to tender.

After giving effect to the Offer, the Company will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations and the Offer is not expected to preclude Recipe from pursuing its foreseeable business opportunities or the future growth of the Company's business.

As of August 8, 2019, there were 26,309,673 Shares and 34,396,284 Multiple Voting Shares issued and outstanding. Accordingly, the Offer is for approximately 8.4% of the combined aggregate number of issued and outstanding Shares and Multiple Voting Shares if the Purchase Price is determined to be \$24.50 per Share (which is the minimum price per Share under the Offer) or approximately 7.6% of the combined aggregate number of issued and outstanding Shares and Multiple Voting Shares if the Purchase Price is determined to be \$27.00 per Share (which is the maximum price per Share under the Offer). Assuming that the Offer is fully subscribed, the effect of the Offer would be to increase the equity ownership of each Shareholder who does not tender any Shares or Multiple Voting Shares to the Offer by 9.2% if the Purchase Price is determined to be \$24.50 per Share (which is the minimum price per Share under the Offer) or 8.3% if the Purchase Price is determined to be \$27.00 per Share (which is the maximum price per Share under the Offer).

Shares acquired by the Corporation pursuant to the Offer will be cancelled.

Canadian securities laws prohibit the Company and its affiliates from acquiring or offering to acquire beneficial ownership of any Shares, other than pursuant to the Offer, until at least 20 business days after the Expiration Date or termination of the Offer, except, in the case of acquisitions during the period following the Expiration Date, pursuant to certain acquisitions effected in the normal course on a published market or as otherwise permitted by applicable law.

Accordingly, the Company has suspended repurchases of any Shares under its existing normal course issuer bid until after the expiry or termination of the Offer. Subject to applicable law, the Company may in the future purchase additional Shares on the open market, in private transactions, through issuer bids or otherwise. Any such purchases may be on the same terms or on terms that are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by the Company will depend on many factors, including the market price of the Shares, the Company's business and financial position, the results of the Offer and general economic and market conditions.

Background to the Offer

Management and the Board of Directors evaluate the capital allocation alternatives of the Company on a regular basis.

At a meeting of the Board of Directors held on May 9, 2019, the Board of Directors reviewed the capital allocation alternatives of the Company and after giving consideration to, among other things, the financial resources of the Company and the then prevailing trading price of the Shares it was proposed that the Company consider repurchasing certain of its Shares. Following the meeting, the Board of Directors tasked management to complete further analyses and to discuss with outside advisors in order to assist the Board of Directors in making a determination regarding the feasibility and desirability of pursuing a substantial issuer bid.

At a meeting held on July 19, 2019, the Board of Directors further discussed the possibility of completing a substantial issuer bid and decided to explore the possibility of implementing a substantial issuer bid further. Thereafter, the Board of Directors further considered the proposed substantial issuer bid and whether it would be in the best interests of the Company. Among other things, the Board of Directors held discussions and meetings with management of the Company. The Board of Directors also engaged Scotia Capital Inc. to provide capital markets advice and a liquidity opinion in connection with the Offer.

At a meeting held on August 8, 2019, the Board of Directors received an update from management concerning the substantial issuer bid process, including certain variables under evaluation. At a further meeting held after close of business on August 13, 2019, a further update was provided as well as an update from Scotia Capital Inc. relating to capital market related issues. At that same meeting, Scotia Capital Inc. delivered its oral liquidity opinion to the Board of Directors and after giving careful consideration to the factors set forth below, the Board of Directors determined that the Offer was in the best interests of the Company and its Shareholders and approved the announcement and making of the Offer, including the terms and conditions of the Offer, and the delivery of the Circular to Recipe's shareholders.

In evaluating the Offer and determining that it would be in the best interests of the Company, the Board of Directors gave careful consideration to a number of factors, including, without limitation, the following:

- (a) that the recent trading price range of the Shares is not considered to be fully reflective of the value of the Company's business and future prospects, and that consequently the repurchase of Shares under the Offer represents an attractive investment, an appropriate and desirable use of available funds, and an equitable and efficient means of providing value to its Shareholders and is in the best interests of the Company and its Shareholders;
- (b) the positive impact that the purchase of Shares having an aggregate purchase price not exceeding \$125,000,000 (being the maximum purchase price that may be paid by the Company under the Offer) would have on the Company's earnings calculated on a per Share basis as well as on the return on equity on the Shares;
- (c) the Company's belief that the Offer is a prudent use of the Company's financial resources given its business profile and assets, the current market price of the Shares, and its cash requirements and borrowing costs;
- (d) after giving effect to the Offer, the Company will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations and the Offer is not expected to preclude Recipe from pursuing future acquisitions and business opportunities to grow the Company's business;
- (e) the Offer provides Shareholders with an opportunity to obtain additional liquidity and realize on all or a portion of their investment in the Company should they desire liquidity in quantities and at prices which may otherwise be unavailable in the market;
- (f) the deposit of Shares or Multiple Voting Shares under the Offer is optional, the option is available to all Shareholders, and all Shareholders are free to accept or reject the Offer depending on their investment preferences or other considerations;
- (g) Shareholders wishing to tender Shares or Multiple Voting Shares may do so pursuant to Auction Tenders or Purchase Price Tenders;
- (h) the stated intentions of each of Fairfax and Cara Holdings to tender an aggregate of 1,925,000 Shares and the implications thereof;
- (i) Shareholders owning fewer than 100 Shares whose Shares are purchased pursuant to the Offer will not only avoid the payment of brokerage commissions but will also avoid any odd lot discounts which may be applicable to a sale of Shares over the facilities of the TSX;
- (j) the Offer provides Shareholders who are considering the sale of all or a portion of their Shares with the opportunity to sell such Shares for cash without the usual transaction costs associated with market sales;
- (k) the Offer is not conditional on any minimum number of Shares being deposited;
- (l) Shareholders who do not deposit their Shares under the Offer will realize an increase in their equity ownership in the Company to the extent that Shares are purchased by the Company pursuant to the Offer;
- (m) the advice of the Company's exclusive financial advisor, Scotia Capital Inc., in respect of the Offer, including an opinion from Scotia Capital Inc. regarding the liquidity of the market for the Shares after completion of the Offer; and

- (n) the fact that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer (see "Liquidity of Market" below).

In connection with the Board of Directors' approvals at the August 13, 2019 meeting and in accordance with section 132 of the OBCA, Sean Regan notified the Company that he may have an interest in the Offer as a result of his current relationship with Cara Holdings. Accordingly, Mr. Regan abstained from voting on matters relating to the Offer at such meeting.

The foregoing summary of the factors considered by the Board of Directors is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its determination to proceed with the Offer, the Board of Directors did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion.

None of Recipe, its Board of Directors or the Depositary makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Share or Multiple Voting Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own investment and tax advisors and make their own decisions whether to deposit Shares or Multiple Voting Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own financial, legal, investment and tax advisors and make their own decisions as to whether to deposit Shares or Multiple Voting Shares under the Offer, and, if so, how many shares to deposit. See Section 13 of the Circular, "Income Tax Considerations".

