



# **Expanding Our Leadership in Plant-Based Protein**

**Investor Presentation – April 8, 2019**



## Forward-looking Statements and non-IFRS Measures

This presentation contains statements made by representatives of the Company in connection with this presentation, 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 new plant-based protein facilities and the Company's strategies, plans, actions and expectations including, among other things, expectations about technical capabilities of the new plant-based facility 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 statement. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict.

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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 margins, Return on Capital, project costs and other costs. 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.

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In addition, this presentation contains the following non-IFRS measures: Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Return on Capital. 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](http://www.sedar.com)).



## Opportunity

**Escalating demand for Maple Leaf's #1 and #2 brands in fast growing refrigerated plant-based meat alternative category**



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- **Lightlife (#1) & Field Roast (#2) are category leaders**
- **Double-digit growth rates in refrigerated plant-based protein**
- **Continuous innovation in the category**
- **Two current facilities (Massachusetts and Washington) will reach full capacity in 2020**



## Strategy

**Establish a world-class plant-based protein network to support our market shares and category growth with low cost manufacturing**

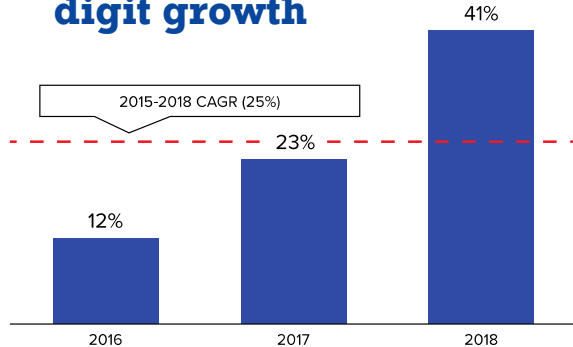


- **Constructing a US\$310M plant-based protein facility in Indiana**
- **Investing US\$26 million in existing network to increase capacity and efficiency**
- **Largest scale assets & investment of its kind in North America**
- **Doubles capacity with low cost manufacturing**
- **Optimal site selection for labour, distribution and expansion**



## Attractive Market

**Category fundamentals include increasing protein consumption, increasing household penetration and increasing category innovation, for double digit growth**



Source: IRI

- **Plant-based protein is now a ~US\$1 billion North American market**
- **Refrigerated segment significantly outpacing broader category; ~40% growth in 2018**
- **Currently, less than 6% of households buy plant-based protein compared to 98% for meat protein**
- **Plant-based protein transitioning from niche to mainstream presents immense growth opportunity**



## Innovation Advantage

**Significant innovation bench strength and brand advantage supported by dedicated production capacity**



- **More than 140 new products introduced since 2014 in the U.S.**
- **Burger category supporting recent growth rate**
- **New Lightlife burger – a breakthrough burger delivering superior taste experience and nutrition**
- **30% of new facility dedicated to new products**



## Financial Profile

### Returns based on underlying growth rates and cost reductions

- **Expected return on capital of 13% to 16%, based on underlying long-term growth assumptions**
- **Supports expected growth through 2024**
- **Delivers a 2022 Adjusted EBITDA margin in line with Maple Leaf's overall structural margin expansion target of 14%-16%**
- **Continued growth in profitability as capacity utilization increases**



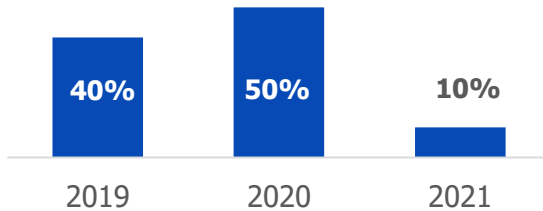


## Timing

**Fully operational by 2021  
and contributing to  
financial returns by 2022**

## Capital Expense Breakdown

Total of: US\$336 million



Estimated annualized depreciation: ~US\$24 million

Activity	Timing
Construction	Q2 2019
Start-up begins	Q4 2020
Fully Operational	Q4 2021

(US\$ millions)	2019	2020	2021
One-time start-up costs	\$1	\$15	\$18



### **Winning the plant-based protein market with leading brands, innovation and a best-in-class network**



- **Secures market leadership and network advantage in hyper-growth category**
- **Provides capacity and accommodates phased expansion tailored to meet future demand growth**
- **Delivers excellent return on capital and accelerates commercial growth**
- **Generates margins in line with 14% - 16% Adjusted EBITDA margin target and growing as capacity utilization increases**
- **Builds on our proven track record of large capital project execution and value creation**



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