

From Producer to the World



AGT Food and Ingredients Inc. (TSX: AGT)
Q2 2018 Strategic Overview Investor Presentation

www.agtfoods.com

August 2018

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, 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*, 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
- HQ: Regina, SK, Canada
- Shares Outstanding: approximately 24 million
- Market Capitalization: ~ \$450 million
- Annual Dividend: \$0.60/share

Company Overview

- Global leader in pulse and staple food processing, bulk handling, distribution and food ingredients products⁽¹⁾ 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⁽¹⁾
- 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 45 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
- 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

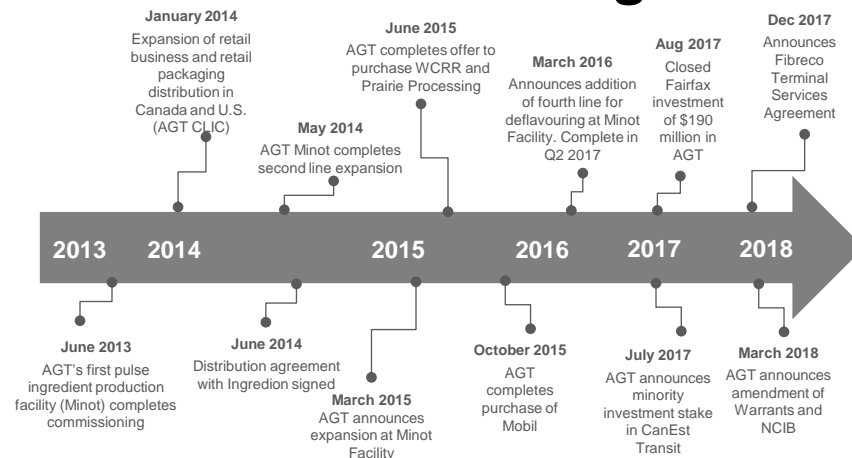
- Focus on revenue growth, margin expansion, improving working capital position and decreasing capex profile will further drive FCF growth
- Bulk Handling and Distribution and Food Ingredients and Packaged Foods segments further diversify and stabilize cash flows
- Low maintenance capex requirements (approximately \$12 – \$15 million) vs. \$59 million of LTM 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

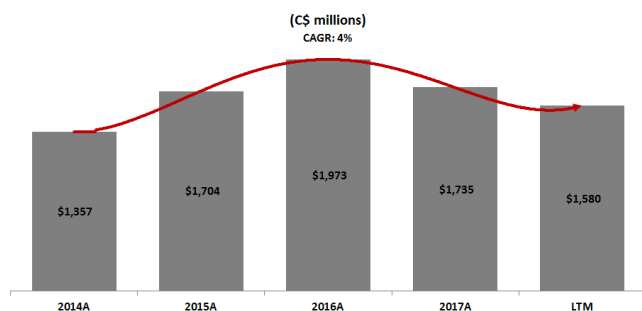
- Pulses are a good source of protein, a key nutrient for large numbers of the world's populations, especially in developing nations
- Growing global population and emerging middle classes in countries such as China, India and Brazil expected to increase total food consumption by up to 70% by 2050⁽²⁾
- 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

AGT Unique Platform Supports 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



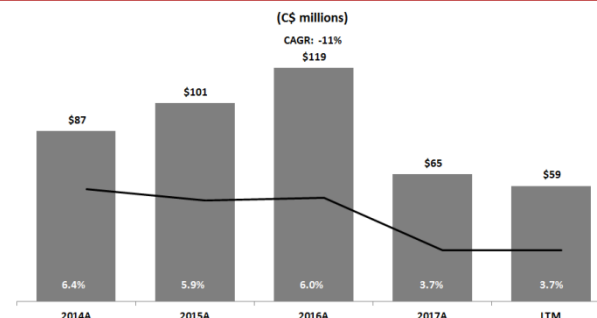
Revenue



Revenue Per Tonne

\$833	\$981	\$900	\$867	\$790
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Adjusted EBITDA* and Margin






Adjusted EBITDA* Per Tonne

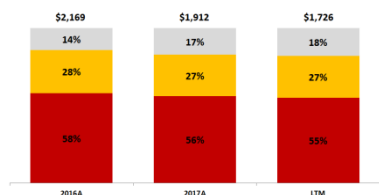
\$53	\$58	\$54	\$32	\$29
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Increasingly Diversified Operations

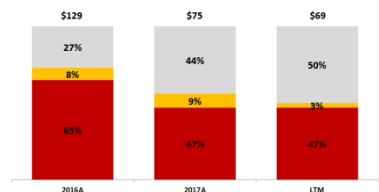
Product Diversification

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

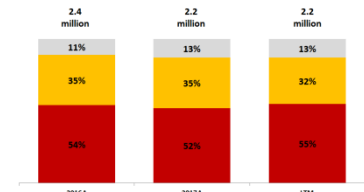
2016 vs. 2017 vs LTM Revenue⁽²⁾



2016 vs. 2017 vs LTM Adj. EBITDA⁽²⁾

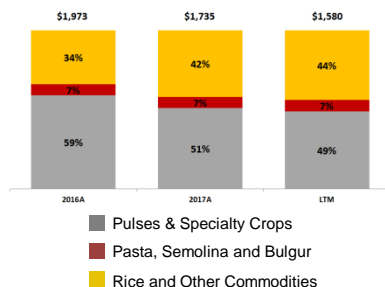


2016 vs. 2017 vs LTM Tonnes Shipped⁽²⁾



- 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 cyclical 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

