



TSX: MFI

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Maple Leaf Advances Leadership in Rapidly Growing Plant-Based Protein Market with Construction of a World-Class Production Facility

Investment Community Conference Call April 8, 2019 at 10:00 AM EST

Mississauga, Ontario – April 8, 2019 – Maple Leaf Foods Inc. (“Maple Leaf” or the “Company”) (TSX: MFI) and its wholly owned subsidiary, Greenleaf Foods, SPC, today announced plans to construct a US\$310 million plant-based protein food processing facility in Shelbyville, Indiana. At approximately 230,000 square feet, it will be the largest facility and investment of its kind in North America. The Company will also invest approximately US\$26 million to keep pace with ongoing growth in demand at its existing facilities. This strategic initiative will support Maple Leaf’s continued growth and leadership in the rapidly expanding market for plant-based protein.

“With Lightlife and Field Roast, we own the leading brands in the North American refrigerated plant-based protein market,” said Michael H. McCain, President and CEO. “This investment will secure our ongoing leadership in this rapidly expanding market. By establishing a large-scale North American network, we will continue to meet rapidly growing demand for delicious protein alternatives and create a centre of excellence for innovation. It will escalate the financial contribution of this business and advance Maple Leaf’s vision to be the most sustainable protein company on earth.”

The new Shelbyville facility will be supported by approximately US\$50 million in government and utility grants and incentives, including US\$9.6 million toward capital and one-time start-up costs, and approximately US\$40 million in 10-year operational support. Maple Leaf expects to incur one-time start-up costs of US\$34 million and will fund this strategic initiative through a combination of cash flow from operations and debt.

This expanded network will support the Company’s growth expectations through 2024, with future expansion expected. It will deliver an excellent return on capital for shareholders, in the range of 13% - 16%, based on underlying long-term growth estimates. By 2022, the Adjusted EBITDA margin of the Company’s plant-based protein network will be in line with Maple Leaf’s overall EBITDA margin target of 14% - 16% and will continue to grow in the following years as capacity utilization increases.

The acquisitions of Lightlife Foods Holding Inc. in Turners Falls, Massachusetts and the Field Roast Grain Meat Company in Seattle, Washington provided Maple Leaf with the #1 and #2 brands, a diversified product portfolio and an extensive customer base for refrigerated plant-based protein. These businesses have consistently outperformed expectations and are expected to reach full capacity utilization in 2020.

Plant-based protein represent a US\$1 billion North American market. Refrigerated products represent approximately 24% of the total market and delivered approximately 40% sales growth in 2018, significantly outpacing the broader category. High growth rates are expected to continue as people increasingly seek more protein in their diet and delicious options, and as innovation continues to increase product appeal and variety.

The new Shelbyville facility will be the largest and most modern of its kind in North America, solidifying Maple Leaf's leadership in the fast-growing plant-based protein market. It will double the Company's current production capacity and support a rich pipeline of innovation to meet increasing consumer demand and fuel market growth. The facility will produce tempeh, franks, sausages and raw foods. This includes the recently launched Lightlife™ Burger, which offers a superior product that leverages the Company's decades of culinary and market expertise. The new facility will service customers across North America, expanding and complementing the Company's existing, extensive supply chain network.

Construction on the 57-acre property is expected to start in late spring of 2019, with production start-up expected in the fourth quarter of 2020. The site is well located with easy access for freight traffic and labour recruitment. The site supports future expansion with multiple phases of investment expected over the next decade to meet forecasted market growth. The Company expects to employ approximately 460 people at the new facility once start-up is completed.

Conference Call

An investor webcast and conference call will be held at 10:00 am EDT on April 8, 2019. To participate in the call, please dial 416-764-8609 or 1-888-390-0605. For those unable to participate, playback will be made available an hour after the event at 416-764-8677 or 1-888-390-0541, passcode: 469360#. An investor presentation will be available at www.mapleleaffoods.com and can be found under the Investor Relations Section under the presentations & webcasts tab.

