

**From Producer to the World**



**AGT Food and Ingredients Inc. - *Investor Presentation***

**(TSX: AGT)**

**[www.agtfoods.com](http://www.agtfoods.com)**

*May 2017*

# Forward Looking Statements

Certain statements in this presentation are forward-looking statements. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, as well as those factors referred to in the section entitled “Risk Factors” in the Annual Information Form of AGT which is available on SEDAR at [www.sedar.com](http://www.sedar.com), and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

**Non-IFRS Financial Measures** \*AGT provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain AGT's financial results. These non-IFRS measures include Adjusted Gross Profit\* (gross profit plus depreciation in cost of sales), Adjusted EBITDA\* (earnings before finance expense, income taxes, depreciation and amortization, restructuring costs and any effects of non-cash, non-recurring and other costs and foreign exchange adjustment), Adjusted Net Earnings\*, Adjusted Basic Net Earnings Per Share\* and Adjusted Diluted Net Earnings Per Share \*(earnings before any effects of non-cash, non-recurring and other costs, restructuring costs and foreign exchange adjustments), Net Debt\* (bank indebtedness, short term financing and long term debt less cash) and Net Working Capital\* (current assets less current liabilities). Adjusted Net Earnings\*, Adjusted Basic Net Earnings Per Share\* and Adjusted Diluted Net Earnings Per Share\* do not include the tax effect of non-cash, non-recurring and other costs and foreign exchange. Management believes that Adjusted EBITDA\*, Adjusted Net Earnings\*, Adjusted Basic Net Earnings Per Share\* and Adjusted Diluted Earnings Per Share, Net Debt\* and Net Working Capital\* are important indicators of AGT's ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures and uses the metric for this purpose. The exclusion of non-cash and foreign exchange adjustments eliminates the non-cash impact on Adjusted EBITDA\*, Adjusted Net Earnings\*, Adjusted Basic Net Earnings Per Share\* and Adjusted Diluted Earnings Per Share\*. Adjusted EBITDA\* and Adjusted Net Earnings\*, Adjusted Basic Net Earnings Per Share\*, Adjusted Diluted Net Earnings Per Share\*, Net Debt\* and Net Working Capital\* are also used by investors and analysts for the purpose of valuing AGT. The intent of these measures is to provide additional useful information to investors and analysts and the measure does not have any standardized meaning under IFRS. Adjusted Gross Profit\*, Adjusted EBITDA\* and Adjusted Net Earnings\*, Adjusted Basic Net Earnings Per Share\*, Adjusted Diluted Net Earnings Per Share\*, Net Debt\* and Net Working Capital\* should therefore not be considered in isolation or used as a substitute for measures of performance prepared in accordance with IFRS. For a reconciliation of net earnings (loss) determined in accordance with IFRS to Adjusted EBITDA\*, Adjusted Net Earnings\* and Adjusted Basic Net Earnings Per Share\* and Adjusted Diluted Earnings Per Share\*, see the table in the most recently dated related management's discussion and analysis.

# AGT Food and Ingredients Company Highlights



## Company Highlights

- TSX Listed: AGT with
- HQ: Regina, SK, Canada
- Shares Outstanding: approximately 24 million (fully-diluted)
- Market Capitalization: ~ \$650 million
- Annual Dividend: \$0.60/share

## Company Overview

- Global leader in pulse and staple food processing, bulk handling, distribution and food ingredients products<sup>(1)</sup> with global customer base and merchandising offices and value-added processing facilities in Canada, the US, Turkey, India, China, Australia & South Africa, European sales offices, Russian origination office. Only fully integrated value-added processor that competes in all of the same product segments in which AGT operates<sup>(1)</sup>
- Strong international management team with an average of at least 25 years each of experience in the pulse and grain industry

## Strong Business Model with Diversified Platform

- Integrated supply chain and global coverage through over 40 strategically located facilities provides cost advantages and superior market intelligence
- Direct relationships with thousands of local growers and over 1,000 customers across over 120 countries
- Recent investments in rail infrastructure allows AGT to take full control of an important component of logistics chain, reducing input volatility
- Strong risk management program to mitigate commodity price exposure, seasonality, and weather risks
- Food Ingredients and Packaged Foods segment improves margin profile and earnings stability

## Opportunities for Growth

- Potential for margin expansion through increased utilization of AGT's value-added processing facilities and improved product mix
- Recent acquisitions of short line rail infrastructure and bulk handling assets will allow AGT to match supply with current growing demand in bulk and export markets
- Significant growth potential in Food Ingredients and Packaged Foods driven by consumer demand shifting towards pulse inputs

## Growing Free Cash Flow and Strong Balance Sheet

- Revenue, Adjusted EBITDA\* and cash flow from operations CAGRs of 20%, 20% and 25% respectively from LTM
- Continued revenue growth, margin expansion, improving working capital position and decreasing capex profile will further drive FCF growth
- Bulk Handling and Distribution and Food Ingredients and Packaged Foods segments further diversify and stabilize cash flows
- Low maintenance capex requirements (approximately \$12 – 15 million) vs. \$119 million of 2016A Adjusted EBITDA\*
- Significant majority of AGT's accounts receivable are insured through Export Development Canada ("EDC")
- Majority of inventory sold / contracted; inventory is non-perishable in nature, and valued at the lower of cost and net realizable value

## Strong Industry Fundamentals

- Pulses are a good source of protein, a key nutrient for large numbers of the world's populations, especially in developing nations
- Growing global population and emerging middle classes in countries such as China, India and Brazil expected to increase total food consumption by up to 70% by 2050<sup>(3)</sup>
- Increased focus on health, wellness and sustainability in developed nations
- High nutrient demand resulting in increased demand from food manufacturers for pulse ingredients and healthier end products

Note: Data from company reports and management estimates regarding AGT's business. External sources noted.

Note: LTM refers to the twelve month period ended March 31, 2017 (all figures in C\$ millions unless otherwise stated)

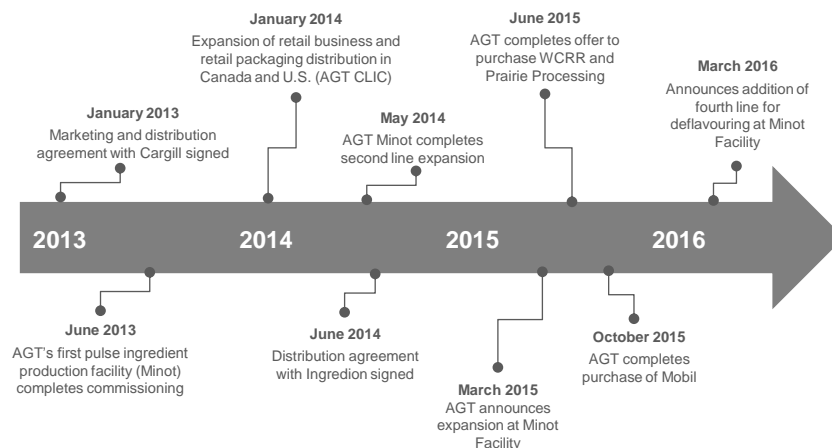
(1) Management estimate

(2) Calculated as (PP&E + Non-Cash Net Working Capital) / Total Debt

(3) According to FAO data

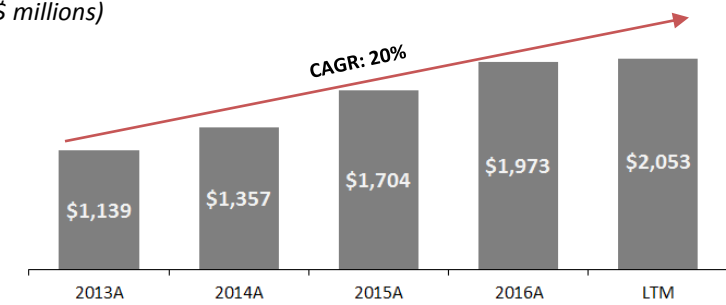
# AGT Continues to Deliver Strong Growth and Sustainable Margins

- AGT continues to be a global leader in pulse and staple food processing, bulk handling, distribution and food ingredients and products
- AGT has a unique global platform with an extensive global origination, supplier and customer network in top pulse origins across the globe
  - Direct relationships with thousands of local growers
  - Customer base in over 120 countries
- Recent acquisitions and investments further strengthen AGT's platform and position the Company for ongoing growth



## Revenue

(C\$ millions)

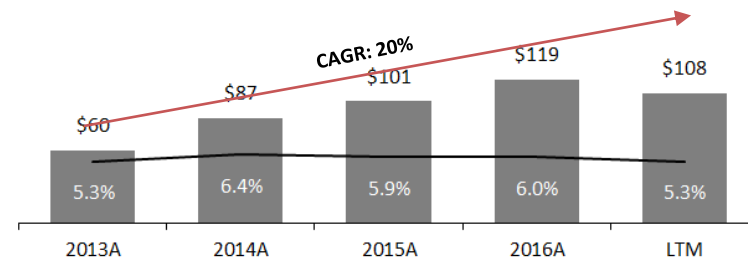


### Revenue Per Tonne

\$789	\$833	\$981	\$900	\$907
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## Adjusted EBITDA\* and Margin

(C\$ millions)



### Adjusted EBITDA\* Per Tonne

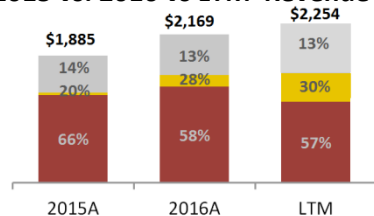
\$42	\$53	\$58	\$54	\$48
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# Increasingly Diversified Operations

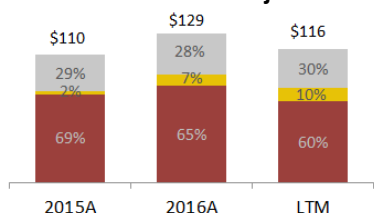
## Product Diversification

- AGT operates with three reporting segments:
  - 1) Pulse and Grain Processing
  - 2) Bulk Handling & Distribution<sup>(1)</sup>
  - 3) Food Ingredients & Packaged Foods

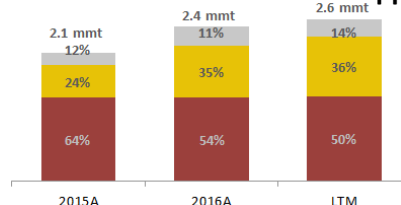
### 2015 vs. 2016 vs LTM Revenue<sup>(2)</sup>