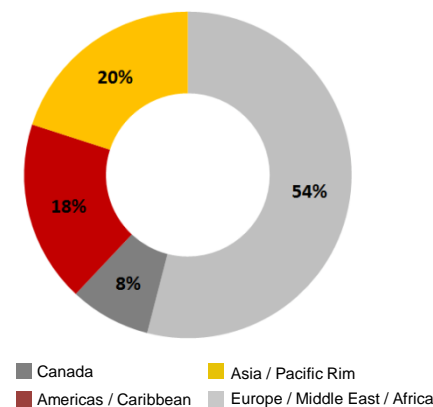
2016 vs. 2017 vs LTM Sales by Product



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 by Geography











Origin Diversification

- Over 45 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"> Among the largest exporters of lentils globally Largest red lentil splitter and pea splitter in the world and largest colour sorter of green lentils globally Largest value-added pea exporter from Canada
Chickpeas	Kabuli, desi, split desi		<ul style="list-style-type: none"> 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
Beans	Navy, romano, pinto, burbunya, dark and light red kidney, faba, black, red		<ul style="list-style-type: none"> Among the largest multi-origin bean shipper globally with processing and origination in 10 countries
Milled Durum Wheat	Pasta, semolina, bulgur		<ul style="list-style-type: none"> A leading domestic producer and exporter for pasta with a diverse customer base in countries including Canada, Israel, Japan Largest bulgur wheat mill in Turkey Contracted to produce all private label dry pasta for a major nationwide Canadian grocer
Other Commodities	Popcorn, canola, durum, flax seed, coffee, sugar		<ul style="list-style-type: none"> Cross-selling opportunities for other staple commodities to AGT customers Includes aid program family parcels (UN WFP, ICRC⁽¹⁾) Procurement, distribution, and customer service
Bulk	Bulk lentils, durum wheat, other grains and commodities		<ul style="list-style-type: none"> Dedicated short line rail network serving West Central Saskatchewan 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 Port facilities for loading bulk vessel for shipment
Food Ingredients	Flour, protein, starch and fibre derived from pulses, durum wheat, rice		<ul style="list-style-type: none"> Minot Facility in North Dakota is the largest value-added pulse ingredient factory in the U.S. Growing market share in supply of pulse ingredients to human food, petfood, branded feed and aquaculture customers and manufacturers
Packaged Foods	Retail packaged and canned foods		<ul style="list-style-type: none"> Arbella brand pasta and related products (Turkey, global); Arbel packaged pulses (Turkey, Europe, Central Asia); CLIC brand (Canada and US); Poyoukous Foods (Southern Africa)

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 45+ 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




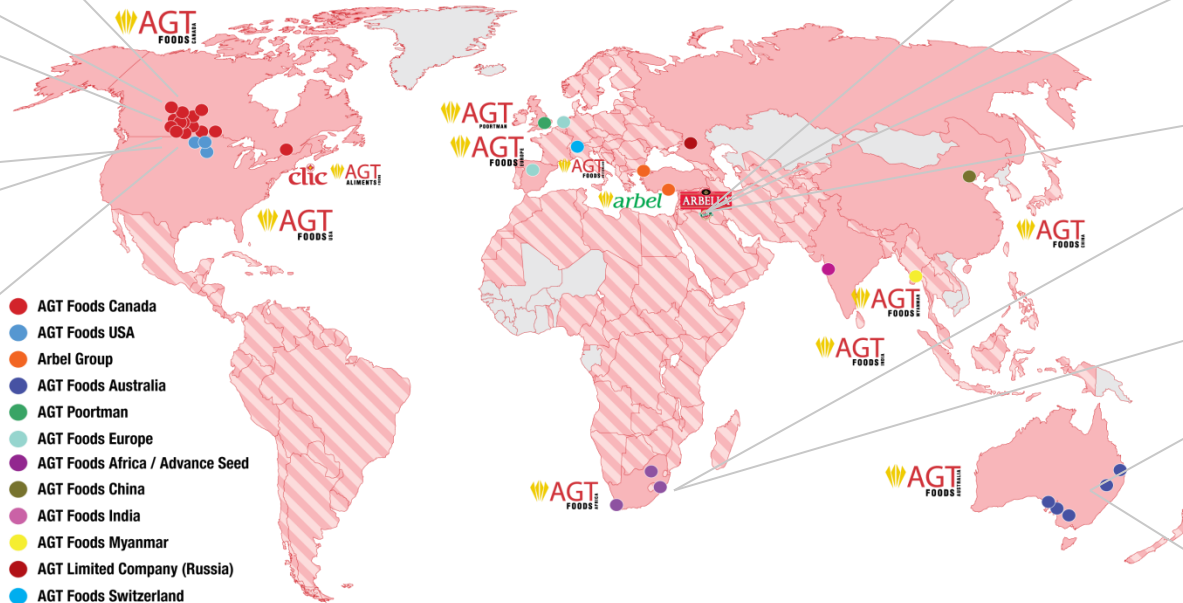
 AGT Foods Canada Regina Main
Regina, SK, Canada




 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



Traditional Red Lentil Curry ⁽¹⁾

- ✓ **14%** daily intake of fibre
- ✓ **25%** daily intake of iron
- ✓ **7g** protein per 100g serving

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



Reformulated Pasta 25% Lentil; 75% Durum ⁽²⁾

- ✓ **25%** lower carbon footprint
- ✓ **100%** increase in fibre
- ✓ **25%** increase in protein

Source: Data from FAO and Pulse Canada; Pulse Foods – Processing, Quality and Nutraceutical Applications, 2011

(1) Nutritional values estimated based on traditional recipes and formulation. Eat This Much.

