



Fourth Quarter 2018

Advancing our vision to be the most sustainable protein company on earth



Forward-looking and non-IFRS information

This presentation contains “forward-looking information” within the meaning of applicable securities law. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which the Company operates, as well as beliefs and assumptions made by the Management of the Company.

These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. These assumptions have been derived from information currently available to the Company, including information obtained by the Company from third-party sources. These assumptions may prove to be incorrect in whole or in part. In addition, actual results may differ materially from those expressed, implied, or forecasted in such forward-looking information, which reflect the Company’s expectations only as of the date hereof. Please refer to the sections entitled “Risk Factors” and “Forward-Looking Statements” in the Company’s Management Discussion and Analysis for the fiscal year ended December 31, 2018 for additional detail.

In addition, this presentation contains the following non-IFRS measures:

Adjusted Operating Earnings: Defined as earnings before income taxes adjusted for items that are not considered representative of ongoing operational activities of the business, and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred.

Adjusted Earnings per Share: Defined as basic earnings per share adjusted for all items that are not considered representative of ongoing operational activities of the business, and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization: Defined as earnings before interest and income taxes plus depreciation and intangible asset amortization, adjusted for items that are not considered representative of ongoing operational activities of the business, and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred.

Free Cash Flow: Defined as cash provided by operations, less additions to long-term assets.

Net (Debt) Cash: Defined as cash and cash equivalents, less long-term debt and bank indebtedness.

Refer to slides 14-16 for the reconciliation of non-IFRS financial measures



FOURTH QUARTER 2018
ADJUSTED EBITDA MARGIN

10.0%

Wrapping up a challenging, but important year

- **Flat sales with 90bps of margin compression driven by:**
 - **Unprecedented market environment**
 - **Start-up costs to renovate flagship brands**
- **Three of four quarters delivered adjusted EBITDA margin of 10% or more**
- **Excellent progress on strategic initiatives to deliver structural margin expansion**



Setting up for a future of profitable growth

- ✓ **Advanced sustainability leadership on every dimension**
- ✓ **Successfully renovated flagship brands**
- ✓ **Completed three strategic acquisitions**
- ✓ **Announced investment in world-class poultry facility**
- ✓ **Delivered continued high double-digit growth in plant protein**



Financial results reflect positive momentum in the face of unusual market conditions

| | Q4 2018 | FY 2018 |
|------------------------|---------|---------|
| Sales (\$ Millions) | \$894 | \$3,496 |
| Adjusted EBITDA (%) | 10.0% | 9.9% |
| Adjusted EPS | \$0.29 | \$1.22 |
| Net debt (\$ Millions) | \$311 | \$311 |