Liquidity of Market

As at August 8, 2019, there were 26,309,673 Shares issued and outstanding, of which 17,398,270 Shares comprise the public float, which excludes Shares beneficially owned, or over which control or direction is exercised, by "related parties" of the Company and Shares that are not "freely tradeable" (each as defined in MI 61-101) (the "**public float**"). The maximum number of Shares that the Company is offering to purchase pursuant to the Offer, if the Purchase Price is determined to be \$24.50 per Share (being the minimum price per Share under the Offer), represents approximately 19.4% of the Shares outstanding as at August 8, 2019. If the Company purchases such maximum number of Shares, there will be approximately 21,582,633 Shares outstanding following completion of the Offer (assuming for such purposes that Multiple Voting Shares are taken up by the Company and converted into Shares in connection with the Offer).

Recipe is relying on the "liquid market exemption" specified in Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") from the requirement to obtain a formal valuation applicable to the Offer. Accordingly, the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally are not applicable in connection with the Offer.

Recipe has determined that there is a liquid market in the Shares because:

- (a) there is a published market for the Shares (the TSX);
- (b) during the 12 months before August 14, 2019 (the date the Offer was announced):
 - i. the number of issued and outstanding Shares was at all times at least 5,000,000 (excluding Shares beneficially owned, or over which control and direction was exercised, by related parties and securities that were not freely tradeable);
 - ii. the aggregate trading volume of Shares on the TSX (the exchange on which the Shares were principally traded) was at least 1,000,000 Shares;
 - iii. there were at least 1,000 trades in the Shares on the TSX; and
 - iv. the aggregate value of the trades in the Shares on the TSX was at least \$15,000,000; and
- (c) the market value of the Shares on the TSX, as determined in accordance with MI 61-101, was at least \$75,000,000 for July 2019 (the calendar month preceding the calendar month in which the Offer was announced).

Recipe has also obtained, on a voluntary basis, a liquidity opinion of Scotia Capital Inc. to the effect that a liquid market for the Shares existed based on trading information as at the close of business on August 13, 2019 and that it is reasonable to conclude that, following the completion of the Offer, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. A copy of the liquidity opinion of Scotia Capital Inc. is attached hereto as Schedule A.

Based on the liquid market test set out above and the liquidity opinion of Scotia Capital Inc., the Company determined that it is reasonable to conclude that, following the completion of the Offer, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer.

Accordingly, the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally are not applicable in connection with the Offer.

Additional Securities Law Considerations

Recipe is a reporting issuer (or the equivalent thereof) in each of the provinces and territories of Canada, and the Shares are listed on the TSX. Recipe believes that the purchase of Shares pursuant to the Offer will not result in: (i) Recipe ceasing to be a reporting issuer in any jurisdiction in Canada, or (ii) the Shares being delisted from the TSX.

3. FINANCIAL STATEMENTS

The audited consolidated financial statements of Recipe and the related management's discussion and analysis as at and for the financial years ended December 30, 2018 and December 31, 2017 have previously been filed and are available on SEDAR at www.sedar.com. The unaudited condensed interim consolidated financial statements for Recipe as at and for the three and six months ended June 30, 2019 and the related management's discussion and analysis have also previously been filed and are available under Recipe's profile on SEDAR at www.sedar.com. Shareholders may obtain copies of these financial statements, without charge, upon request to Recipe, attention: Kenneth Grondin, 199 Four Valley Drive, Vaughan, Ontario, L4K 0B8.

4. PRICE RANGE OF SHARES

The Shares are listed on the TSX under the symbol "RECP". The following tables set forth the high and low closing prices per Share and the total trading volume of Shares as compiled from published financial sources, for the 6-month period ended August 13, 2019 in the case of the TSX:

TSX			
Month	High (\$)	Low (\$)	Total Volume (#)
2019			
August 1, 2019 to August 13, 2019	\$27.62	\$25.05	126,568
July	\$27.18	\$26.14	250,400
June	\$27.26	\$26.00	262,900
May	\$27.57	\$26.47	318,600
April	\$27.17	\$25.37	317,600
March	\$28.67	\$25.38	524,400
February	\$28.04	\$26.98	306,600

On August 13, 2019, the last full trading day prior to the date of the public announcement by Recipe of its intention to make the Offer, the closing price of the Shares on the TSX was \$25.05.

Shareholders are urged to obtain current market quotations for the Shares.

5. DIVIDEND POLICY

Subject to the solvency requirements of the OBCA, there are no restrictions in the Company's articles that would prevent it from paying dividends or distributions on the Shares. Payment of dividends is dependent on cash flows of the business and subject to change. The declaration and payment of dividends is at the discretion of the Board of Directors, are subject to restrictions under the Company's credit facilities and may be affected by various other factors, including the Company's earnings, financial condition, acquisitions and legal or contractual restrictions. There can be no assurance that the Company will be in a position to pay dividends at the same rate (or at all) in the future. Since May 4, 2017, the following dividends were paid to holders of Shares and Multiple Voting Shares:

Declaration Date	Dividend	Payment Date	Record Date
August 8, 2019	\$0.1121	September 13, 2019	August 30, 2019
May 9, 2019	\$0.1121	June 14, 2019	May 31, 2019
March 6, 2019	\$0.1121 ¹	April 15, 2019	March 29, 2019
November 8, 2018	\$0.1068	December 14, 2018	November 30, 2018
August 9, 2018	\$0.1068	September 14, 2018	August 31, 2018
May 10, 2018	\$0.1068	June 15, 2018	May 31, 2018
March 9, 2018	\$0.1068 ²	April 16, 2018	March 31, 2018
November 3, 2017	\$0.10169	December 15, 2017	November 30, 2017
July 31, 2017	\$0.10169	September 15, 2017	August 31, 2017
May 4, 2017	\$0.10169	June 15, 2017	May 31, 2017

Note:

- (1) Represents a 5% increase over the 2018 dividend rate.
- (2) Represents a 5% increase over the 2017 dividend rate.

The Board of Directors has determined that each of the foregoing quarterly dividends was, at the time of declaration, appropriate based on the Company's results of operations, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and on other relevant factors. The payment of each quarterly dividend remains subject to the declaration of such dividend by the Board of Directors. The actual amount, the declaration date, the record date and the payment date of each quarterly dividend are subject to the discretion of the Board of Directors.

6. PREVIOUS PURCHASES OF SHARES

Except for the purchase of Shares pursuant to the Company's normal course issuer bids described below, no securities of the Company have been purchased by the Company during the 12 months preceding the date of the Offer.