(2) Adapted from: Gan et al. 2011. Unpublished results, AAFC; U.S. Department of Agriculture, Agricultural Research Service. 2010. USDA National Nutrient Database for Standard Reference. Compared to traditional pasta made from 100% durum wheat semolina.

Business Segments & Products

Pulse and Grain Processing

LTM Financials

Revenue: \$945 million
Adjusted EBITDA*: \$33 million
Margin: 3.5 %

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

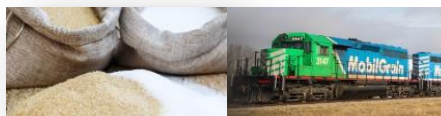
- Vertical integration as a result of acquisitions provides marketing and logistical control and create margin enhancement opportunities
- Allows for greater volumes and throughput to meet growing demand
- Current demographic trends indicate rising demand for pulses over the long term
 - Increased spending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



Bulk Handling and Distribution

Revenue: \$469 million
Adjusted EBITDA*: \$2 million
Margin: 0.4 %

- 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



Food Ingredients and Packaged Foods

Revenue: \$312 million
Adjusted EBITDA*: \$35 million
Margin: 11.1%

- 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 cyclicality in this segment will increase overall company profitability and further stabilize revenue



Value Chain

Pulse and Grain Processing

Pulse and Grain Processing Overview

Description

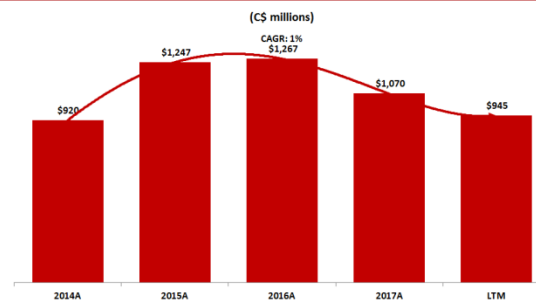
- Operations include sourcing pulses and grains from producers, processing them through AGT's facilities and loading and moving products through AGT's logistics network before selling them to clients in over 120 countries across the globe
- Value added services include splitting, colour sorting, sizing, 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

- High production supply in global markets and slower than expected return to normalized import volumes/timing for pulses
- Current market conditions on duty on pulses to India as well as non-tariff trade barriers, slower season sales and economic conditions in consumption markets easing and look to return to substantially normalized conditions into traditional shipping periods
- Demand fundamentals viewed as unchanged



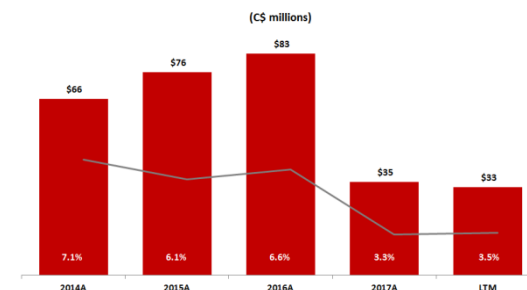
Revenue



Revenue Per Tonne

\$778	\$937	\$964	\$930	\$787
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Adjusted EBITDA* and Margin



Adjusted EBITDA* Per Tonne

\$56	\$57	\$63	\$30	\$27
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Bulk Handling and Distribution

Bulk Handling and Distribution Overview

Description

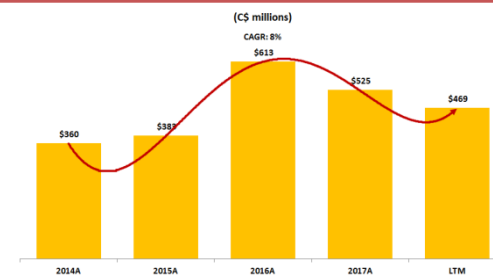
- Provides a range of pulses, specialty crops and other commodity products sourced from numerous suppliers to wholesale and retail markets around the world
- Bulk products are typically not processed by AGT - provide cross-selling opportunities with AGT customers and aid programs for family parcels for 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
- Key investment in logistics and ports and efficient transportation modes expected to help to ensure the smooth movement of products to market, matching origination and production to demand and supply requirements from farm to customer
- Entered into a 20-year Services Agreement with Fibreco Export Inc. ("Fibreco") who is constructing an agriproducts export terminal facility at Fibreco's current bulk handling and loading facility located at the Port of Vancouver as well as investments in CanEst in Montreal and with MobilX Terminal in Thunder Bay



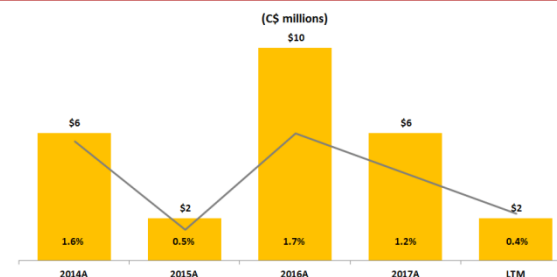
Revenue



Revenue Per Tonne

\$737	\$768	\$734	\$679	\$659
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Adjusted EBITDA* and Margin