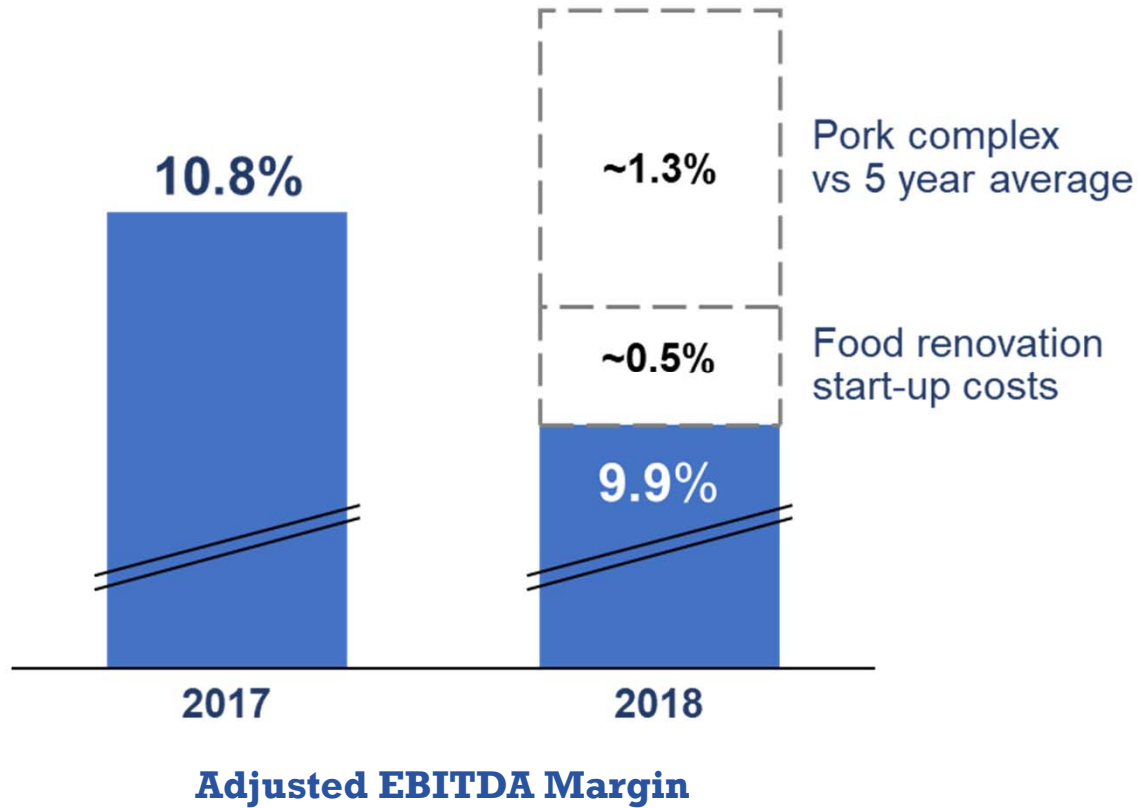


Continued momentum in underlying performance

- **Favourable sales mix supported by food renovation**
- **Continued growth in plant protein and sustainable meats**
- **Strong commercial performance in prepared meats**
- **Expanded U.S. footprint driven by sustainable meat offering**



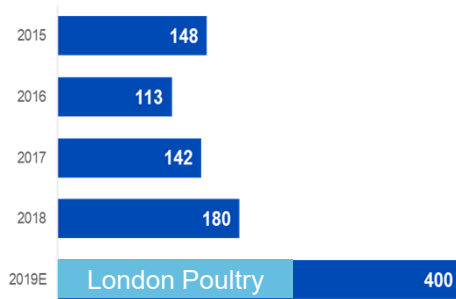
Reconciling “noise” versus “signal”



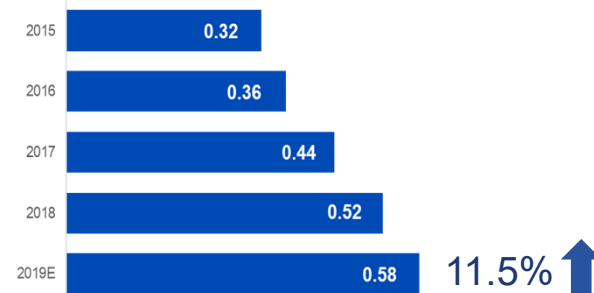


Value creation with a disciplined approach to capital allocation and an investment grade balance sheet

Total Capital Expenditure (\$M)



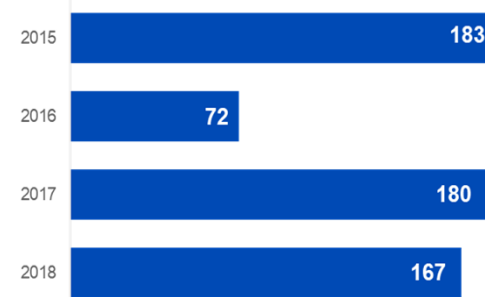
Dividends per share (\$/share)



Strategic Acquisitions (\$M)

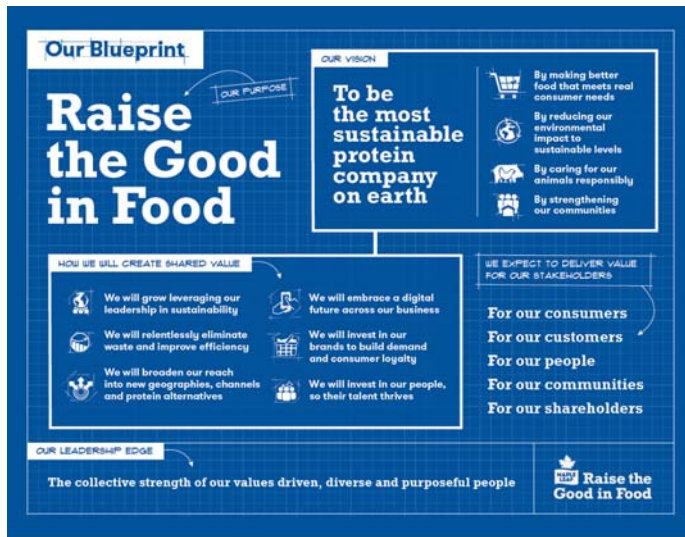


Share buybacks via NCIB (\$M)





Our Blueprint



The Path to Our Financial Goal...