### 2015 vs. 2016 vs LTM Adj. EBITDA<sup>(2)</sup>

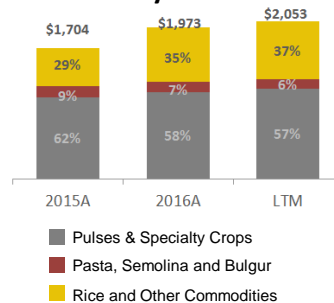


### 2015 vs. 2016 vs. LTM Tonnes Shipped<sup>(2)</sup>



- Over 150 products comprised of various grades, sizes, varieties and types creating a full range of pulses, specialty crops and value-added ingredients for its customers
  - Increased focus on the expansion of new offerings
- Food Ingredients and Packaged Foods segment provides significant growth opportunities, higher margins and less cyclicity and seasonality
- Bulk handling diversifies into strategic non-pulse commodities while providing operational efficiencies
- Increased North American and European sales of branded packaged and canned products for retail sale and food service uses

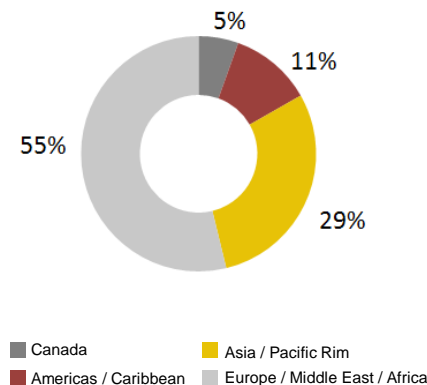
### 2015 vs. 2016 vs. LTM Sales by Product



## Market Diversification

- Large and diverse customer base including packers, canners, food ingredient users (i.e. millers) and wholesale importers and distributors
- Over 1,000 clients in 120+ countries
- Largest private sector customer accounts for no more than 5% of total revenues
- Based on the segment of operation, products sold as either small packaged products for retail sale, containerized bagged or bulk bags or bulk shipped by rail & vessel

### LTM Revenue











## Origin Diversification

- Over 40 strategically located, value-added facilities in top global pulse origins
- Crop origins shift through the year as the various harvest periods come on stream
- Diversification provides superior market intelligence and the ability to pull products from origins where production exists to markets where products are needed
- Global brands recognized in pulses and staple foods markets





# Continued Global Leader in Pulse & Staple Food Processing

Key Products	Category	Snapshot	Commentary
Lentils and Peas	Red, green, yellow Yellow and green, whole and split		<ul style="list-style-type: none"> <li>Among the largest exporters of lentils globally</li> <li>Largest red lentil splitter and pea splitter in the world and largest colour sorter of green lentils globally</li> <li>Largest value-added pea exporter from Canada</li> </ul>
Chickpeas	Kabuli, desi, split desi		<ul style="list-style-type: none"> <li>Among the leading exporters in kabuli type and desi-type chickpeas globally with a multi-origin chickpea program for the canning, packing and hummus processing sector</li> </ul>
Beans	Navy, romano, pinto, burbunya, dark and light red kidney, faba, black, red		<ul style="list-style-type: none"> <li>Among the largest multi-origin bean shipper globally with processing and origination in 10 countries</li> </ul>
Milled Durum Wheat	Pasta, semolina, bulgur		<ul style="list-style-type: none"> <li>A leading domestic producer and exporter for pasta with a diverse customer base in countries including Canada, Israel, Japan</li> <li>Largest bulgur wheat mill in Turkey</li> <li>Contracted to produce all private label dry pasta for a major nationwide Canadian grocer</li> </ul>
Other Commodities	Popcorn, canola, durum, flax seed, coffee, sugar		<ul style="list-style-type: none"> <li>Cross-selling opportunities for other staple commodities to AGT customers</li> <li>Includes aid program family parcels (UN WFP, ICRC<sup>(1)</sup>)</li> <li>Procurement, distribution, and customer service</li> </ul>
Bulk	Bulk lentils, durum wheat, other grains and commodities		<ul style="list-style-type: none"> <li>Dedicated short line rail network serving West Central Saskatchewan</li> <li>Mobile grain loading sites across AGT's rail network each with a capacity of 25+ cars capable of building 100 car unit-trains for international shipping</li> <li>Port facilities for loading bulk vessel for shipment</li> </ul>
Food Ingredients	Flour, protein, starch and fibre derived from pulses, durum wheat, rice		<ul style="list-style-type: none"> <li>Minot Facility in North Dakota is the largest value-added pulse ingredient factory in the U.S.</li> <li>Growing market share in supply of pulse ingredients to human food, petfood, branded feed and aquaculture customers and manufacturers</li> </ul>
Packaged Foods	Retail packaged and canned foods		<ul style="list-style-type: none"> <li>Arbella brand pasta and related products (Turkey, global); Arbel packaged pulses (Turkey, Europe, Central Asia); CLIC brand (Canada and US); Poyoukous Foods (Southern Africa)</li> </ul>

Note: Market position based on Management estimates compared to available internal market data and comparison to statistical information available from StatsCan, USDA and various market sources


(1) United Nations World Food Programme, International Committee of the Red Cross

# AGT's Global Operations




- Canada head office and over 40 facilities in 6 key agricultural production origins on 5 continents with sales, merchandising, origination and administration offices located around the globe
- Provides significant cost savings, superior market intelligence and stability of supply through diversified origination




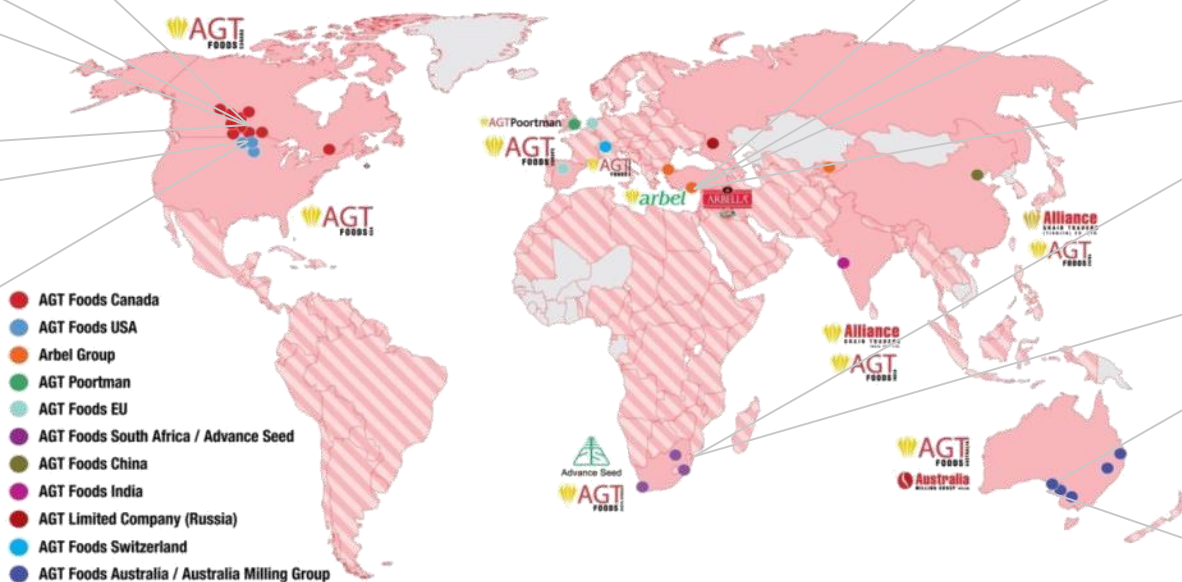
 AGT Foods Canada Regina Main  
Regina, SK, Canada




 Big Sky Rail / Last Mountain  
Railway, Saskatchewan, Canada




 AGT Foods USA Minot  
Minot, ND, USA




 Arbel Group  
Mersin, Turkey




 Arbella Pasta  
Mersin, Turkey



 AGT Foods South Africa /  
Advance Seed, Johannesburg,  
Gauteng, South Africa



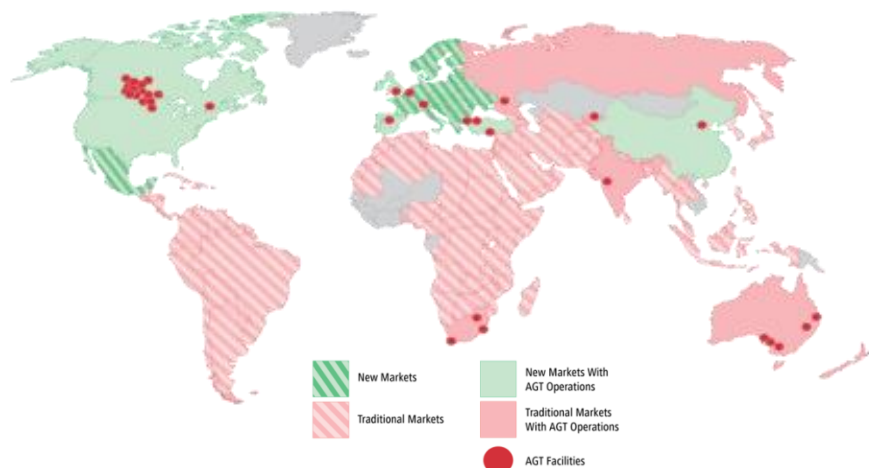
 AGT Foods Australia,  
Horsham, Victoria, Australia

# Attractive Industry Fundamentals

## Traditional Markets for Pulses

### Growth Driver: Population and Global Demand for Food

- Pulses are a sustainable source of protein, a key nutrient for large numbers of the world's populations
- Developing nations rely on pulses for vegetable sources for their protein and energy requirements
- 2050 – Global population expected to rise 30%
  - Expected to be concentrated in developing nations where diets consist of a higher proportion of pulses
- Global food output will have to grow by up to 70% by 2050 due to population growth, urbanization and emerging middle classes in countries such as China, India and Brazil