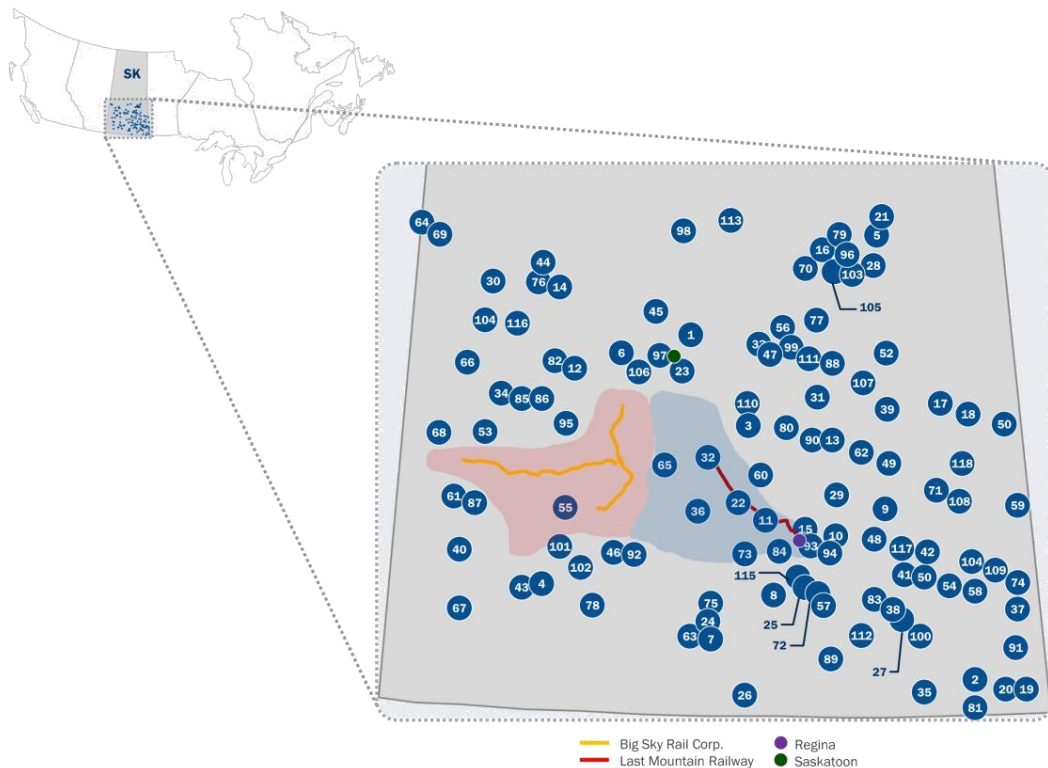
Adjusted EBITDA* Per Tonne

\$12	\$4	\$12	\$8	\$3
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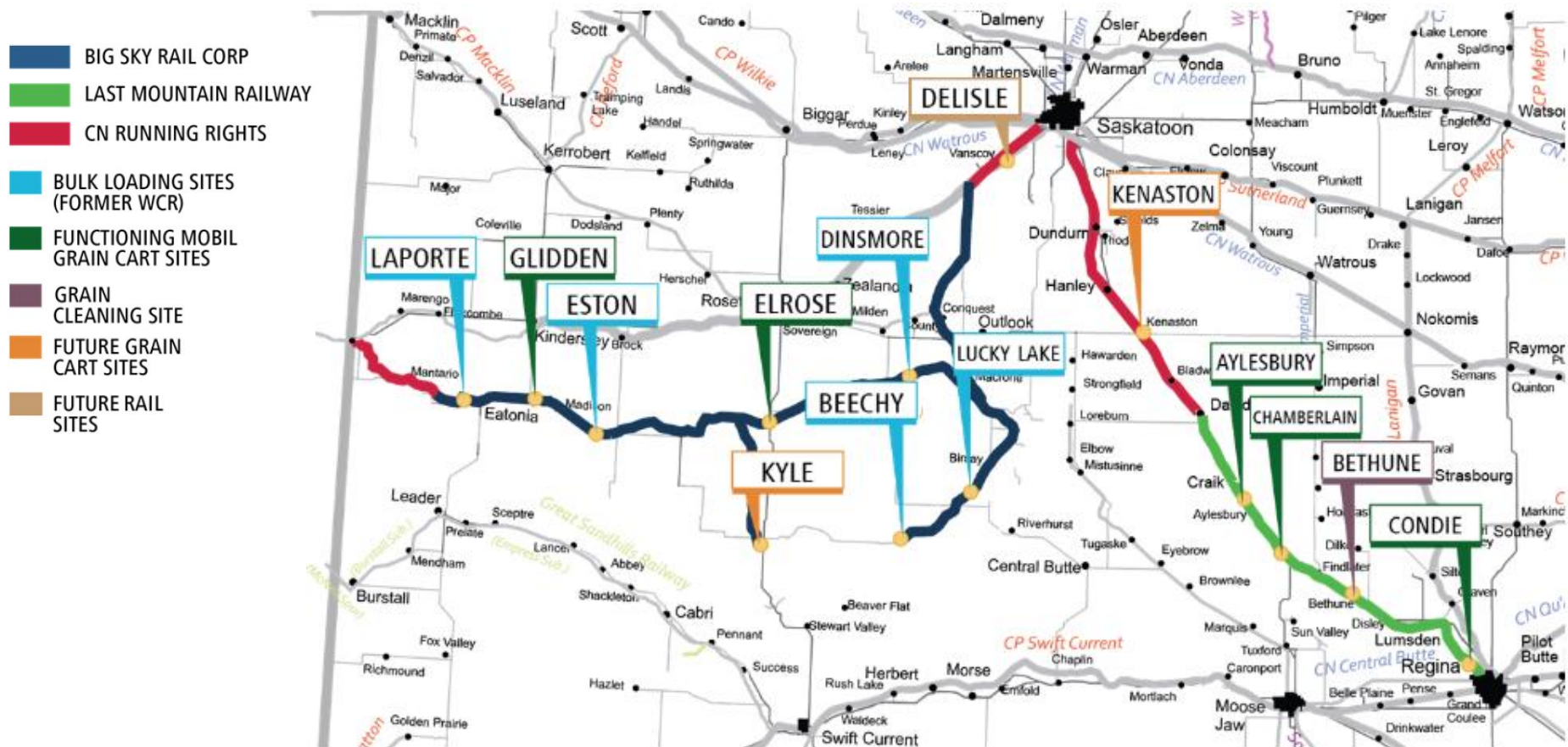
Overview of Saskatchewan Elevators