On June 20, 2018, the Company announced a notice of intention to make a normal course issuer bid ("NCIB") for its Shares. Under its NCIB, the Company was permitted to purchase up to 1,907,816 Shares during the period from June 22, 2018 to June 21, 2019. Purchases of Shares were made at market prices and any Shares purchased through the NCIB were cancelled. On June 20, 2019, the Company announced the renewal of its NCIB to repurchase for cancellation up to 1,822,329 Shares, representing 10% of the public float of 18,223,293, over the 12-month period commencing on June 24, 2019 and ending no later than June 23, 2020.

From June 22, 2018 to August 13, 2019, prior to the announcement by the Company of its intention to make the Offer, the Company purchased for cancellation an aggregate of 1,919,184 Shares for a total consideration of approximately \$50.5 million. All such purchases were completed through the facilities of the TSX and other applicable market places in Canada pursuant to the NCIBs announced on June 20, 2018 and June 20, 2019, respectively. The purchases were completed at the prevailing market price at the time of each purchase, which ranged from a daily average price per Share of \$ 24.20 to \$26.99, with an average price per Share of \$26.30.

The following table sets out the date of purchase, the number of Shares purchased and the average price per Share paid by the Company with respect to purchases of Shares made by the Company in the 12 months preceding the Offer under the NCIBs referred to above:

<u>Date of Purchase</u>	<u>Shares Purchased (#)</u>	<u>Average Price per Share (\$)</u>
August 1, 2019 to August 13, 2019	55,291	\$25.44
July 2019	563,656	\$26.73
June 2019	109,462	\$26.75
May 2019	210,415	\$26.88
April 2019	117,850	\$26.21
March 2019	131,312	\$26.56
February 2019	29,838	\$26.99
January 2019	105,047	\$26.51
December 2018	247,019	\$25.54
November 2018	250,187	\$25.10
October 2018	71,407	\$26.86
September 2018	nil	nil

In accordance with applicable Canadian securities laws, Recipe has suspended repurchases of any Shares under its existing NCIB announced on June 20, 2019 until after the expiry or termination of the Offer. See Section 2 of this Circular, "Purpose and Effect of the Offer".

7. PREVIOUS SALES OF SECURITIES

Except as described under "Previous Distributions of Shares" below, during the 12 months preceding the date of the Offer, no securities of Recipe were sold by the Company.

8. PREVIOUS DISTRIBUTIONS OF SHARES

Public Distributions and Private Placements of Shares

The following table sets out the number of Shares distributed on an annual basis for the five years preceding the date of the Offer (other than Shares issued upon the exercise of options of the Company, which are set out in the following section), the price per Share and the aggregate proceeds received by the Company or any selling security holder:

<u>Fiscal Year of Distribution</u>	<u>Number of Shares Issued (#)</u>	<u>Price Per Share (\$)</u>	<u>Aggregate Proceeds (\$)</u>
From December 31, 2018 until the date of the Offer	—	—	—
Fiscal year ending December 30, 2018	3,801,284 ⁽¹⁾	\$24.99	\$95,000,000
Fiscal year ending December 31, 2017	—	—	—
Fiscal year ended December 25, 2016	7,863,280 ⁽²⁾	\$29.25	\$230,000,940
	1,788,034 ⁽³⁾	\$29.25	\$52,300,000
Fiscal year ended December 27, 2015	3,000,000 ⁽⁴⁾	\$34.75	\$104,250,000
	209,526 ⁽⁵⁾	\$34.00	\$7,123,898
	1,305,000 ⁽⁶⁾	\$23.00	\$30,015,000
	8,700,000 ⁽⁷⁾	\$23.00	\$200,100,000
Fiscal year ended December 3, 2014	—	—	—

Note:

(1) On February 22, 2018, the Company completed a merger with Keg Restaurants Ltd. The purchase price was paid, in part, by the issuance of 3,801,284 Shares.

- (2) On April 15, 2016, the Company completed an offering of 7,863,280 Subscription Receipts, on a private placement basis, at a price of \$29.25 per Subscription Receipt for gross proceeds of approximately \$230 million. Net proceeds of the private placement were used by the Company to finance a portion of the purchase price in respect of its approximately \$527 million acquisition of St-Hubert. In conjunction with the closing of the St-Hubert transaction on September 2, 2016, each Subscription Receipt was automatically exchanged, on a one-for-one basis, for Shares, resulting in the issuance of 7,863,280 Shares.
- (3) On September 2, 2016, Recipe completed the acquisition of St-Hubert. On closing of the transaction, 1,788,034 Shares were issued in consideration of a portion of the total purchase price.
- (4) On December 2, 2015, Cara Holdings completed a secondary offering of 3,000,000 Shares through a syndicate of underwriters. The Shares sold in the offering were delivered by Cara Holdings following the exchange of 3,000,000 Multiple Voting Shares. The Company did not receive any of the proceeds of this secondary offering.
- (5) On December 18, 2014, the Company completed the acquisition of 55% of the issued and outstanding common shares of 2446502 Ontario Inc. ("**The Landing Group**") for a purchase price of approximately \$18.3 million. On June 26, 2015, the Company bought the remaining 45% interest in The Landing Group for a purchase price of \$21.2 million, which was settled for a combination of approximately \$14.1 million in cash and approximately \$7.1 million in Shares.
- (6) On April 14, 2015, the underwriters to the Company initial public offering ("**IPO**") exercised in full their over-allotment option to purchase an additional 1,305,000 Shares at a price of \$23.00 per Share, for total gross proceeds of approximately \$30 million.
- (7) On April 10, 2015, the Company completed its IPO of 8,700,000 Shares at a price of \$23.00 per Share, for total gross proceeds of approximately \$200 million.

Shares Issued Upon Exercise of Options

The table below indicates the numbers of Shares that were issued by the Company on an annual basis for the five years preceding the date of the Offer upon the exercise of stock options to purchase Shares which were granted under the Company's long-term incentive plans:

Year of Distribution	Number of Shares Issued (#)	Average Exercise Price Per Underlying Option (\$)	Aggregate Proceeds (\$)
From December 31, 2018 until the date of the Offer	219,243	\$9.54	\$2,090,527
Fiscal year ending December 30, 2018	16,270	\$8.51	\$138,458
Fiscal year ending December 31, 2017	28,052	\$8.51	\$238,723
Fiscal year ended December 25, 2016 ⁽¹⁾	1,161,290	\$0.01	\$11,613
Fiscal year ended December 27, 2015	nil	nil	nil
Fiscal year ended December 31, 2014	nil	nil	nil

In addition, over the 12-month period ended August 13, 2019, the Company did not grant any stock options under any of the Company's long-term incentive plans.

9. INTEREST OF DIRECTORS AND OFFICERS

Interest of Directors and Officers

Except as set forth in the Offer, neither the Company nor, to its knowledge, any of its officers or directors, are a party to any contract, arrangement or understanding, formal or informal, with any shareholder relating, directly or indirectly, to the Offer or with any other person or company with respect to any Shares in relation to the Offer, nor are there any contracts or arrangements made or proposed to be made between the Company and any of its directors or officers and no payments or other benefits are proposed to be made or given by way of compensation for loss of office or as to such directors or officers remaining in or retiring from office if the Offer is successful.