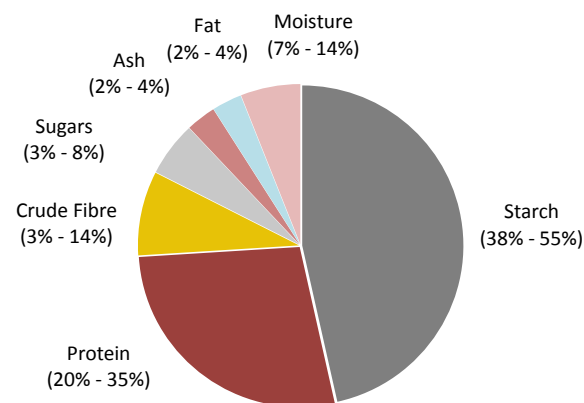


## New Markets for Pulses

### Growth Driver: Health, Nutrition and Sustainability

- Consumer movement towards healthy lifestyles in non-traditional markets
- Pulses offer many benefits for health: high protein and fibre, nutrient dense, low fat, gluten free, non-GMO and low allergenicity
- Increased interest in using pulses in product formulations from food companies seeking to capitalize on these trends
- Lower energy use, reduce greenhouse gas emissions, improve soil health through rotational cropping, increase water use efficiency
- Pulses and pulse ingredients offer characteristics that food companies are looking for and products that consumers are demanding

### Composition of Pulses





# Business Segments & Products

## Pulse and Grain Processing

## Bulk Handling and Distribution

## Food Ingredients and Packaged Foods

### LTM Financials<sup>(1)</sup>

Revenue: \$1,285 million  
Adjusted EBITDA\*: \$70 million  
Margin: 5.5%

### Core Activities

- Source pulse and grain from producers
- Process pulses and grains
- Load and move products through logistics network and sell to clients

### Products

- Lentils, peas, chickpeas, beans, rice, durum wheat and other grains and specialty crops

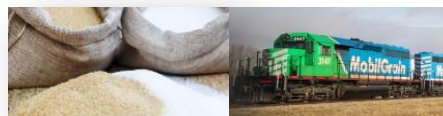
### Growth Opportunity

- Vertical integration as a result of acquisitions provides marketing and logistical control and create margin enhancement opportunities
- Allows for greater volumes and throughput to meet growing demand
- Current demographic trends indicate rising demand for pulses over the long term
  - Increased spending by an expanding middle class
  - Consumer preferences focused on health, nutrition and sustainability



Revenue: \$672 million  
Adjusted EBITDA\*: \$11 million  
Margin: 1.7%

- Bulk handling, warehousing, distribution and trading of products not specifically processed in AGT facilities
- Popcorn, canola, durum, flax seed, coffee, sugar and other grains
- AGT has acquired infrastructure required to enter the bulk handling market and match existing demand from AGT customers
- New business units expand opportunities into regular supply and distribution business in sugar and other products from India to Europe and other markets as well as import of pulses to key consumption markets



Revenue: \$297 million  
Adjusted EBITDA\*: \$34 million  
Margin: 11.5%

- Sale of pulse-based human food, pet food and animal feed ingredient products
- Sale of packaged and canned products for retail and food service use that are both branded and private label
- Pulse-based food ingredients and retail packaged and canned foods
- Food companies are reacting to customer demand for natural, non-GMO, gluten-free, high protein and fibre products and ingredients that are not soy or corn
- Marketing agreements provide for baseline capacity utilization through access to partner channels for human food sector globally
- Higher margins and lower cyclicity in this segment will increase overall company profitability and further stabilize revenue



Value Chain

Note: LTM refers to the twelve month period ended March 31, 2017 (all figures in C\$ millions unless otherwise stated)  
(1) Excludes Corporate and Eliminations, as at March 31, 2017

# Pulse and Grain Processing

## Pulse and Grain Processing Overview

### Description

- Operations include sourcing pulses and grains from producers, processing them through AGT's facilities and loading and moving products through AGT's logistics network before selling them to clients in over 120 countries across the globe
- Value added services include splitting, colour sorting, sizing, packaging and exporting pulses and other specialty crops
- Includes the operations of AGT's subsidiaries and facilities in Canada, the U.S., Australia, China and a portion of the operations in Turkey

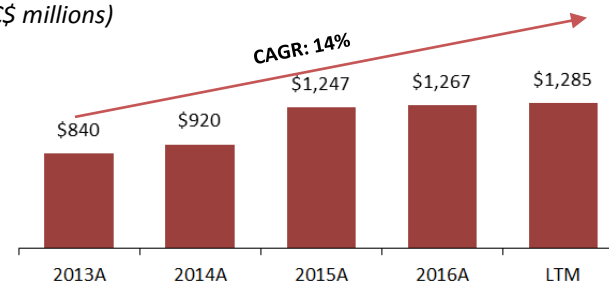
### Outlook

- Record production and strong exports for pulses expected to continue through 2017
- North American and Australian exports expected to remain strong, particularly in key markets such as Turkey and India
- Current headwinds on non-tariff trade barriers, slower season sales and economic conditions in consumptions markets easing and look to return to substantially normalized conditions through the year



## Revenue

(C\$ millions)

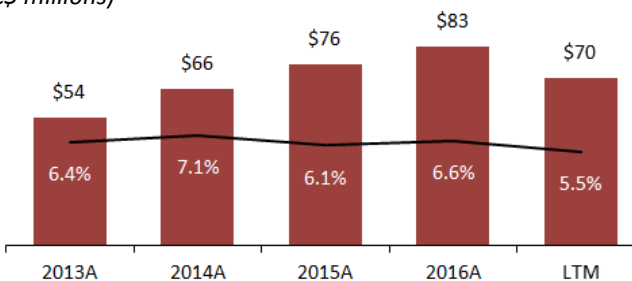


### Revenue Per Tonne

\$776	\$778	\$937	\$964	\$998
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## Adjusted EBITDA\* and Margin

(C\$ millions)



### Adjusted EBITDA\* Per Tonne

\$50	\$56	\$57	\$63	\$55
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# Bulk Handling and Distribution

## Bulk Handling and Distribution Overview

### Description

- Provides a range of pulses, specialty crops and other commodity products sourced from numerous suppliers to wholesale and retail markets around the world
- Bulk products are typically not processed by AGT - provide cross-selling opportunities with AGT customers and aid programs for family parcels for UN WFP and ICRC programs
- The segment assists AGT in increasing the utilization of core asset base in pulse and grain processing and enhances supply chain security
- Includes operations in Europe, Russia, India, and a portion of operations in Canada, Turkey and Australia

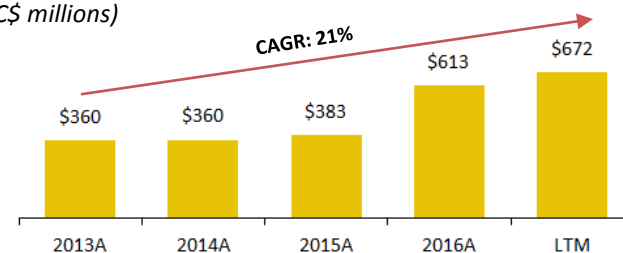
### Outlook

- Growth in AGT's core business, including bulk handling and distribution, anticipated to contribute to AGT achieving increased asset utilization
- Acquisitions of Mobil and West Central Road and Rail ("WCRR") in 2015 allow AGT to take control of a key part of our logistics chain with ownership of handling facilities, rail logistics assets and short line rail infrastructure
- Efficient transportation modes will help to ensure the smooth movement of products to market, matching origination and production to demand and supply requirements from farm to customer



## Revenue

(C\$ millions)

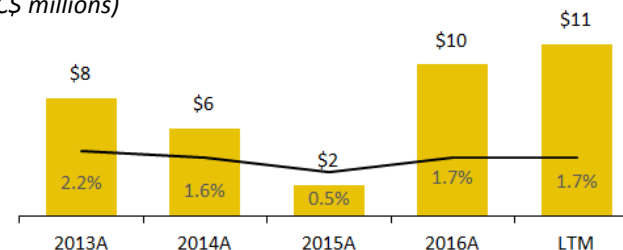


### Revenue Per Tonne

\$925	\$737	\$768	\$734	\$733
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## Adjusted EBITDA\* and Margin

(C\$ millions)



### Adjusted EBITDA\* Per Tonne

\$20	\$12	\$4	\$12	\$12
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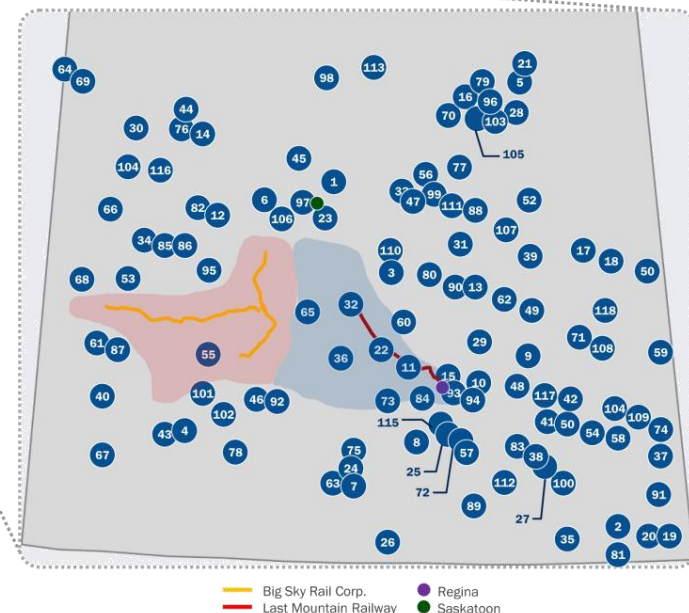
# Overview of Saskatchewan Elevators