Investment Rationale and Details

- 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
- 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 3rd 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
- Leverages AGT's investments and partnerships in port facilities (Montreal/CanEst, Thunder Bay/MobileX and Vancouver/Fibreco)



AGT's Expanded Rail Network



Source: Company estimates and reports

Food Ingredients and Packaged Foods

Food Ingredients and Packaged Foods Overview

Description

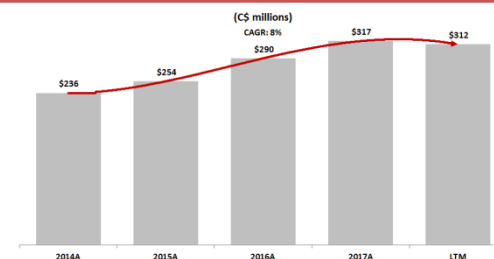
- Produces food ingredients, pulse-based flours, proteins, starches and fibres for human food, industrial uses and animal feed / pet food applications
- Leverages AGT's strengths in origination and processing infrastructure
- Retail packaged and canned foods in North America, Europe, MENA and South Africa
- 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 deffavoured 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%⁽¹⁾
- 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 deffavouring line
- Three lines at the Minot facility continuing to ramp up to full capacity; fourth line commercial production underway along with other milling and enhancement processes
- Segment expected to generate increased sales and higher margins while smoothing out seasonality



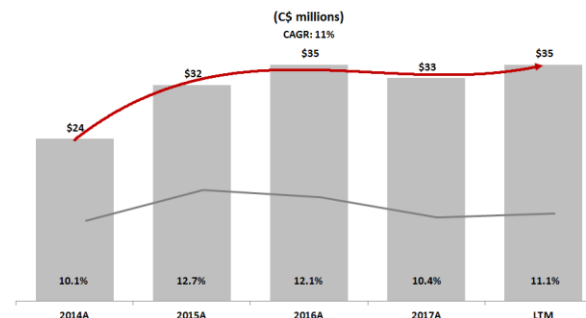
Revenue



Revenue Per Tonne

\$1,042	\$1,032	\$1,133	\$1,065	\$1,090
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Adjusted EBITDA* and Margin



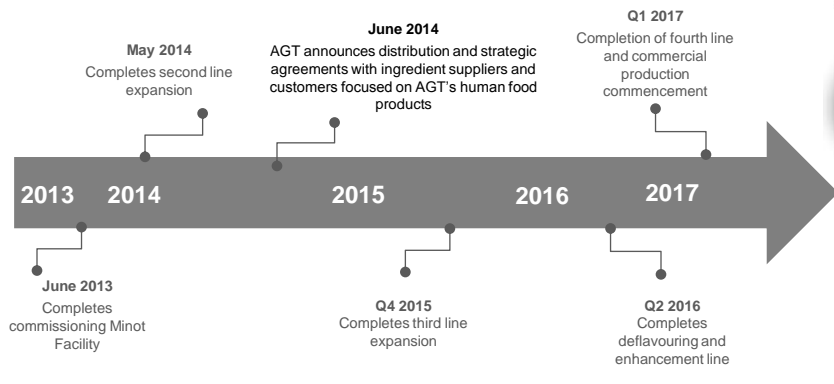
Adjusted EBITDA* Per Tonne

\$105	\$131	\$137	\$111	\$121
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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 completion with commercial production commencing
 - Line four first line dedicated to human food business
- Expansions bring value-added production and modification processes including de-flavouring, 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

- Majority of 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

Source: Company estimates and reports

Business Strategy

Strategy Pillars

1. Improve free cash by reducing working capital and capital expenditures, improving liquidity and reducing finance expenses and global administration costs reflecting reduced cyclical volumes and margins;
2. Grow the scale of processing and improve margins in AGT's food ingredients and packaged foods businesses, developing an integrated "farm gate to ingredient and retail consumer package" program for AGT's customers under AGT's brands and as a co-packing supply chain partner;
3. Expand AGT's bulk handling business and improve the infrastructure asset base in ocean port, inland container and rail terminals to monetize the earnings potential of its unique grain origination and logistical assets, which includes trucking, rail, containerization and bulk vessel loading programs, by linking these efforts with other assets in key consumption markets such as Turkey, India and China; and
4. Increase AGT's facility utilization and evolve product mix to improve margins in a supply chain approach to the Company's core pulses business.