A webcast presentation will also be available at: <https://edge.media-server.com/m6/p/oyrdwbkt>

Non-IFRS Financial Measures

This news release uses the following non-IFRS measures: Adjusted Earnings Before Interest, Income Taxes, Depreciation and Amortization (EBITDA) margins and Return on Capital. Maple Leaf believes that these non-IFRS measures provide useful information to management and investors in measuring financial performance.

These measures do not have a standard meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to financial measures determined in accordance with IFRS. More information regarding these non-IFRS measures is available in Maple Leaf's most recent management's discussion and analysis filed on SEDAR (www.sedar.com).

Forward-Looking Statements

This release contains statements, made by representatives of the Company in connection with this release, may contain forward-looking statements 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 Management of the Company.

Such statements include, but are not limited to, statements with respect to the investments in existing and the new plant-based protein facility and the Company's strategies, plans, actions and expectations

including, among other things, expectations about technical capabilities of the new plant and production levels, expected shareholder value creation, future earnings, Adjusted EBITDA margins, Return on Capital, job creation potential and other expected benefits from the project, as well as project costs, project approvals, construction timelines, other execution variables, the availability and impact of grants, incentives and credits, and future expansion opportunities. Words such as "expect," "anticipate," "intend," "attempt," "may," "will," "plan," "believe," "seek," "estimate," and variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict.

These statements are based on and were developed using a number of factors and assumptions including, but not limited to: stability in the Canadian, U.S. economies; stability in prevailing exchange rates among the Canadian dollar and the U.S. dollar; stability in the availability and pricing of raw materials, energy and supplies; the ability to implement price increases successfully; stability in the competitive environment; no future product recalls; the continued ability of the Company to access cost effective capital when needed; and no unexpected or unforeseen events occurring that would materially alter the Company's current plans. All of these assumptions have been derived from information currently available to the Company including information obtained by the Company from third-party sources. Although these assumptions were considered reasonable by the Company at the time of preparation they 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 statements, which reflect the Company's expectations only as of the date hereof. Readers are cautioned not to place undue reliance on forward-looking statements, as such statements are not guarantees of future performance.

Factors that could cause actual results or outcomes to differ materially from the results expressed, implied or forecasted by the forward-looking statements include risks associated with implementing and executing complex projects and plans including the availability and price of engineering and design resources, labour and construction materials, the ability to secure approvals on a timely basis and the risk of cost over runs or schedule delays; risks posed by food contamination and product recalls; risks associated with the price of commodities and the inability of the Company to control commodity prices; risks associated with exchange rate fluctuations; risks associated with changing consumer tastes, preferences and buying patterns; risk related to impact of extensive environmental regulation and potential environmental liabilities; risks posed by competition; and the risks of attracting and maintaining sufficient labour and resources for the plant. Additional factors that could cause actual results or outcomes to differ materially from the results expressed, implied or forecasted by the forward-looking statements are discussed more fully in the Company's filings made with the Canadian securities regulators including in the section entitled "Risk Factors" in the Company's Management's Discussion and Analysis for the year ended December 31, 2018. All of such filings are available on SEDAR at www.sedar.com.

Some of the forward-looking statements may be considered to be financial outlooks for purposes of applicable securities legislation including, but not limited to, statements concerning future Adjusted EBITDA and Adjusted EBITDA margins, Return on Capital, project costs and other costs and forecasted plant-based protein market growth rates. These financial outlooks are presented in order to provide measurable targets that the Company aims to achieve and for which the Company can use to benchmark its results. These financial outlooks may not be appropriate for other purposes and readers should not assume they will be achieved.

The Company does not intend to, and the Company disclaims any obligation to, update any forward-looking statements (including any financial outlooks), whether written or oral, or whether as a result of new information, future events or otherwise, except as required by law.

About Maple Leaf Foods

Maple Leaf Foods Inc. is a producer of food products under leading brands including Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Schneiders® Country Naturals®, Mina®, Greenfield Natural Meat Co.TM, LightlifeTM, Field Roast Grain Meat Co.TM and Swift®. Maple Leaf employs approximately 12,000 people and does business in Canada, the U.S. and Asia. The Company is headquartered in Mississauga, Ontario and its shares trade on the Toronto Stock Exchange under the ticker symbol MFI.