## Transaction Overview

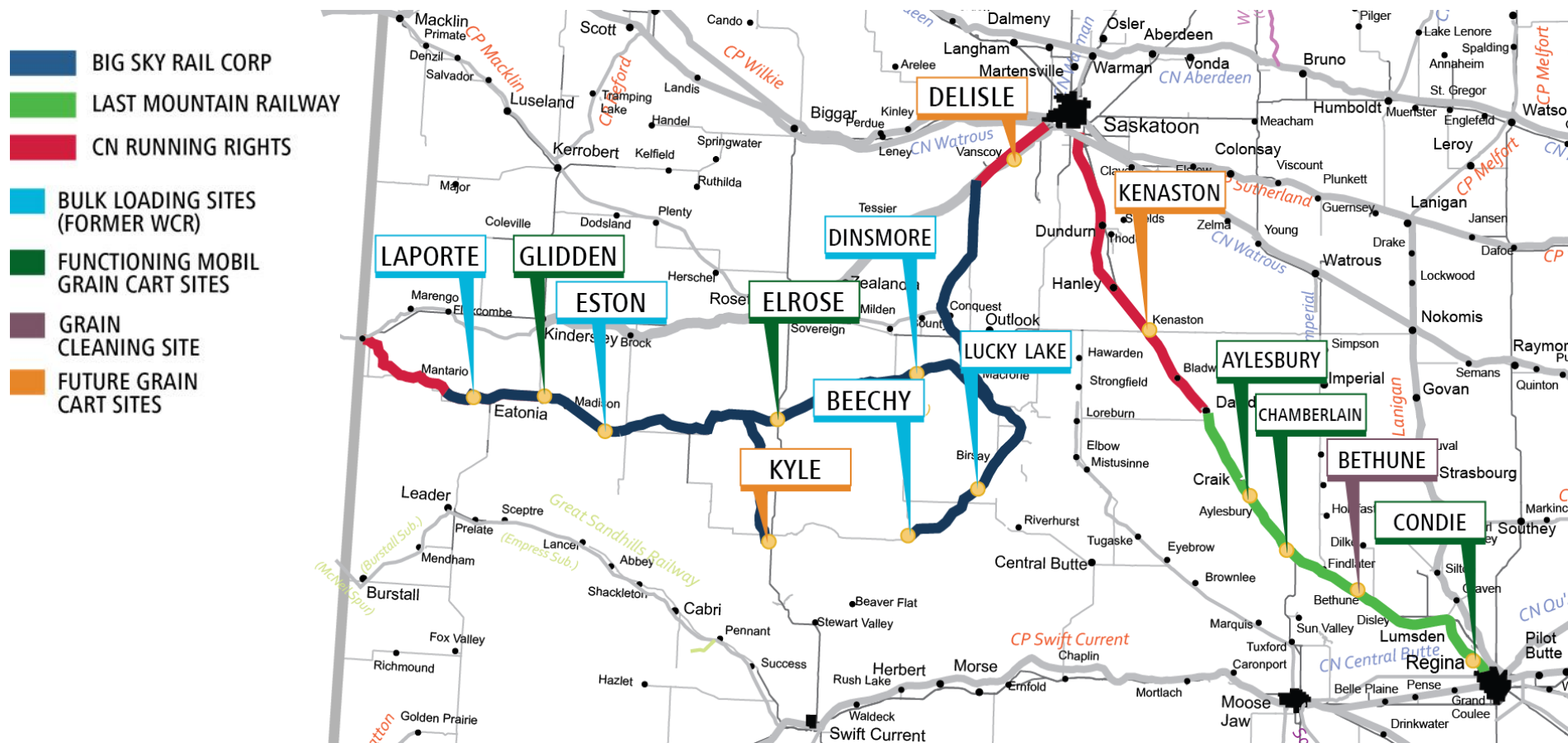
- In June 2015 AGT acquired WCRR's bulk loading facilities (grain elevators) for ~\$22 million
- AGT followed with the October 2015 acquisition of Mobil, including Big Sky Rail, Last Mountain Railway and certain grain cart sites, for ~\$57.5 million

## Transaction Rationale

- West Central Saskatchewan is a major growing region for pulses and durum wheat production
- Bulk rail assets well located on Mobil rail lines providing vertical integration
- Replaces 3<sup>rd</sup> party supply with internal capacity, increasing margins and improving supply chain security
- Provides ability to control logistics chain creating competitive advantages over time
- Solidifies lentils and durum wheat origination and supply chain for pulses business in Turkey and India and growing pasta bulgur wheat business



# AGT's Expanded Rail Network





# Food Ingredients and Packaged Foods

## Food Ingredients and Packaged Foods Overview

### Description

- Produces food ingredients, pulse-based flours, proteins, starches and fibres for human food, industrial uses and animal feed / pet food applications
- Leverages AGT's strengths in origination and processing infrastructure
- Retailers packaged and canned foods in North America, Europe, MENA and South Africa
- Key strategic relationships with major ingredient suppliers and customers in the human food, petfood, branded animal feed and aquaculture sectors in North America and globally
- Customers for AGT's de flavoured products include major global food companies

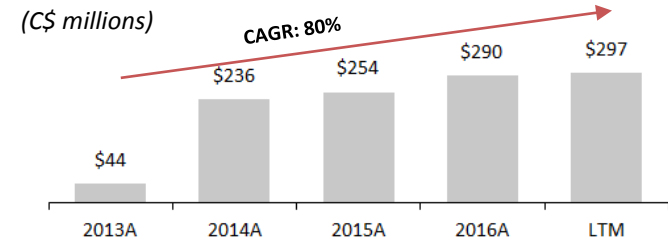
### Outlook

- Adoption and inclusion rates of pulse ingredients in snack applications, cereals and other foods expected to increase incrementally from 2% to over 10%<sup>(1)</sup>
- Concentrated volume going into animal feed applications expected to be replaced by more applications for human food, pet food and aquaculture - particularly with commissioning of de flavouring line
- Three lines operational at the Minot facility continuing to ramp up to full capacity; fourth line installation underway and commencing commercial production in Q1 2017 along with other milling and enhancement processes
- Segment expected to generate increased sales and higher margins while smoothing out seasonality



## Revenue

(C\$ millions)

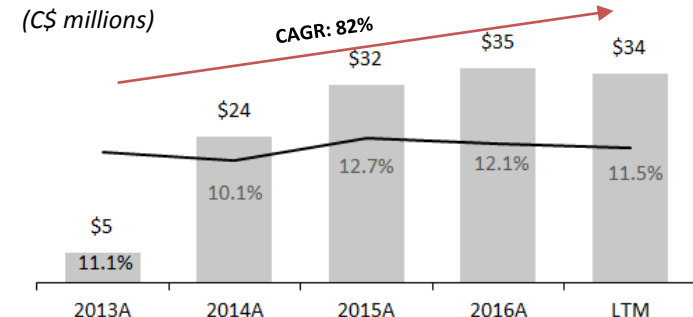


### Revenue Per Tonne

\$817	\$1,042	\$1,032	\$1,133	\$817
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## Adjusted EBITDA\* and Margin

(C\$ millions)



### Adjusted EBITDA\* Per Tonne

\$91	\$105	\$131	\$137	\$94
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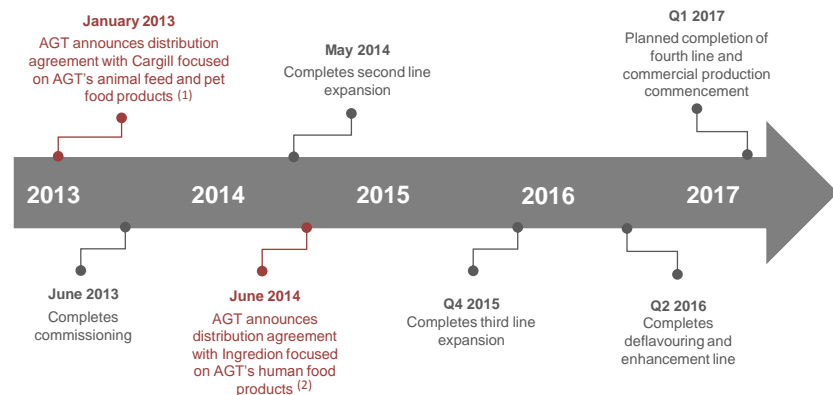
Note: LTM refers to the twelve month period ended March 31, 2017 (all figures in C\$ millions unless otherwise stated)

(1) Based on target inclusion rates indicated by customers

# Investment in Ingredient Platform

## Minot North Dakota Production Facility

- Commissioned for production in June 2013 with four lines currently operational and enhancement processes
- Additional milling and line four announced in Q1 2016 with Q1 2017 planned completion with commercial production commencing
  - Line four first line dedicated to human food business
- Expansions bring value-added production and modification processes including de-flavoursing, pre-cooking lines, sterilization lines and blending facilities
  - Produces pre-mixes while expanding building infrastructure for added production-nearing-completion
- Additional expansions for Canada/U.S./Turkey are possible to keep pace with sales programs



# Strategic Ingredient Partnerships & Investments

- AGT has strategic agreements in place with major ingredient suppliers and customers including leading consumer packaged goods companies and petfood manufacturers
- Allows AGT to sell products through well known brand names
- AGT leverages partners' existing customer and distribution networks around the globe
- Partners assist in R&D and product development bolstering AGT's product pipeline for human food and petfood markets
- Provides opportunity to ramp-up production of high margin products at the Minot facility
- Investment in research and development infrastructure and personnel key component to capturing customer sales opportunities
- Work to develop new applications/uses for pulse ingredients through collaborative research, commercialization & innovation initiatives and technology development
- Important to assist customers convert test quantities to sales quantities



# Packaged Foods Platform

- AGT has developed a significant global packaged foods business with market penetration in key markets including Canada, the U.S., Turkey, Europe, Middle East & Africa
- Platform includes production, canning, small packaging and distribution operations
- Development may include further production facilities/co-packing (e.g. snacks, noodles, specialty pasta, pulses blend)
- Leverages AGT's scale and size to build retailer confidence, offering a diverse portfolio of products
- Ability to increase profitability through scale and supply chain management
- Synergies between AGT's vertically integrated segments can create sales and margin opportunity



**Arbella: pasta platform with leading market position domestically in Turkey and for export to global markets**



**Arbel: packing for retail market for pulses, rice and bulgur products**



**CLIC: canning, small pack and distribution to Canada/U.S. retail and food service from key Montreal location**



**Pouyoukas Foods: South Africa packing and distribution in ~400 supermarkets in Southern Africa**

# Strong Risk Management Platform

## Foreign Operations

- Operations on five continents minimizes impact of negative events in any one region
- Local managers provide market intelligence and insight

## Credit Risk

- Minimal exposure to any one customer
- No private sector customer represents more than 5% of sales
- Accounts receivable are insured by EDC / backed by irrevocable letters of credits and advanced payments

## Foreign Currency

- Exposures to currencies other than USD are hedged back to USD (with exception of the Turkish Lira)
- Geographical diversification limits impact of FX in any one currency

## Liquidity Risk

- Active cash flow and working capital management program
- High quality working capital

## Commodity Price Risk

- Sales on “back-to-back” basis
- Superior market intelligence further limits pricing risk

## Supply / Volume Risk

- Relationships with several thousand local growers
- Technology extracts maximum value from poor quality harvests

## Logistics / Freight Risk

- Located close to logistics infrastructure
- Local management teams have direct relationships with international steamship lines
- AGT owns bulk loading and handling and short line rail assets in Saskatchewan and a loop track port facility in Thunder Bay