Fundamentals Unchanged

- ***Earnings Constraints Seen as Cyclical***
- ***Underlying Profitability Model Unchanged***
- ***Food Ingredients/Packaged Foods Growth and Margin Improvement***
- ***Operating Liquidity Strong and Banking Agreements Extended***
- ***Demand Fundamentals Unchanged***
- ***Focus on:***
 - Being as streamlined and efficient as possible
 - Responsibly managing production, inventory and purchases
 - Maximizing cash flow and safeguarding its capital

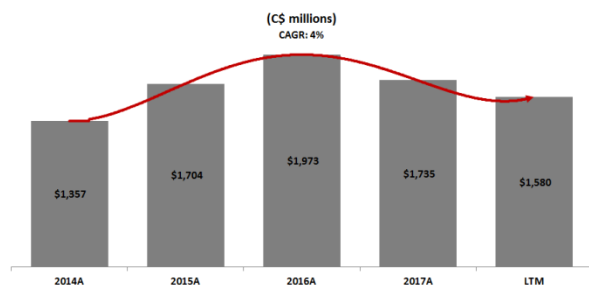
Source: Company reports

Financial Highlights Q2 2018

(\$ Million CDN)	Q2 2018	Q1 2018	Q2 2017	LTM
Revenue	\$402.9	\$394.6	\$451.3	\$1,580.0
Adjusted EBITDA*	\$17.2	\$16.1	\$19.1	\$59.0
Adjusted Gross Profit*	\$36.7	\$33.0	\$38.2	\$124.6
Total mt Invoiced	518,131	511,999	487,702	2.2 million

Historical Financials

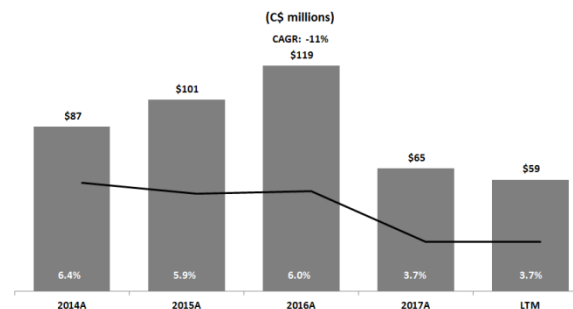
Revenue



Revenue Per Tonne

\$833	\$981	\$900	\$867	\$790
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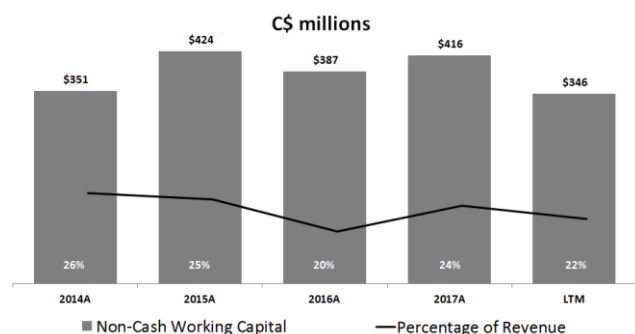
Adjusted EBITDA* and Margin



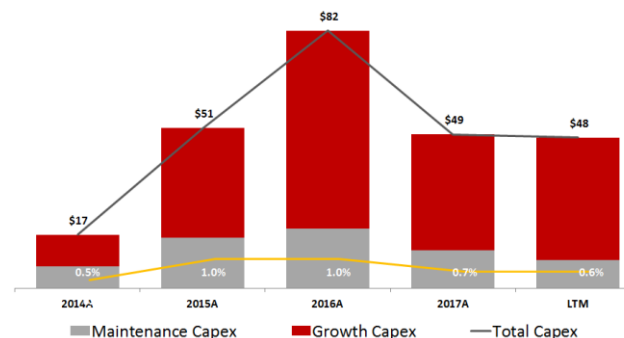
Adjusted EBITDA* Per Tonne

\$53	\$58	\$54	\$32	\$29
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Non-Cash Working Capital⁽¹⁾



Net Capital Expenditures⁽²⁾

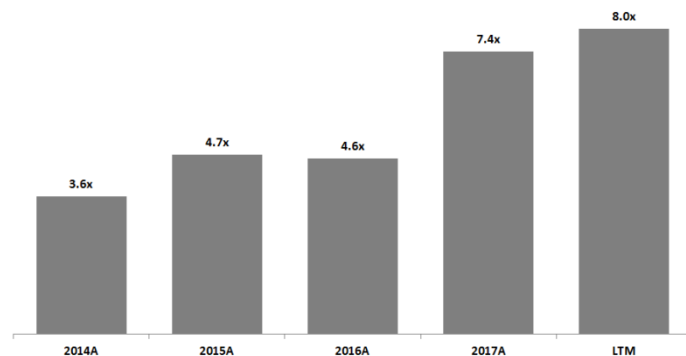


Note: LTM refers to the twelve month period ended June 30, 2018 (all figures in C\$ millions unless otherwise stated)

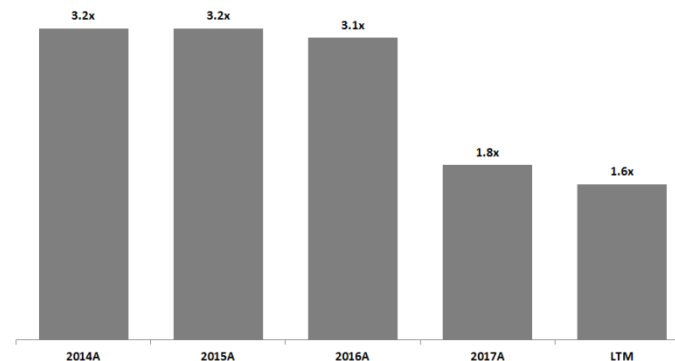
- (1) Calculated as (trade accounts receivable + inventory + prepaid expenses and other) – accounts payable and accrued liabilities and deferred revenue
 (2) Net of proceeds from sale of PP&E and insurance funds received