Except as set forth in the Offer, neither the Company nor, to its knowledge, any of its officers or directors have current plans or proposals which relate to, or would result in, any extraordinary corporate transaction involving the Company, such as a "going private transaction", a merger, a reorganization, the sale or transfer of a material amount of the Company's assets or the assets of any of the Company's subsidiaries (although Recipe from time to time may

consider various acquisition or divestiture opportunities), any material change in the Company's present board of directors or management, any material change in the Company's indebtedness or capitalization, any other material change in its business or corporate structure, any material change in its Articles, or actions that could cause the Shares to be delisted from the TSX or any actions similar to any of the foregoing.

See Section 10 of this Circular, "Arrangements Concerning Shares – Acceptance of the Offer".

Ownership of Recipe's Securities

To the knowledge of the Company, after reasonable inquiry, the following tables indicate, as at August 8, 2019, the number of securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised, by each director and executive officer of the Company, and, after reasonable inquiry, each insider of the Company (other than directors and executive officers) and their respective associates and affiliates, and each associate or affiliate of the Company or person or company acting jointly or in concert with the Company in connection with the Offer.

Directors, Officers and Other Insiders

Name	Relationship with the Company	Number of Shares	Percentage of Outstanding Shares	Number of Multiple Voting Shares	Percentage of Outstanding Multiple Voting Shares	Percentage of Outstanding Shares and Multiple Voting Shares	Number of Options	Number of DSUs	Number of RSUs	Number of PSUs
David Aisenstat	Director, Vice Chairman of Recipe and President and CEO of The Keg Restaurants Ltd.	78,284 ⁽¹⁾	0.3%	—	—	0.1%	3,000,000	—	—	—
Cara Holdings	10% Security Holder	—	—	14,492,906 ⁽²⁾	42.1%	23.9%	—	—	—	—
Christy Clark	Director	—	—	—	—	—	—	5,397	—	—
Grant Cobb	Senior Vice President, Casual Dining Division	90,428	0.3%	—	—	0.1%	74,136	—	—	—
Fairfax	10% Security Holder	7,224,180 ⁽³⁾	27.5%	19,903,378 ⁽³⁾	57.9%	44.7%	—	—	—	—
William Gregson	Director, Executive Chairman of the Board	1,093,444	4.2%	—	—	1.8%	2,599,355	—	83,329	11,623
Kenneth Joseph Grondin	Chief Financial Officer	26,441	0.1%	—	—	0.0%	474,817	—	86,423	11,623
Stephen Gunn	Director	32,258	0.1%	—	—	0.1%	—	2,593	—	—
Frank Hennessey	Chief Executive Officer	—	—	—	—	—	300,000	—	89,059	21,310
Christopher Douglas Hodgson	Director	—	—	—	—	—	—	12,475	—	—
Michael John Norris	Director	26,828	0.1%	—	—	0.0%	—	7,343	—	—
Sean Paul Regan	Director	—	—	—	—	—	—	12,475	—	—
Pierre Rivard	President, Groupe St-	50,000	0.2%	—	—	0.1%	—	—	—	—

Directors, Officers and Other Insiders

Name	Relationship with the Company	Number of Shares	Percentage of Outstanding Shares	Number of Multiple Voting Shares	Percentage of Outstanding Multiple Voting Shares	Percentage of Outstanding Shares and Multiple Voting Shares	Number of Options	Number of DSUs	Number of RSUs	Number of PSUs
	Hubert									
Paul Rivett	Senior Officer of 10% Security Holder	4,500	0.0%	—	—	0.0%	155,376	—	—	—
John Rothschild	Director	259,110 ⁽⁴⁾	1.0%	—	—	0.4%	—	7,343	—	—
V. Prem Watsa	Senior Officer of 10% Security Holder	24,130 ⁽⁵⁾	0.1%	—	—	0.0%	—	—	—	—

Notes:

- (1) Mr. Aisenstat holds his Shares through The Herbert A. Jackson General Partnership.
- (2) The Phelan family holds Multiple Voting Shares through Cara Holdings.
- (3) Fairfax Financial Holdings Ltd. holds Shares and Multiple Voting Shares through a number of entities under its control.
- (4) Mr. Rothschild holds 21,505 Shares directly, and 237,605 Shares through Rothschild Holdings Limited.
- (5) Mr. Watsa holds his Shares through The One One Zero Nine Holdco Limited.

Principal Shareholders and Other Holders

To the best knowledge of the Company, as at August 8, 2019, the only persons who beneficially owned, or controlled or directed, directly or indirectly, more than 10% of any class or series of the voting securities of the Company were the following:

Name	Number of Multiple Voting Shares	Percentage of Outstanding Multiple Voting Shares	Number of Shares	Percentage of Outstanding Shares	Percentage of Outstanding Shares and Multiple Voting Shares	Percentage of Total Voting Power
Fairfax ⁽¹⁾	19,903,378	57.9%	7,224,180	27.5%	44.7%	57.0%
Cara Holdings ⁽²⁾	14,492,906	42.1%	-	-	23.9%	40.9%

Note:

- (1) Represents Shares and Multiple Voting Shares held by Fairfax.
- (2) Represents Shares held by the Phelan family, through Cara Holdings.

10. ARRANGEMENTS CONCERNING SHARES

Acceptance of the Offer

Recipe has been advised that Fairfax will participate in the Offer but will not be lowering its equity position in the Company as Fairfax will be acquiring the same number of Multiple Voting Shares from Cara Holdings, thereby increasing its voting position and increasing its proportionate equity interest in the Company. Fairfax has agreed to purchase Multiple Voting Shares from Cara Holdings as permitted by the terms of the Principal Shareholders Agreement. Specifically, Fairfax intends to participate in the Offer by tendering 1,550,000 Shares and, following completion of the Offer, Fairfax will be purchasing from Cara Holdings at the Purchase Price such number of Multiple Voting Shares equal to the number of Shares tendered by Fairfax and taken-up by the Company in the Offer. Completion of Fairfax's acquisition of Multiple Voting Shares from Cara Holdings is conditional upon the completion of

the Offer and will be effected at the Purchase Price under the Offer. Cara Holdings has also advised the Company that it intends to tender 375,000 Multiple Voting Shares to the Offer.

To the knowledge of the Company and its directors and officers, after reasonable enquiry, no director or officer of the Company, no associate or affiliate of a director or officer of the Company, no insider of the Company (other than a director or officer) and no person or company acting jointly or in concert with the Company, has indicated any present intention to deposit any of such person's or company's Shares pursuant to the Offer. However, they may decide to deposit Shares to the Offer in the event that the circumstances or decisions of any such persons change and, subject to applicable securities laws, such persons may sell their Shares through the facilities of the TSX or otherwise during the period prior to the Expiration Date.