## Interest Rate Risk

- Satisfactory mix of fixed and floating rate debt



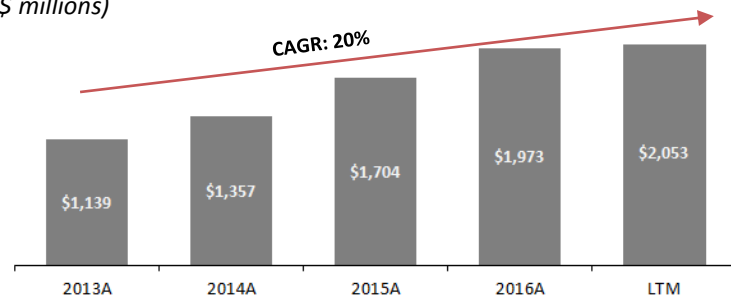
# Financial Highlights Q1 2017

(\$ Million CDN)	Q1 2017	Q4 2016	Q1 2016
Revenue	\$520.9	\$650.9	\$441.4
Adjusted EBITDA*	\$20.1	34.7	\$31.4
Adjusted Net Earnings*	\$6.7	\$17.3	\$4.7
Total mt Invoiced (mt)	573,770 mt	744,955 mt	501,011 mt

# Historical Financials

## Revenue

(C\$ millions)

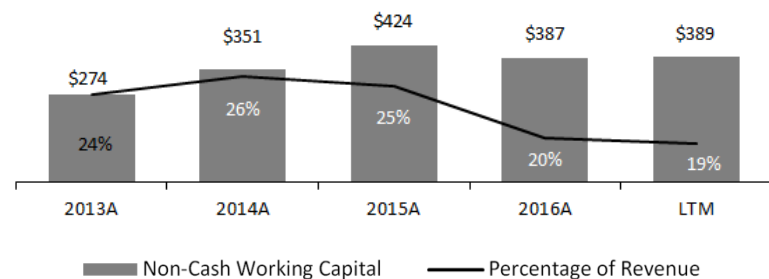


### Revenue Per Tonne

\$789	\$833	\$981	\$900	\$907
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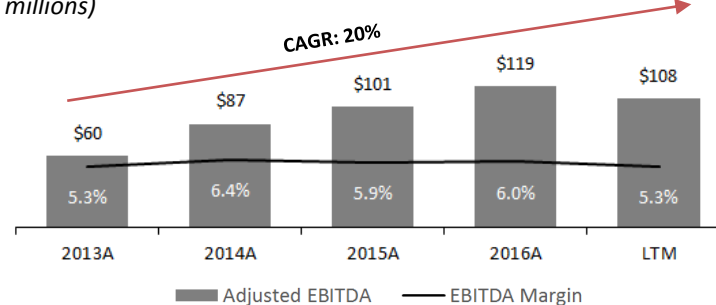
## Non-Cash Working Capital<sup>(1)</sup>

(C\$ millions)



## Adjusted EBITDA\* and Margin

(C\$ millions)

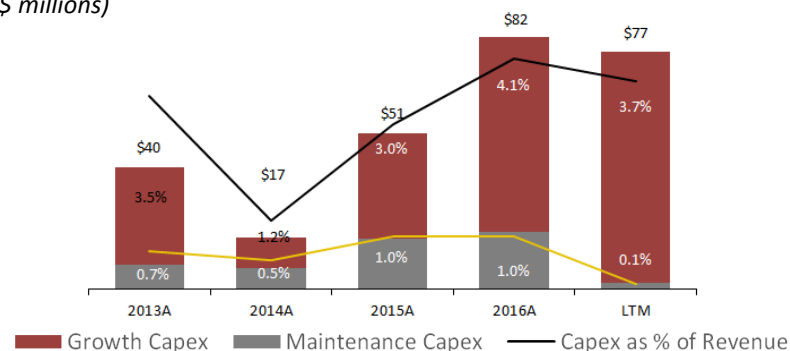


### Adjusted EBITDA\* Per Tonne

\$42	\$53	\$58	\$54	\$48
------	------	------	------	------

## Net Capital Expenditures<sup>(2)</sup>

(C\$ millions)

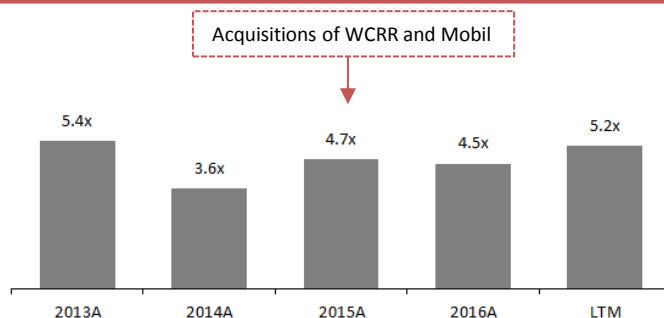


Note: LTM refers to the twelve month period ended March 31, 2017 (all figures in C\$ millions unless otherwise stated)

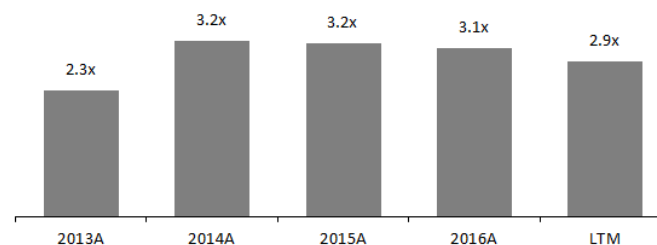
- (1) Calculated as (trade accounts receivable + inventory + prepaid expenses and other) – accounts payable and accrued liabilities and deferred revenue  
 (2) Net of proceeds from sale of PP&E and insurance funds received

# Historical Credit Metrics

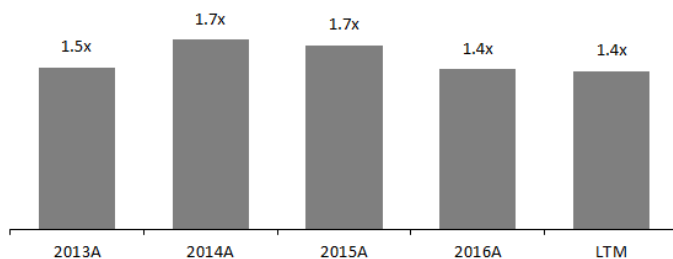
## Net Debt / Adjusted EBITDA\*



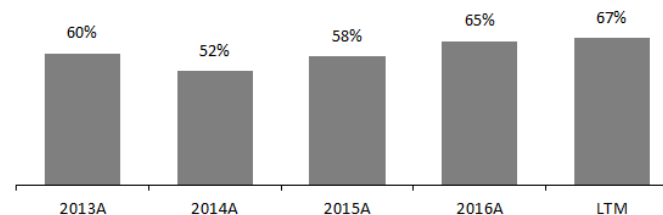
## Adjusted EBITDA\* / Interest Expense



## Asset Base<sup>(1)</sup> / Total Debt



## Total Debt / Book Capital<sup>(2)</sup>



Note: LTM refers to the twelve month period ended March 31, 2017 (all figures in C\$ millions unless otherwise stated)

(1) Calculated as (PP&E + Non-Cash Net Working Capital) / Total Debt

(2) Book capital calculated as Total Debt + Book Value of Equity

# Appendix

## Additional Industry Information



# Global Facilities & Offices



AGT Food and Ingredients  
Regina, SK, Canada



Arbel Group Head Office  
Mersin, Turkey



AGT Foods Canada Regina Main  
Regina, SK, Canada



AGT Foods Canada Saskatoon R&D Centre  
Saskatoon, SK, Canada



Arbel Group Compound  
Mersin, Turkey



AGT Foods USA Minot  
Minot, ND, USA



AGT Foods USA Williston  
Williston, ND, USA



Arbella Pasta  
Mersin, Turkey



Arbel Rice  
Edirne, Trakya, Turkey



AGT Foods Retail Division / AGT CLIC  
Laval, QC, Canada



AGT Foods Canada Regina  
Regina, SK, Canada



AGT Foods Canada Rosetown PD  
Rosetown, SK, Canada



AGT Foods Canada Rosetown North  
Rosetown, SK, Canada



AGT Foods Canada Aberdeen  
Aberdeen, SK, Canada



AGT Foods Canada Milestone  
Milestone, SK, Canada



AGT Foods Canada St. Joseph  
St. Joseph, MB, Canada



AGT Foods Canada Wilkie  
Wilkie, SK, Canada



AGT Foods Canada Assiniboia  
Assiniboia, SK, Canada



AGT Foods Canada Gibbons  
Gibbons, AB, Canada



AGT Foods Australia Horsham  
Horsham, Victoria, Australia



AGT Foods Australia Bowmans  
Bowmans, South Australia, Australia



AGT Foods Australia Kadina  
Kadina, South Australia, Australia



AGT Foods Australia Narrabri  
Narrabri, NSW, Australia



AGT Foods South Africa / Advance Seed  
Johannesburg, Gauteng, South Africa



AGT Food and Ingredients (Tianjin) Co. Ltd.  
Tianjin, China



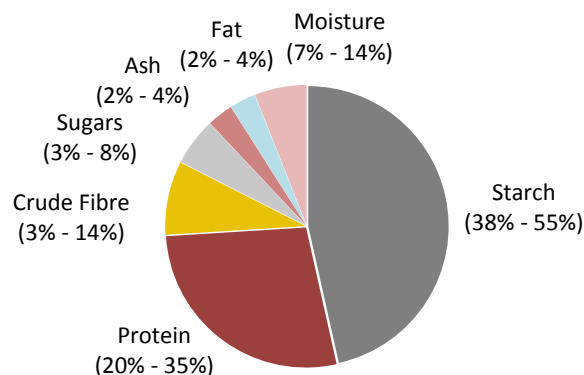
A. Poortman (London) Ltd. / AGT Foods Europe  
United Kingdom, the Netherlands, Spain



# Overview of Pulses

- Pulse crops include lentils, peas, chickpeas and beans, which produce edible seeds, called pulses
- Represent a GMO free, gluten-free, low allergen, major source of protein and fibre, which developing nations particularly rely on (i.e. vegetable sources for their protein and energy requirements)
- Increasing consumption (both directly and as an input in other food products) in developed countries where pulses are increasingly viewed as healthy