Historical Credit Metrics

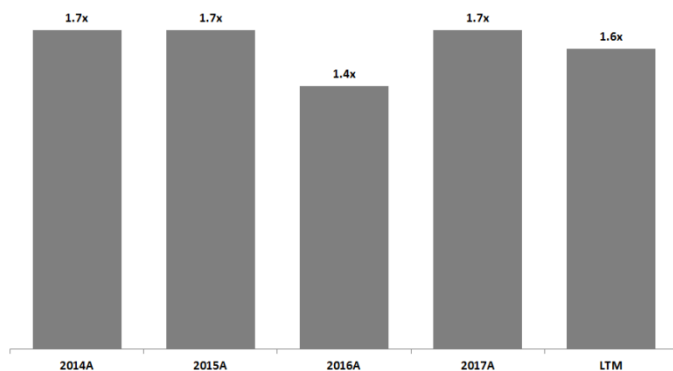
Net Debt / Adjusted EBITDA*



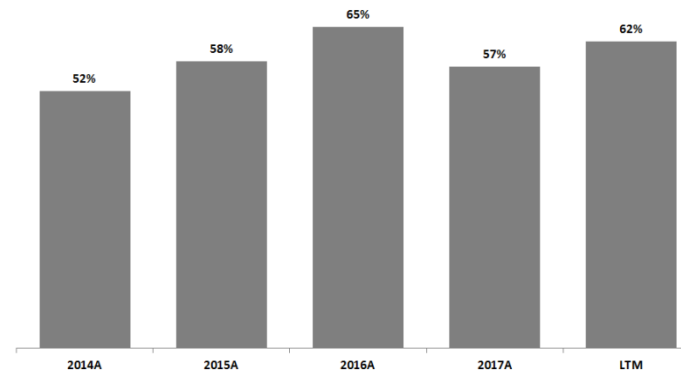
Adjusted EBITDA* / Interest Expense



Asset Base⁽¹⁾ / Total Debt



Total Debt / Book Capital⁽²⁾



Note: LTM refers to the twelve month period ended June 30, 2018 (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 St. Joseph
St. Joseph, MB, 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 Wilkie
Wilkie, SK, Canada



AGT Foods Canada Assiniboia
Assiniboia, SK, Canada



AGT Foods Canada Gibbons
Gibbons, AB, Canada



AGT Foods Canada Eston
Eston, SK, Canada



AGT Foods Canada Eston Canary Seed
Eston, SK, Canada



AGT Foods Canada Dinsmore
Dinsmore, SK, Canada



AGT Foods Canada Beechy
Beechy, SK, Canada



AGT Foods Canada Lucky Lake
Lucky Lake, SK, Canada



AGT Foods Canada Laporte
Laporte, SK, 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 Africa / Advance Seed
Johannesburg, Gauteng, South Africa