Commitments to Acquire Shares

Recipe has no agreements, commitments or understandings to purchase Shares other than pursuant to the Offer. To the knowledge of the Company, after reasonable inquiry, aside from purchases through the exercise of stock options, no person or company referred to in this Circular under Section 9 of the Circular "Interest of Directors and Officers – Ownership of Recipe's Securities" has any agreement, commitment or understanding to acquire securities of the Company.

Benefits from the Offer

Except as described or referred to in the Offer, no person or company named under Section 9 of the Circular "Interest of Directors and Officers – Ownership of Recipe's Securities" will receive any direct or indirect benefit from accepting or refusing to accept the Offer other than the Purchase Price for any Shares purchased by the Company in accordance with the terms of the Offer and any benefit available to any Shareholder who does or does not participate in the Offer. See Section 2 of the Circular, "Purpose and Effect of the Offer".

Contracts, Arrangements or Understandings with Shareholders

Except as described or referred to in the Offer, there are no contracts, arrangements or understandings, formal or informal, made or proposed to be made between the Company and any holder of any securities of the Company in relation to the Offer.

11. MATERIAL CHANGES IN THE AFFAIRS OF THE COMPANY

Except as described or referred to in the Offer or as otherwise publicly disclosed, the Company is not aware of any plans or proposals for material changes in the affairs of the Company, or of any undisclosed material changes, that have occurred since August 8, 2019, the date on which the Company's most recent interim financial report was filed by the Company with the Canadian securities regulatory authorities, which may be accessed on SEDAR's website at www.sedar.com.

12. PRIOR VALUATIONS AND BONA FIDE OFFERS

To the knowledge of the directors and officers of the Company, after reasonable inquiry, no "prior valuation" (as defined in MI 61-101) in respect of the Company has been made in the 24 months before the date hereof. No *bona fide* prior offer that relates to the Shares or is otherwise relevant to the Offer has been received by the Company during the 24 months preceding August 14, 2019 (the date on which the launch of the Offer was publicly announced).

13. INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

The Company has been advised by Stikeman Elliott LLP that the following summary describes certain of the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable, as at the date hereof, to a disposition of Shares pursuant to the Offer.

This summary is based on the current provisions of the Tax Act, the regulations thereunder, all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and counsel's understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted in the form currently proposed. No assurances can be given that the

Proposed Amendments will be enacted as currently proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices, whether by judicial, governmental or legislative decision or action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is not applicable to a Shareholder: (i) that is a "financial institution", (ii) that is a "specified financial institution", (iii) an interest in which is a "tax shelter investment", (iv) that reports its "Canadian tax results" in a currency other than Canadian dollars, or (v) that has entered into a "derivative forward agreement" or a "dividend rental arrangement" in respect of the Shares, as each of those terms is defined in the Tax Act. This summary is also not applicable to a Shareholder that acquired Shares pursuant to the exercise of an employee stock option and who disposes of such Shares pursuant to the Offer. Such Shareholders should consult their own tax advisors regarding their particular circumstances.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not, and should not be construed as, legal or tax advice to any particular Shareholder and no representations with respect to Canadian federal income tax consequences to any particular Shareholder are made. Accordingly, Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.

Having regard to the deemed dividend tax treatment (including Canadian withholding tax for non-residents of Canada) described below on a disposition of Shares pursuant to the Offer as opposed to capital gains treatment which would generally apply to a disposition in the market, Shareholders who wish to dispose of their Shares and who are not generally exempt from Canadian federal income tax should consult their tax advisors regarding the disposition of their Shares in the market as an alternative to disposing of their Shares pursuant to the Offer, in order that capital gains treatment apply on the disposition of their Shares.

This summary assumes that at all relevant times the Shares will be listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX).

Residents of Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times for the purposes of the Tax Act (i) is or is deemed to be a resident of Canada, (ii) deals at arm's length with Recipe and is not affiliated with Recipe, (iii) is not exempt from tax under Part I of the Tax Act, and (iv) holds its Shares as capital property (a "**Resident Shareholder**"). Generally, Shares will be considered to be capital property to a Resident Shareholder provided that the Resident Shareholder does not hold the Shares in the course of carrying on a business and has not acquired the Shares in one or more transactions considered to be an adventure or concern in the nature of trade. A Resident Shareholder whose Shares might not otherwise qualify as capital property may, in certain circumstances, make an irrevocable election under subsection 39(4) of the Tax Act to have the Shares and every other "Canadian security", as defined in the Tax Act, owned by such Resident Shareholder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Resident Shareholders are advised to consult their own tax advisors to determine if this election is appropriate in their particular circumstances.

A Resident Shareholder who disposes of Shares pursuant to the Offer will be deemed to receive a taxable dividend on a separate class of shares comprising the Shares so sold equal to the excess of the amount paid by Recipe for the Shares, being the Purchase Price, over their paid-up capital for purposes of the Tax Act. Recipe estimates that on the Expiration Date the paid-up capital per Share should not exceed \$19.84 for purposes of the Tax Act. As a result, Recipe expects that a Resident Shareholder who disposes of Shares under the Offer will be deemed to receive a taxable dividend.

Any dividend deemed to be received by a Resident Shareholder who is an individual will be subject to gross-up and dividend tax credit rules applicable to taxable dividends received by Canadian resident individuals from a taxable Canadian corporation, including the enhanced gross-up and dividend tax credit with respect to eligible dividends, if applicable. There may be limitations on the ability of a corporation to designate dividends as eligible dividends. Recipe intends to designate the maximum amount, as permitted without creating taxes for Recipe under the Tax Act, of the deemed dividend as an eligible dividend.

Subject to the application of subsection 55(2) of the Tax Act, as described below, any dividend deemed to be received by a Resident Shareholder that is a corporation will be included in computing such Resident Shareholder's income as a dividend, and will ordinarily be deductible in computing its taxable income. To the extent that such a deduction is available, private corporations (as defined in the Tax Act) and certain other corporations may be liable to

pay tax under Part IV of the Tax Act at a rate of 38 1/3% of the amount of the deemed dividend. This additional tax may be refundable in certain circumstances.

Under subsection 55(2) of the Tax Act, a Resident Shareholder that is a corporation may be required to treat all or a portion of any deemed dividend that is deductible in computing taxable income as proceeds of disposition and not as a dividend where the Resident Shareholder would have realized a capital gain if it disposed of any Share at fair market value immediately before the disposition of Shares to Recipe, the disposition to Recipe resulted in a significant reduction in such capital gain and the dividend exceeds the "safe income" in respect of the particular Share that could reasonably be considered to contribute to such capital gain. Subsection 55(2) of the Tax Act does not apply to the portion of the taxable dividend subject to tax under Part IV of the Tax Act that is not refunded under the circumstances specified in subsection 55(2) of the Tax Act. The application of subsection 55(2) of the Tax Act involves a number of factual considerations that will differ for each Resident Shareholder and a Resident Shareholder to whom it may be relevant is urged to consult its own tax advisors concerning its application having regard to its particular circumstances.