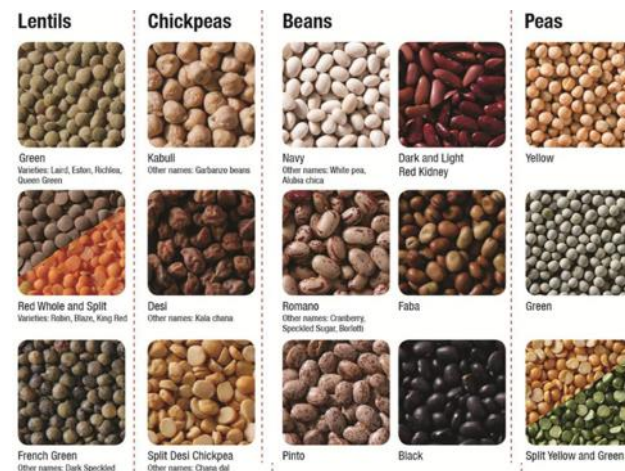
## Composition of Pulses



## Nutritional Characteristics of Pulses

- **High protein**
  - High lysine (higher than cereals and oilseeds)
- **High dietary fibre**
  - Rich in insoluble fibre
- **Low fat**
  - Pea, lentils and faba beans: <3%
  - Chickpeas: <7%
- **High micronutrients**
  - Folate, iron, zinc, selenium, potassium, magnesium, calcium and beta-carotene

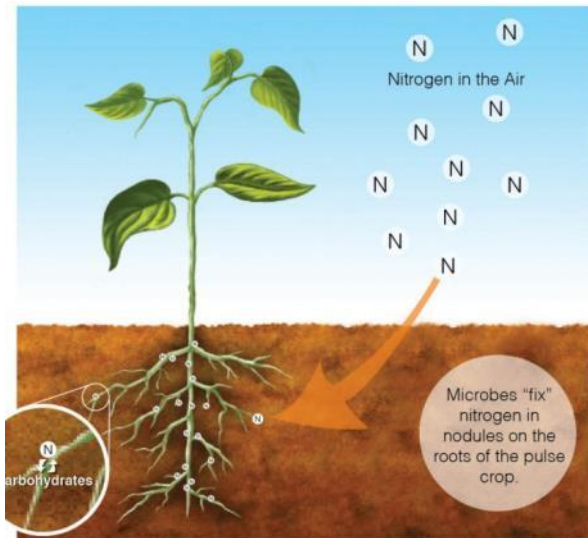
## Types of Pulses



# Pulses & Sustainable Agriculture

## Plant Fixing Nitrogen

- Pulses produce their own fertilizer by utilizing nitrogen fixing soil bacteria that live inside their root systems
- Pulses improve fertility of soil for other crops grown in rotation



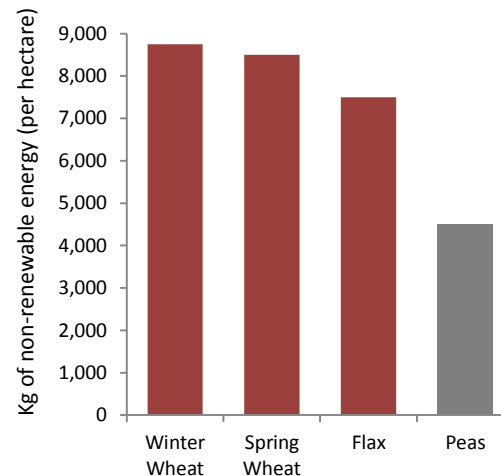
Pulse crop with root nodules

## Lower Energy Requirement

- Pulses use less non-renewable energy relative to other crops
- 70% of the non-renewable energy used in cropping systems in western Canada is attributable to fertilizers

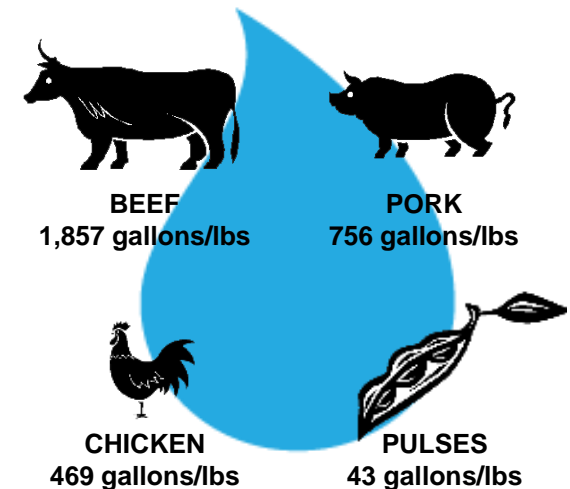
### Greenhouse Gas and Energy

Pulses use half the non-renewable energy inputs of other crops



## Increased Water Use Efficiency

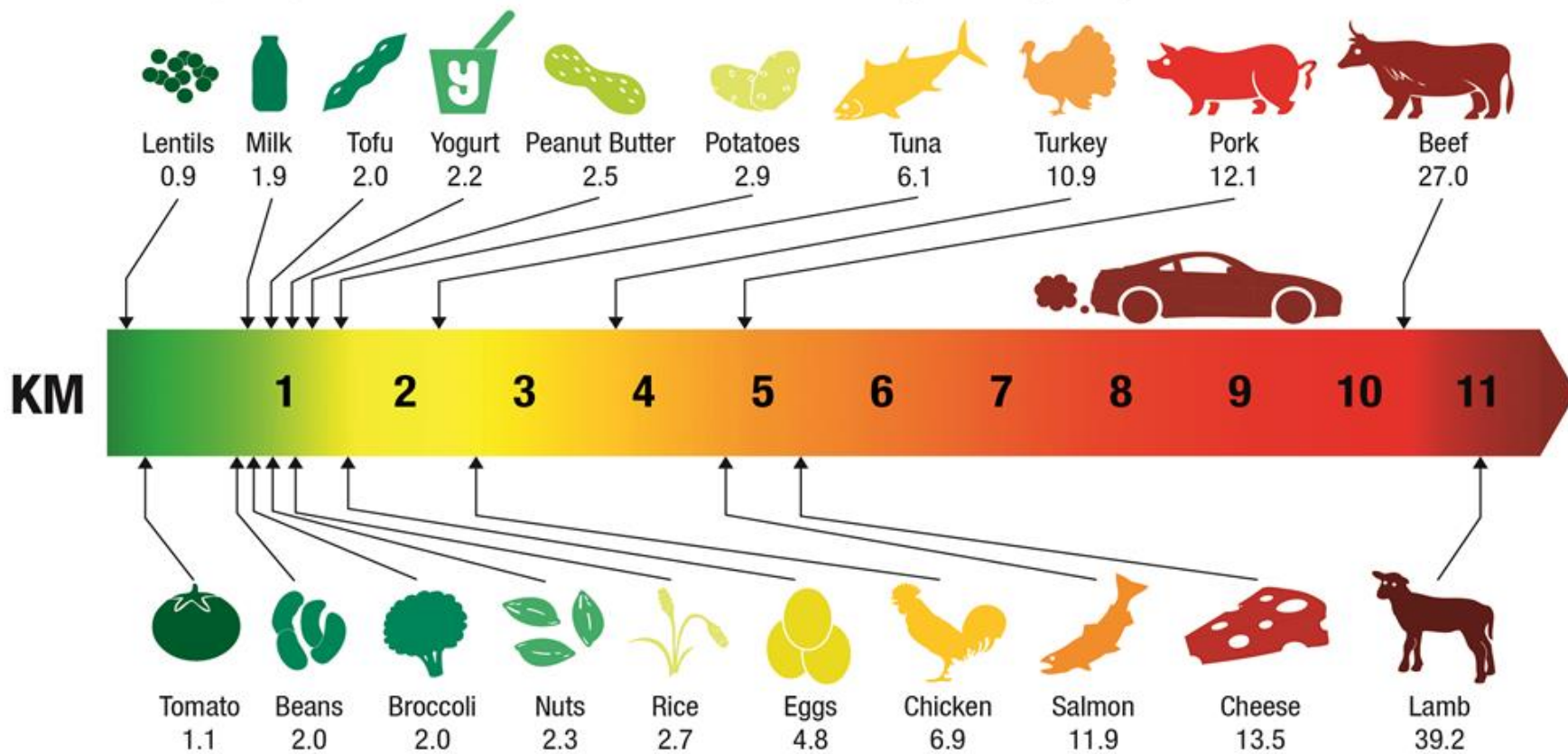
- 43 gallons of water required to produce one pound of pulses
- 1,857 gallons of water required to produce one pound of beef