Sustainability strategy

✓ *Accelerating*

Investing in poultry network

✓ *Announced*

Renovating our brands

✓ *Launched*

Growth in plant protein

✓ *Investing in hyper-growth*

Driving a cost culture

✓ *Everyday*



Accelerating sustainability leadership across our portfolio



Greenfield brand continues to deliver double-digit growth



Canada's #1 brand now Raised Without Antibiotics

8,000 +
stores

including

12
of top 15
retailers

Sustainable meat platform driving U.S. expansion

Messages that parents can relate to...and food they can feel great about serving their kids.



0:01 / 0:30



0:16 / 0:30



0:18 / 0:30

Super Bowl spots generated 10M + impressions ... accelerating awareness for Maple Leaf real food movement



NEW Lightlife burger wows with great taste, nutrition and exceptional experience

- **A breakthrough burger delivering the delicious taste and juicy texture that consumers crave**
- **Developed to win in the hyper-growth plant protein market**
 - **~US\$1 billion North American market**
 - **Refrigerated segment up 40% in 2018**
 - **Burgers now 21% of refrigerated category, up from 12% in 2017**
- **#1 and 2# brands in refrigerated space, with decades of innovation and culinary expertise**



Setting up for a future of profitable growth

- Executing on all growth levers to deliver structural EBITDA margin expansion
- Proven track-record and industry expertise to capitalize on pipeline of opportunities
- Investing in attractive and growing markets
- Committed to delivering exceptional returns and creating shared value



Reconciliation of Non-IFRS Measures

| Adjusted Operating Earnings (\$ millions) | Q4 2018 | Q4 2017 | 2018 | 2017 |
|---|-------------|-------------|--------------|--------------|
| Net earnings | 11.9 | 59.1 | 101.3 | 164.1 |
| Income taxes | 6.1 | 12.2 | 39.8 | 50.2 |
| Earnings before income taxes⁽ⁱ⁾ | 18.1 | 71.2 | 141.1 | 214.3 |
| Interest expense and other financing costs | 4.2 | 1.3 | 10.0 | 5.2 |
| Other expense (income) | 8.5 | 5.3 | 13.0 | (3.6) |
| Restructuring and other related costs | 42.2 | 5.9 | 46.2 | 23.0 |
| Earnings from operations⁽ⁱ⁾ | 73.1 | 83.7 | 210.3 | 238.9 |
| Decrease in fair value of biological assets | (22.2) | (27.6) | 10.9 | (1.3) |
| Unrealized loss (gain) on derivative contracts | 3.1 | 8.5 | (5.6) | 26.2 |
| Adjusted Operating Earnings⁽ⁱ⁾ | 54.0 | 64.7 | 215.6 | 263.8 |

(i) May not down-add due to rounding



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| Income taxes | 6.1 | 12.2 | 39.8 | 50.2 |
| Earnings before income taxes⁽ⁱ⁾ | 18.1 | 71.2 | 141.1 | 214.3 |
| Interest expense and other financing costs | 4.2 | 1.3 | 10.0 | 5.2 |
| Items in other expense (income) not considered representative of ongoing operations | 8.3 | 3.0 | 15.6 | (3.6) |
| Restructuring and other related costs | 42.2 | 5.9 | 46.2 | 23.0 |
| Change in the fair value of biological assets and unrealized (gain) losses on derivative contracts | (19.1) | (19.1) | 5.3 | 25.0 |
| Depreciation and amortization | 35.3 | 31.2 | 126.0 | 117.2 |
| Adjusted EBITDA⁽ⁱ⁾ | 89.1 | 93.5 | 344.3 | 381.1 |

(i) May not down-add due to rounding



Reconciliation of Non-IFRS Measures

| Adjusted EPS (\$ per share) | Q4 2018 | Q4 2017 | 2018 | 2017 |
|--|-------------|-------------|-------------|-------------|
| Basic earnings per share | 0.10 | 0.47 | 0.81 | 1.28 |
| Restructuring and other related costs | 0.25 | 0.03 | 0.27 | 0.13 |
| Items included in other expense (income) not considered representative of ongoing operations | 0.06 | 0.02 | 0.11 | (0.01) |
| Change in the fair value of biological assets | (0.13) | (0.16) | 0.06 | (0.01) |
| Change in the fair value of unrealized loss (gain) on derivative contracts | 0.02 | 0.05 | (0.03) | 0.15 |
| Adjusted EPS⁽ⁱ⁾ | 0.29 | 0.41 | 1.22 | 1.54 |

(i) May not down-add due to rounding



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