The amount paid by Recipe under the Offer for the Shares less any amount deemed to be received by the Resident Shareholder as a dividend (after the application of subsection 55(2) of the Tax Act, if applicable, in the case of a corporate Resident Shareholder) will be treated as proceeds of disposition of the Shares. The Resident Shareholder will realize a capital gain (or capital loss) on the disposition of the Shares equal to the amount by which the Resident Shareholder's proceeds of disposition, net of any costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Shareholder of the Shares sold to Recipe pursuant to the Offer.

Generally, a Resident Shareholder will be required to include in computing its income for a taxation year one-half of any capital gain (a "**taxable capital gain**") realized by it in that year. A Resident Shareholder must generally deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Shareholder in that year, and any excess may generally be applied to reduce taxable capital gains realized by the Resident Shareholder in the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances specified in the Tax Act.

The amount of a capital loss realized on the disposition of a Share by a Resident Shareholder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Shares (including any dividends deemed to be received as a result of the disposition of Shares to Recipe under the Offer). Similar rules may apply where Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Shareholders who may be affected by these rules are urged to consult with their own tax advisors in this regard.

A Resident Shareholder who is an individual (other than a trust) and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss denied under the "superficial loss" rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period.

A Resident Shareholder that is a corporation or trust and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss denied under the "stop-loss" rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period.

A Resident Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the year may be liable to pay an additional tax on its "aggregate investment income" for the year, which is defined to include an amount in respect of taxable capital gains. This additional tax may be refundable in certain circumstances.

A Resident Shareholder who is an individual or a trust (other than certain specified trusts), who realizes a capital gain or who is deemed to receive a dividend on the disposition of Shares pursuant to the Offer may be subject to alternative minimum tax under the Tax Act.

Non-Residents of Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times for purposes of the Tax Act: (i) is not resident or deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its Shares in connection with carrying on a business in Canada, (iii) has not, either alone or in combination with persons with whom the Shareholder does not deal at arm's length and partnerships in which the Shareholder or any such non-arm's length persons hold a membership interest directly or indirectly through one or more partnerships, owned (or had an option to acquire) 25% or more of the issued shares of any class or series of the capital stock of Recipe at any time within a 60-month period preceding the disposition of the Shares under the Offer, and whose Shares are not otherwise deemed to be taxable Canadian property, (iv) deals at arm's length with Recipe and is not affiliated with Recipe, and (v) is not an insurer that carries on an insurance business in Canada and elsewhere (a "**Non-Resident Shareholder**").

A Non-Resident Shareholder who disposes of Shares pursuant to the Offer will be deemed to receive a dividend equal to the excess of the amount paid by Recipe for the Shares, being the Purchase Price, over their paid-up capital for Canadian income tax purposes. As a result, Recipe expects that Non-Resident Shareholders who dispose of Shares under the Offer will be deemed to receive a dividend. Recipe estimates that on the Expiration Date the paid-up capital per Share should not exceed \$19.84 for purposes of the Tax Act. Any such dividend will be subject to Canadian withholding tax at a rate of 25% or such lower rate as may be provided under the terms of an applicable Canadian tax treaty.

A Non-Resident Shareholder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of a Share pursuant to the Offer.

United States Federal Income Tax Considerations

The acceptance of the Offer by will have certain tax consequences under United States and Canadian law for Shareholders who are resident in, or citizens of, the United States. Such tax consequences are not described herein.

SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES THAT MAY BE RELEVANT TO A PARTICULAR SHAREHOLDER IN LIGHT OF THE SHAREHOLDER'S PARTICULAR CIRCUMSTANCES, OR TO CERTAIN TYPES OF SHAREHOLDERS SUBJECT TO SPECIAL TREATMENT UNDER U.S. FEDERAL INCOME TAX LAWS. YOU ARE ADVISED TO CONSULT WITH YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF THE OFFER, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL AND FOREIGN TAX LAWS.

14. LEGAL MATTERS AND REGULATORY APPROVALS

Recipe is not aware of any license or regulatory permit that is material to the Company's business that might be adversely affected by the Company's acquisition of Shares pursuant to the Offer or, except as noted below, of any approval or other action by any government or governmental, administrative or regulatory authority or agency in any jurisdiction, that would be required for the acquisition of Shares by the Company pursuant to the Offer and that has not been obtained on or before the date hereof. Should any such approval or other action be required, the Company currently contemplates that such approval will be sought or other action will be taken. Recipe cannot predict whether it may determine that it must delay the acceptance for payment of Shares deposited pursuant to the Offer pending the outcome of any such matter.

There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to the Company's business.

The Company is relying on the "liquid market exemption" specified in MI 61-101. Accordingly, the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally are not applicable in connection with the Offer.

15. SOURCE OF FUNDS

The Company expects to fund the purchase of Shares pursuant to the Offer, including all related fees and expenses, through a draw down under the Company's existing \$550 million syndicated bank credit facility led by The Bank of Nova Scotia. The credit facility is comprised of a \$400 million revolving credit facility that matures on May 1, 2024, and a \$150 million revolving credit facility that matures on May 1, 2022. The credit facility includes customary

terms and conditions for a facility of this nature, including, among others, no event having occurred that is reasonably likely to have material adverse effect on the business, assets, liabilities or condition of the Company, representations and warranties and covenants. The interest rate applied on amounts drawn by the Company under the credit facility will be the effective bankers' acceptance rate or prime rate plus a spread. The spread is based on the Company's total funded net debt to Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) ratio, as defined in the credit facility, measured using EBITDA for the four most recently completed fiscal quarters. If an event of default occurs and is continuing under the credit facility, the administrative agent pursuant to the credit facility will be entitled to declare all advances under such credit facility to be immediately due and payable and cancel all commitments of the lenders to make further advances under the credit facility. The Company intends to repay any proceeds from the drawdown of the credit facility with future cash flows from ongoing business operations.

16. DEPOSITARY

Recipe has appointed Computershare Investor Services Inc. to act as a depositary for, among other things, (a) the receipt of certificates representing Shares and Multiple Voting Shares and related Letters of Transmittal deposited under the Offer, (b) the receipt of Notices of Guaranteed Delivery delivered pursuant to the procedures for guaranteed delivery set forth in Section 5 of the Offer to Purchase, "Procedure for Depositing Shares and Multiple Voting Shares", (c) the receipt from the Company of cash to be paid in consideration of the Shares acquired by the Company under the Offer, as agent for the depositing Shareholders, and (d) the transmittal of such cash to the depositing Shareholders, as agent for the depositing Shareholders. The Depositary may contact Shareholders by mail, telephone or facsimile and may request brokers, dealers and other nominee Shareholders to forward materials relating to the Offer to beneficial owners. The Depositary is not an affiliate of the Company and the Depositary acts as the Company's transfer agent and registrar.