# Carbon Footprint

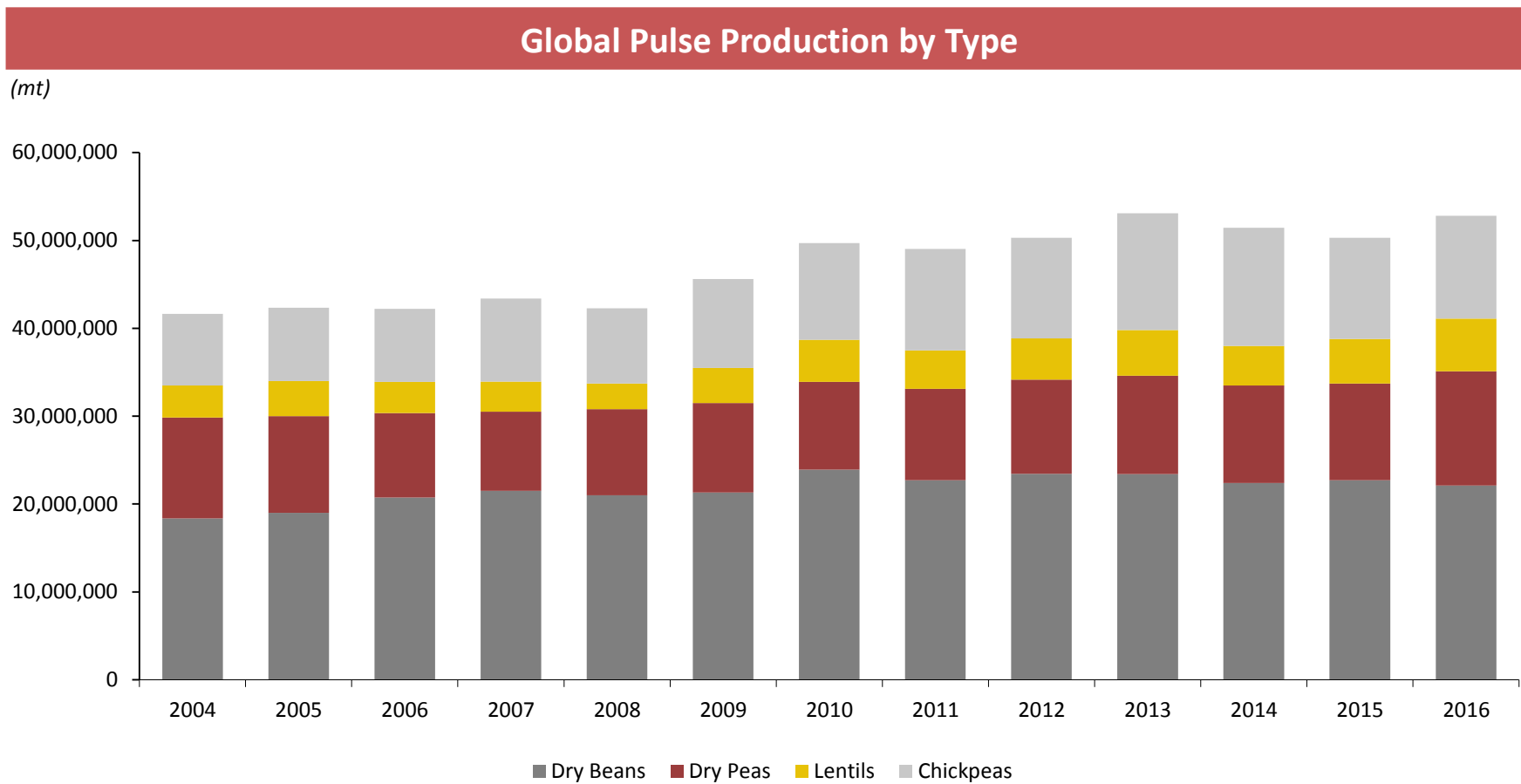
- Main chart compares 110g of food against a journey in a midsize car

- Number shows kg of carbon dioxide equivalent produced per 1kg of food



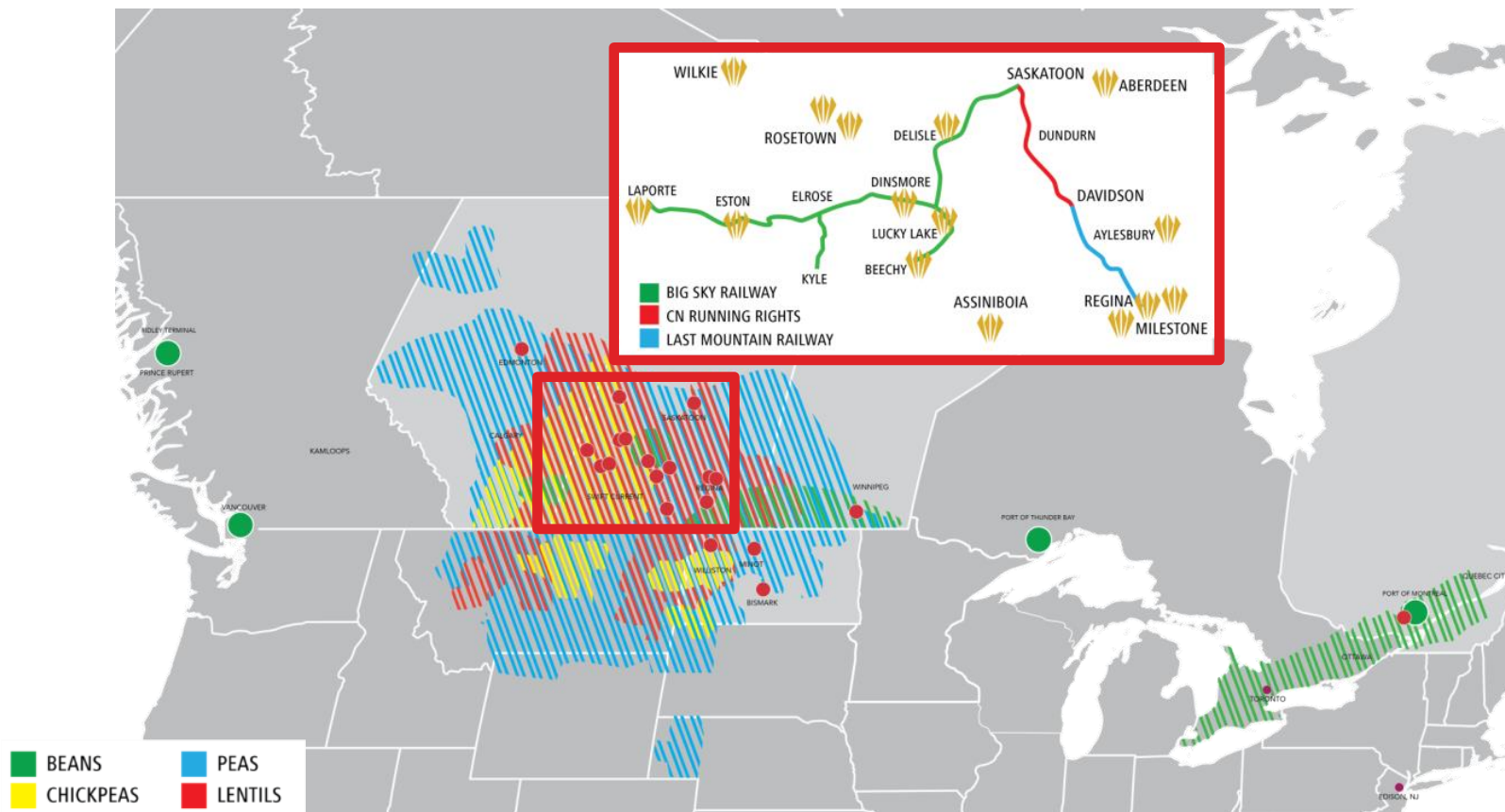
Source: <http://phys.org/news/2012-05-wwf-over-consumption-threatens-planet.html>

# Global Pulse Production



Source: Based on FAO, Statscan and USDA data, as compiled by STAT Communications Ltd. ("STAT")

# North America Pulse Growing Regions

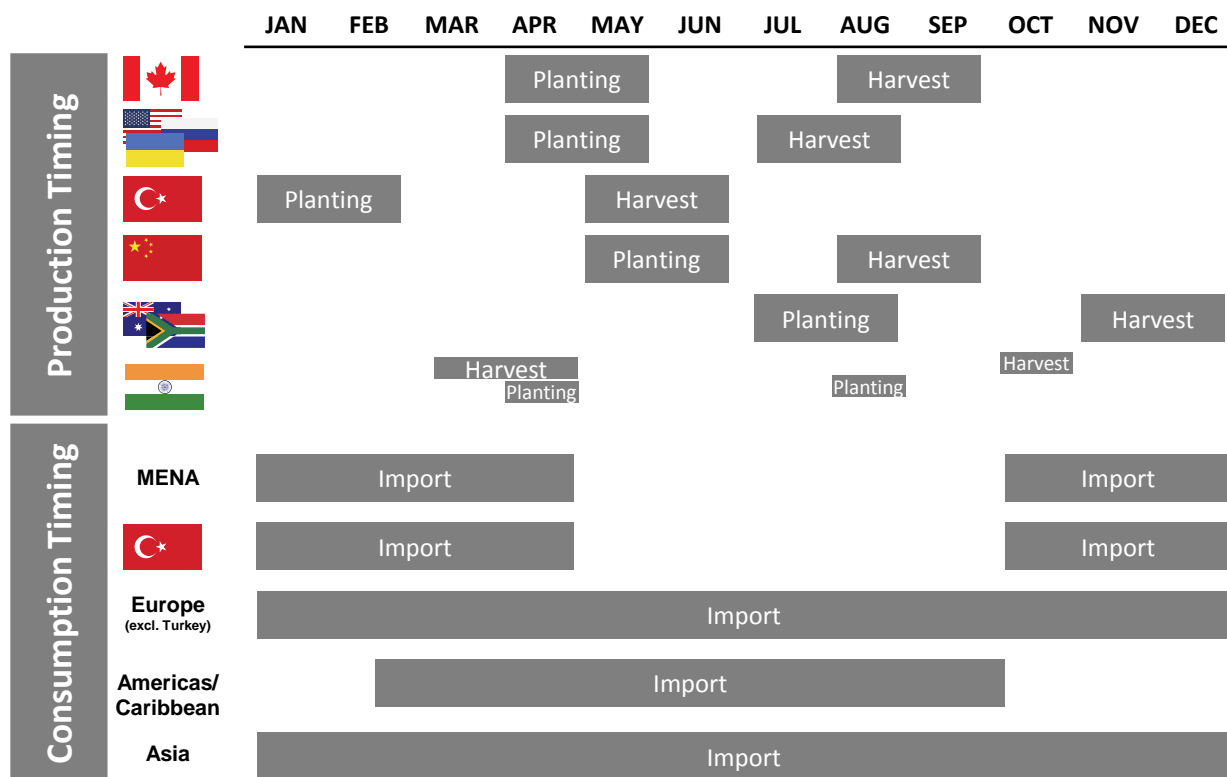


Canada is a leading supplier of pulses globally, with Saskatchewan being the country's largest producer of lentils and peas



# Global Pulse Production and Consumption

## Annual Production / Import Timing<sup>(1)</sup>



## Recent Geographic Trends

### India – Import Opportunity

- Production has not kept pace with demand due to population growth and low rates of farming productivity

### Turkey – Import Opportunity

- Per capita production decline due to drought, decline in arable land and competition with other crops

### China – Increased Pea Imports

- Decrease in pea production / exports due to increased cost of production

### MENA<sup>(2)</sup> – Major Pulse Importer

- Continues to be a major pulse importer due to constrained agricultural output

AGT has significantly reduced its reliance on the North American harvest, reducing sales seasonality, while simultaneously taking advantage of key import opportunities

# Global Supply / Demand by Pulse Type

## Lentils

**Total Production:**  
4.9 million mt<sup>(1)</sup>

*Canada is the world's largest producer with its product primarily consumed in the export market*

Rank	Producers <sup>(1)</sup>		Exporters <sup>(2)</sup>		Importers <sup>(2)</sup>	
1	Canada	1,987,000	Canada	1,806,336	India	679,662
2	India	1,100,000	Australia	316,740	Bangladesh	219,603
3	Australia	348,080	U.S.	210,816	Turkey	199,476
4	Turkey	345,000	Turkey	178,542	U.A.E.	186,193
5	Nepal	226,830	U.A.E.	43,074	Sri Lanka	151,129