17. FEES AND EXPENSES

Scotia Capital Inc. has been retained by the Company to serve as its exclusive financial advisor in connection with the Offer and to deliver a liquidity opinion in connection with the Offer to the Board of Directors for which it will receive a fee from Recipe for its services. Recipe has agreed to reimburse Scotia Capital Inc. for certain reasonable out-of-pocket expenses incurred in connection with the Offer and to indemnify Scotia Capital Inc. against certain liabilities to which it may become subject as a result of its engagement. None of the fees payable to Scotia Capital Inc. are contingent upon the conclusions reached by Scotia Capital Inc. in the liquidity opinion.

Recipe has retained Computershare Investor Services Inc. to act as the Depositary in connection with the Offer. The Depositary will receive reasonable and customary compensation for its services, will be reimbursed for certain reasonable out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection with the Offer, including certain liabilities under Canadian provincial and territorial securities laws.

Recipe will not pay any fees or commissions to any broker or dealer or any other person for soliciting deposits of Shares pursuant to the Offer. Brokers, dealers, commercial banks and trust companies will, upon request, be reimbursed by the Company for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers.

Recipe is expected to incur expenses of approximately \$500,000 in connection with the Offer, which includes filing fees, advisory fees, the fees of Scotia Capital Inc., Computershare Investor Services Inc., legal, translation, accounting, transfer agent and printing fees.

18. CANADIAN STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides Shareholders with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the Shareholders. However, such rights must be exercised within prescribed time limits. Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

APPROVAL AND CERTIFICATE

August 14, 2019

The board of directors of Recipe Unlimited Corporation has approved the contents of the Offer to Purchase and the accompanying Issuer Bid Circular dated August 14, 2019, and the delivery thereto to Shareholders. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

(Signed) FRANK HENNESSEY
Frank Hennessey

Chief Executive Officer

(Signed) KENNETH J. GRONDIN
Kenneth J. Grondin

Chief Financial Officer

On behalf of the Board of Directors:

(Signed) STEPHEN GUNN
Stephen Gunn

Director

(Signed) MICHAEL JOHN NORRIS
Michael John Norris

Director

CONSENT OF SCOTIA CAPITAL INC.

TO: The Board of Directors of Recipe Unlimited Corporation

We consent to the inclusion of our liquidity opinion dated August 14, 2019 as Schedule A to the Circular dated August 14, 2019, which schedule is incorporated by reference in the Circular and consent to the inclusion of our name and reference to our liquidity opinion in the sections titled "Purpose and Effect of the Offer – Liquidity of Market" and "Fees and Expenses" of the Circular. Our liquidity opinion remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the directors of Recipe Unlimited Corporation will be entitled to rely upon our opinion.

August 14, 2019

(Signed) Scotia Capital Inc.
Scotia Capital Inc.

CONSENT OF STIKEMAN ELLIOTT LLP

TO: The Board of Directors of Recipe Unlimited Corporation

We consent to the inclusion of our name and reference to our opinion in the section titled "Income Tax Considerations" in the Circular dated August 14, 2019.

August 14, 2019

(Signed) Stikeman Elliott LLP
Stikeman Elliott LLP

SCHEDULE A
LIQUIDITY OPINION OF SCOTIA CAPITAL INC.

GLOBAL BANKING AND MARKETS



August 14, 2019

Recipe Unlimited Corporation
199 Four Valley Drive
Vaughn, Ontario
L4K 0B8

To the Board of Directors:

Scotia Capital Inc. ("Scotia Capital", "we", "our" or "us") understands that Recipe Unlimited Corporation (the "Company" or "Recipe") is considering a transaction whereby the Company would make an offer by way of a substantial issuer bid to purchase for cancellation subordinate voting shares of the Company (the "Shares") for an aggregate purchase price not exceeding C\$125,000,000 via (i) an "Auction Tender", which will allow shareholders of the Company who choose to participate in the Offer to individually select the price, within a range of not less than C\$24.50 per Share and not more than C\$27.00 per Share (in increments of C\$0.10 per Share), at which they are willing to sell their Shares, or (ii) purchase price tenders in which they will agree to have a specified number of Shares purchased at a purchase price to be determined pursuant to the auction (the "Purchase Price") and have their Shares considered as having been tendered at the minimum price of C\$24.50 per Share for the purposes of determining the Purchase Price.

We also understand that:

- (a) holders of Multiple Voting Shares will be entitled to participate in the Offer, as the Multiple Voting Shares taken up by Recipe will be converted into Shares on a one-for-one basis immediately prior to take up;
 -
- (b) the Phelan family, through Cara Holdings Limited and its affiliates ("Cara Holdings"), owns 14,492,906 Multiple Voting Shares, representing approximately 40.9% of the total votes attached to all classes of the voting shares and approximately 42.1% of the Multiple Voting Shares;
 -
- (c) Fairfax Financial Holdings Limited and its affiliates ("Fairfax") beneficially owns and controls 7,224,180 Shares and 19,903,378 Multiple Voting Shares, representing approximately 57.0% of the total votes attached to all classes of the voting shares and approximately 27.5% of the Shares and approximately 57.9% of the Multiple Voting Shares;

- (d) Recipe has been advised that Fairfax will participate in the Offer but will not be lowering its equity position in the Company as Fairfax will be acquiring the same number of Multiple Voting Shares from Cara Holdings, thereby increasing its voting position and increasing its proportionate equity interest in the Company:
- - (i) specifically, Fairfax intends to participate in the Offer by tendering 1,550,000 Shares and, following completion of the Offer, purchase from Cara Holdings at the Purchase Price such number of Multiple Voting Shares equal to the number of Shares tendered by Fairfax and taken-up by the Company in the Offer;
 -
 - (ii) completion of Fairfax's acquisition of Multiple Voting Shares from Cara Holdings is conditional upon the completion of the Offer and will be effected at the Purchase Price under the Offer;
 -
 - (iii) Cara Holdings has also advised the Company that it intends to tender 375,000 Multiple Voting Shares to the Offer; and
 -
 - (e) details of the Offer, including instructions for tendering shares, are included in the formal offer to purchase and issuer bid circular, letter of transmittal, notice of guaranteed delivery and other related documents (all such documents collectively constitute the "Offer").

Engagement of Scotia Capital Inc.

By a letter agreement dated August 9, 2019 (the "Engagement Agreement"), the Company engaged Scotia Capital to act as exclusive financial advisor in connection with the Offer and prepare and deliver a written opinion (the "Opinion") to the Board of Directors of the Company (the "Board") as to whether (i) a liquid market exists for the Shares at the time of the making of the Offer, and (ii) whether it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of the Shares that is not materially less liquid than the market that existed as at the time of making the Offer. This Opinion is being delivered to assist the Board in making its determination that the Offer qualifies for the "liquid market" exemption from the valuation requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction* ("MI 61-101").

Under the terms of the Engagement Agreement, the Company has agreed to pay Scotia Capital a fee for its services as financial advisor. The fee that Scotia Capital will receive for its advisory services is contingent upon the completion of the Offer. In addition, the Company has agreed to reimburse Scotia Capital for our reasonable out-of-pocket expenses and to indemnify us in respect of certain liabilities that may arise out of our engagement.

None of Scotia Capital nor any of its affiliates is an "issuer insider", "associated entity", or "affiliated entity" (as such terms are used in MI 61-101) of the Company.

Prior to entering into the Engagement Agreement, an affiliate of Scotia Capital is a lender to the Company under the Company's existing revolving credit facility which will be used to

partially fund any purchase of Shares pursuant to the Offer. Scotia Capital is not independent of the Company for the purposes of MI 61-101.

Scotia Capital acts as a trader and dealer, both as principal and agent, in the financial markets in Canada, the United States and elsewhere and, as such, may have had and may in the future have positions in the securities of the Company, including the Shares, or any of its associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, Scotia Capital conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company and the Offer.

Credentials of Scotia Capital

Scotia Capital represents the global corporate and investment banking and capital markets business of Scotiabank Group, one of North America's premier financial institutions. In Canada, Scotia Capital is one of the country's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. Scotia Capital has participated in a significant number of transactions involving private and public companies and has extensive experience in preparing liquidity opinions.

The Opinion expressed herein represents the opinion of Scotia Capital. The form and content of the Opinion have been approved for release by a committee of officers of Scotia Capital, each of whom is experienced in merger, acquisition, divestiture, fairness opinion and valuation matters.

Scope of Review

In preparing our Opinion, we have reviewed, considered and relied upon (without attempting to verify independently the completeness or accuracy thereof), among other things, the following:

- i. a copy of the August 13, 2019 draft offer to purchase and issuer bid circular;
- ii. the daily trading activity, volumes, and price history of the Shares on the Toronto Stock Exchange (the "TSX"), as publically reported by the TSX, respectively, to and including August 13, 2019 as we determined necessary in order to provide the Opinion;
- iii. the trading activity and volumes of shares of other companies listed and traded on the TSX as we determined necessary in order to provide the Opinion;
- iv. the distribution of ownership of the Shares to the extent publicly disclosed;
- v. the number of Shares proposed to be purchased under the Offer relative to i) the number of outstanding Shares on the date hereof less ii) the number of Shares beneficially owned, or over which control or direction was exercised, by related parties of the Company and Shares that were not freely tradable (colloquially, the "public float");
- vi. the customary difference (colloquially, the "spread") between bid and ask prices in trading activity of the Shares;
- vii. other public information with respect to the Company;
- viii. discussions with senior management of the Company;

- ix. the definition of “liquid market” as outlined in MI 61-101 as well as the other parameters set forth in MI 61-101; and
- x. such other information as we considered necessary or appropriate in the circumstances.

We have conducted such additional analyses and investigations as we considered to be appropriate in the circumstances for the purpose of arriving at the Opinion contained herein as at the date hereof.

Assumptions and Limitations

The Opinion is subject to the assumptions, qualifications and limitations set forth below.

This Opinion is rendered on the basis of securities market, economic and general business and financial conditions prevailing as at the date hereof, and conditions affecting the Company and the Shares as at the date hereof. In formulating our Opinion, we have made several other assumptions, the material assumption being that there shall be no significant change in the holdings of Shares, other than as a result of the Offer, on the TSX.

Scotia Capital has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, agreements, opinions or representations obtained by it from public sources, senior management of the Company and their consultants and advisors (collectively, the “Information”), and we have assumed that this Information did not omit to state any material fact or any fact necessary to be stated to make that information not misleading. The Opinion is conditional upon such completeness, accuracy and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities or assets of the Company or any of its affiliates, and the Opinion should not be construed as such.

The Opinion has been provided to the Board for its use only in determining the availability of an exemption from the formal valuation requirements of MI 61-101 and may not be relied upon for any other purpose or by any other person without the prior written consent of Scotia Capital. The Opinion is given as of the date hereof based on trading information as at the close of business on August 13, 2019 and Scotia Capital disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of Scotia Capital after the date hereof. Without limiting the foregoing, if, after the date hereof, we learn of any material change in any fact or matter affecting the Opinion, Scotia Capital reserves the right to change, modify or withdraw the Opinion.

We have assumed that the issuer bid circular that we reviewed is true, complete and correct in all material respects, and does not contain a misrepresentation (as that term is used in the *Securities Act* (Ontario)). We have also assumed that the final version of the issuer bid circular will not differ in any material respect from the most recent draft thereof reviewed by us.

We are not legal, regulatory, accounting or tax experts and have relied on the assessments made by the Company and its other professional advisors with respect to such matters. We have assumed the accuracy and fair presentation of, and relied upon the Company's audited financial statements and the reports of the auditors thereon and the Company's interim unaudited financial statements.

For the purpose of this Opinion we are not expressing any opinion as to the value of the Shares, or the prices at which such shares will trade after the completion of the Offer. Our Opinion was not intended to be, and does not constitute, a recommendation, as to whether any shareholder should tender their shares to the Offer or act on any matter relating to the Offer.

For purposes of this Opinion, the phrase "liquid market" has the meaning ascribed to such term in MI 61-101.

Conclusion

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion as at the date hereof and based on trading information as at the close of business on August 13, 2019 that: (i) a liquid market exists for the Shares as of the date hereof and (ii) it is reasonable to conclude that, upon completion of the Offer in accordance with its terms, there will be a market for the holders of Shares who do not tender their Shares to the Offer that is not materially less liquid than at the time of making the Offer.

Yours very truly,

A handwritten signature in cursive script that reads "Scotia Capital Inc." with a small mark at the end.

Scotia Capital Inc.

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The Letter of Transmittal, certificates for Shares and Multiple Voting Shares, any other required documents and, if applicable, the Notice of Guaranteed Delivery, must be sent or delivered by each depositing Shareholder or the depositing Shareholder's investment dealer, stock broker, bank, trust company or other nominee to the Depositary at its address specified below.

Office of the Depositary, for the Offer:



COMPUTERSHARE INVESTOR SERVICES INC.

By Regular Mail

Computershare Investor Services Inc.
P.O. Box 7021
31 Adelaide Street East
Toronto, ON M5C 3H2
Attention: Corporate Actions

Telephone (outside North America): 1 (514) 982-7888
Toll Free (within North America): 1 (800) 564-6253
Email: corporateactions@computershare.com

By Registered Mail, Hand or Courier

100 University Avenue
8th Floor
Toronto, ON M5J 2Y1
Attention: Corporate Actions

Any questions or requests for assistance regarding the Offer may be directed to the Depositary at the addresses and telephone numbers and email specified above. Shareholders also may contact their investment dealer, stock broker, bank, trust company or other nominee for assistance concerning the Offer. Additional copies of the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depositary. Manually executed photocopies of the Letter of Transmittal will be accepted.