## Chickpeas

**Total Production:**  
14.2 million mt<sup>(1)</sup>

*India is the world's largest producer and importer, with product consumed primarily in the domestic market*

Rank	Producers <sup>(1)</sup>		Exporters <sup>(2)</sup>		Importers <sup>(2)</sup>	
1	India	9,880,000	Australia	550,567	India	538,329
2	Australia	817,200	India	400,562	Bangladesh	205,239
3	Pakistan	750,000	Russia	180,039	Algeria	108,956
4	Myanmar	492,300	Mexico	113,577	U.A.E.	101,530
5	Ethiopia	458,682	Argentina	66,200	Spain	75,781

## Peas

**Total Production:**  
11.3 million mt<sup>(1)</sup>

*Canadian production is destined for export markets primarily India and China*

Rank	Producers <sup>(1)</sup>		Exporters <sup>(2)</sup>		Importers <sup>(2)</sup>	
1	Canada	3,444,800	Canada	2,833,437	India	1,230,249
2	China	1,575,000	U.S.	441,451	China	1,053,518
3	Russia	1,502,845	Russia	336,090	Bangladesh	390,657
4	U.S.	778,140	France	236,947	Pakistan	160,528
5	India	600,000	Australia	174,885	U.S.	145,586

## Beans

**Total Production:**  
25.1 million mt<sup>(1)</sup>

*Primarily a domestic market; China is the only major producer supplying the export market*

Rank	Producers <sup>(1)</sup>		Exporters <sup>(2)</sup>		Importers <sup>(2)</sup>	
1	India	4,110,000	Myanmar	1,370,000	India	885,754
2	Myanmar	3,737,320	China	800,872	Brazil	303,934
3	Brazil	3,294,586	U.S.	453,247	U.S.	135,233
4	U.S.	1,324,760	Canada	294,371	Mexico	134,494
5	Mexico	1,273,957	Ethiopia	225,058	Italy	123,004

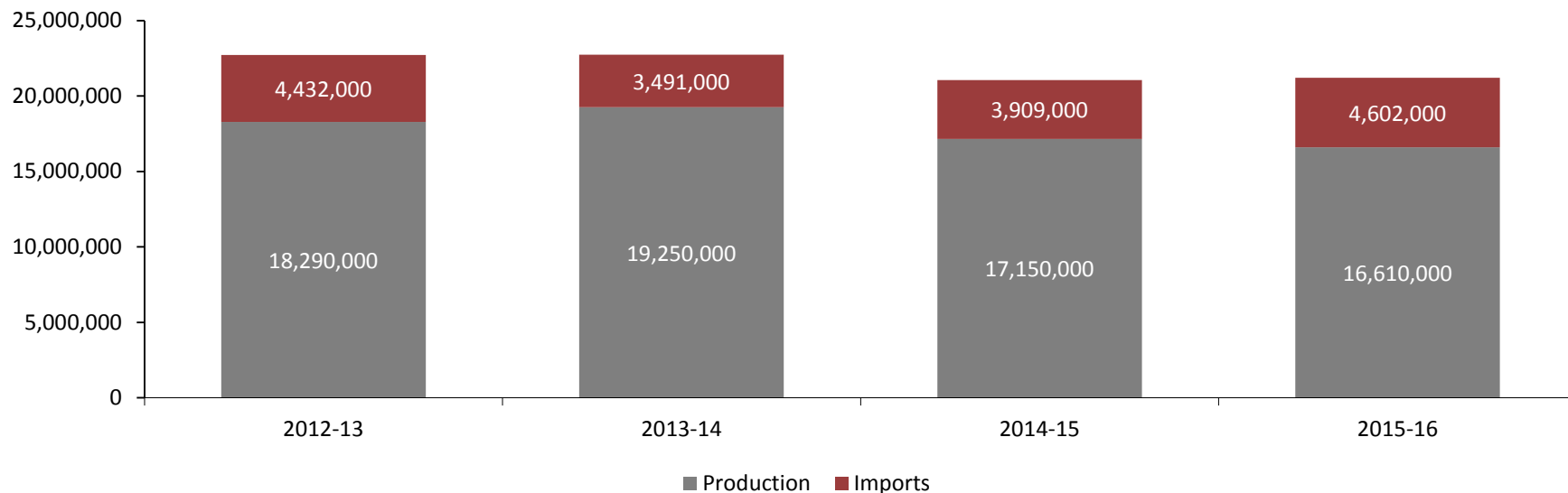
(1) Based on 2014 FAO data  
(2) Based on 2013 FAO data

# AGT Key Growth Markets - India

- Largest pulses market in the world with over 20 million metric tonnes of demand annually and a growing supply demand deficit
- India is currently in a negative supply position with respect to local production which is trending down; estimated imports for 2015-16 are ~4.6 million mt with 20+ million mt of consumption
- Production in India has been reported as impaired with imports expected to continue to meet domestic market requirements in advance of next harvest

## India – Pulses Supply / Demand Position

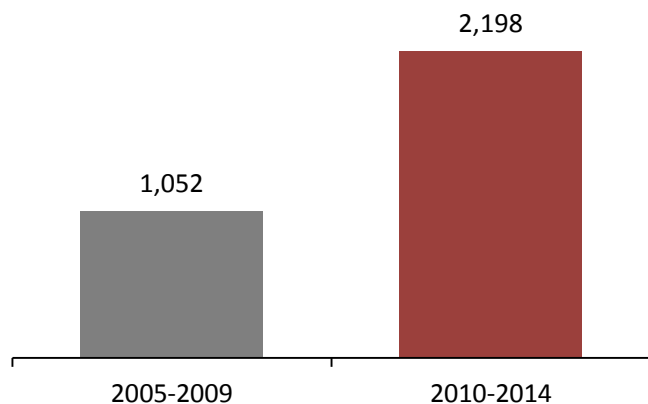
(mt)



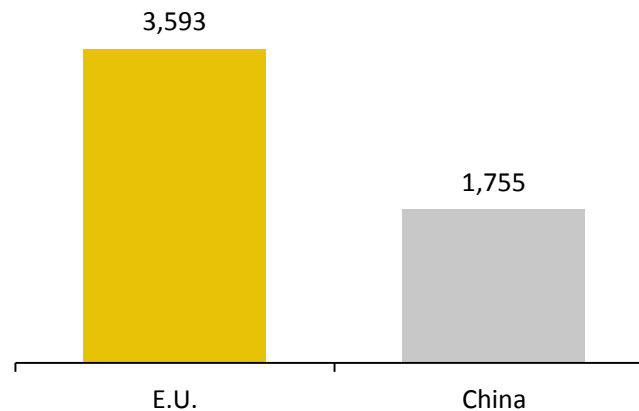
Source: India Directorate General of Commercial Intelligence & Statistics; India Department of Agriculture; Compiled by StatPub

# Pulse Ingredient Product Launches

Canada and U.S. Product Launches



E.U. and China Product Launches (2010-2014)



# Increased Ingredient Use for Pulses

## Foods

Gluten free  
Good source of fibre  
(3 g fibre per serving)  
Low fat



Nutrition Facts	
Serving Size 1 oz (28g) about 22 chips	
Servings Per Container 4.5	
Amount Per Serving	
<b>Calories</b> 110	Calories from Fat 30
% Daily Value*	
<b>Total Fat</b> 3g	5%
Saturated Fat 0g	0%
Trans Fat 0g	
<b>Cholesterol</b> 0mg	0%
<b>Sodium</b> 190mg	8%
<b>Total Carbohydrate</b> 19g	6%
Dietary Fiber 3g	12%
Sugars 2g	
<b>Protein</b> 4g	
Vitamin A 4%	Vitamin C 15%
Calcium 4%	Iron 2%
* Percent Daily Values are based on a 2,000 calorie diet. Your daily values may be higher or lower depending on your calorie needs.	
Calories:	2,000 2,500
Total Fat	Less than 65g 80g
Sat Fat	Less than 20g 25g
Cholesterol	Less than 300mg 300mg
Sodium	Less than 2,400mg 2,400mg
Total Carbohydrate	300g 375g
Dietary Fiber	25g 30g
Calories per gram:	
Fat 9	Carbohydrate 4 Protein 4

INGREDIENTS: **Bean Flour (Lentil, Garbanzo & Adzuki Beans), Potato and/or Pea Starch**, Potato Fiber, Vegetable Oil (High Oleic Sunflower Oil and/or High Oleic Safflower Oil, and/or Non Gmo Expeller Pressed Canola Oil), Seasoning (Sea Salt, Cane Sugar, Black Pepper, Tapioca Maltodextrin, Onion Powder, Garlic Powder, Autolyzed Yeast Extract, Malic Acid, White Pepper, Expeller Pressed Canola Oil), Potassium Chloride

## Pet Food/Animal Feed

- Approximately \$23B spent on pet food in the U.S. in 2015, and approximately \$24B estimated for 2016
- Global Feed Markets estimated at over \$370B



## Aquaculture

- Accounts for ~47% of the world's fish food production for human consumption





# Food Ingredients Changing the Category

- General Mills, Kellogg's and Post have all recently announced intentions to **replace GMO ingredients**, including soy and corn, in some of their products
- **Demand for alternative flours**, including pulse flours, estimated to outpace more traditional wheat flours throughout the food and beverage industry
  - Pulse flours are forecast to grow almost 4x faster than wheat flours and ahead of other cereals and potato flour between 2012 and 2017 in North America and Europe in the sweet and savory snacks application category
- **Gluten-free foods** expected to have sales of > US\$6.6 billion by 2017
- ~18 million Americans have **non-celiac gluten sensitivity** in addition to the 3 million Americans that suffer from celiac disease. Health Canada estimates 300,000 in Canada
- **By 2024, it is expected that the global ingredient protein market will reach US\$43.3 billion** resulting in part from a rising consumer preference for healthy foods, with the expectation that plant protein will continue to account for the majority of the protein ingredient market
- Pea protein ingredient market may observe the highest gains, forecast to grow at over 14.5% CAGR up to 2024



**From Producer to the World**



**AGT Food and Ingredients Inc.**

**(TSX: AGT)**

**[www.agtfoods.com](http://www.agtfoods.com)   [ir@agtfoods.com](mailto:ir@agtfoods.com)**