AGT Foods India
Mumbai, India

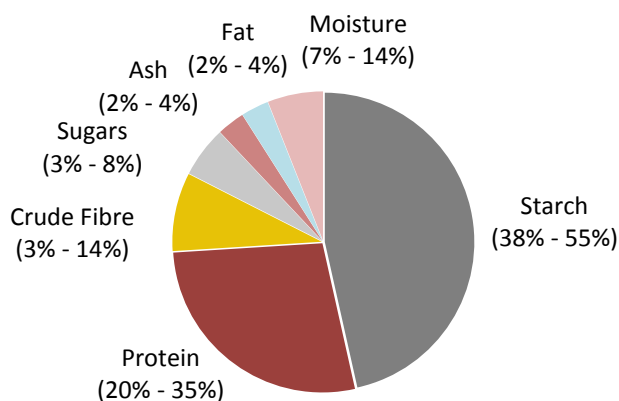


AGT Poortman / AGT Foods Europe
United Kingdom, Netherlands, Spain

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

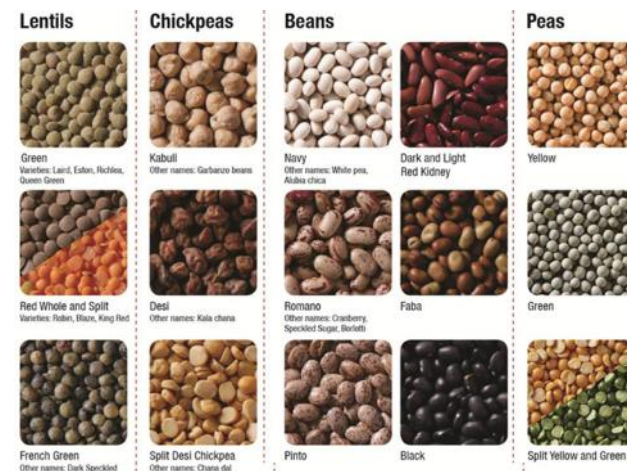
Composition of Pulses



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

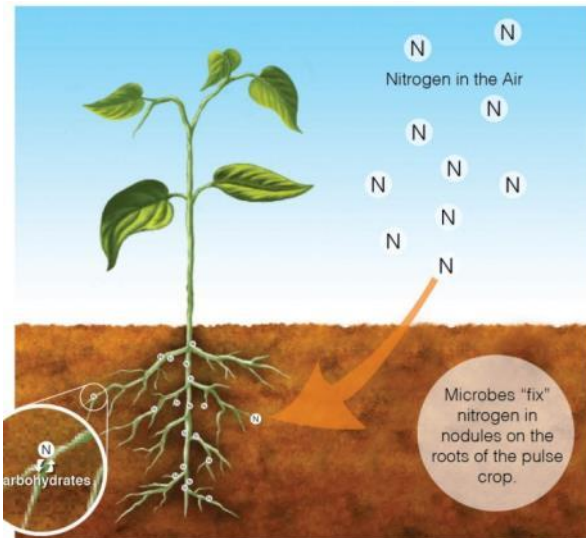
Types of Pulses



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



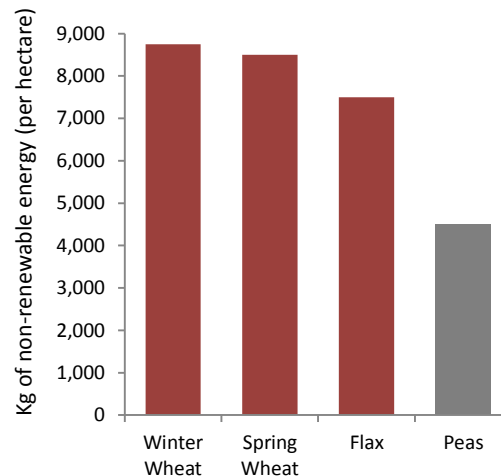
Pulse crop with root nodules

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

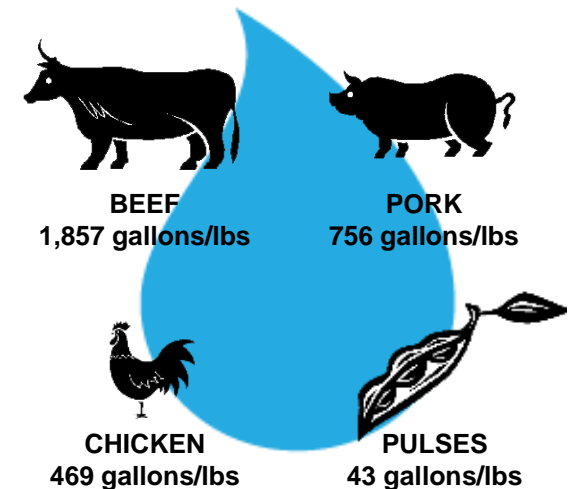
Greenhouse Gas and Energy

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



Increased Water Use Efficiency

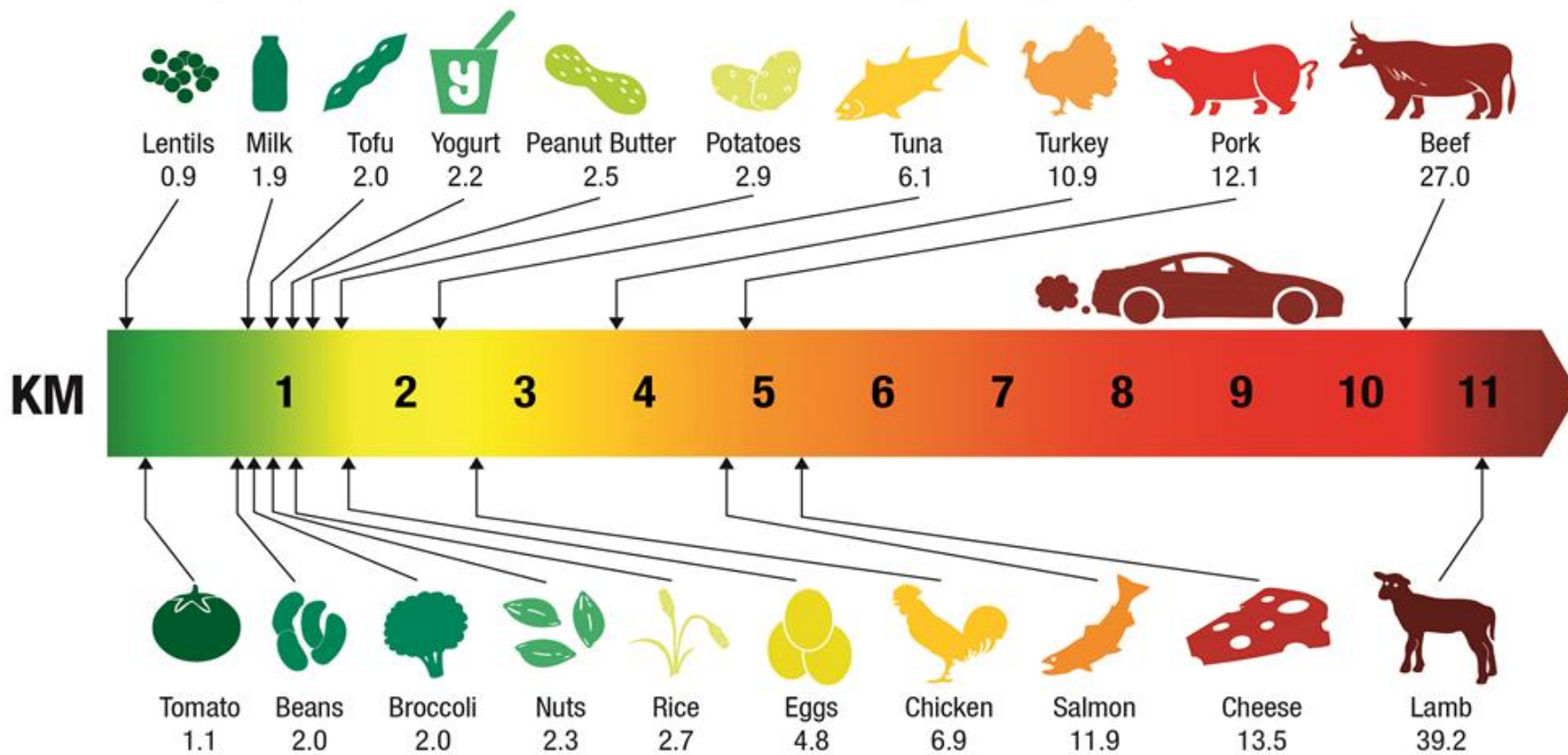
- 43 gallons of water required to produce one pound of pulses
- 1,857 gallons of water required to produce one pound of beef



Carbon Footprint

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

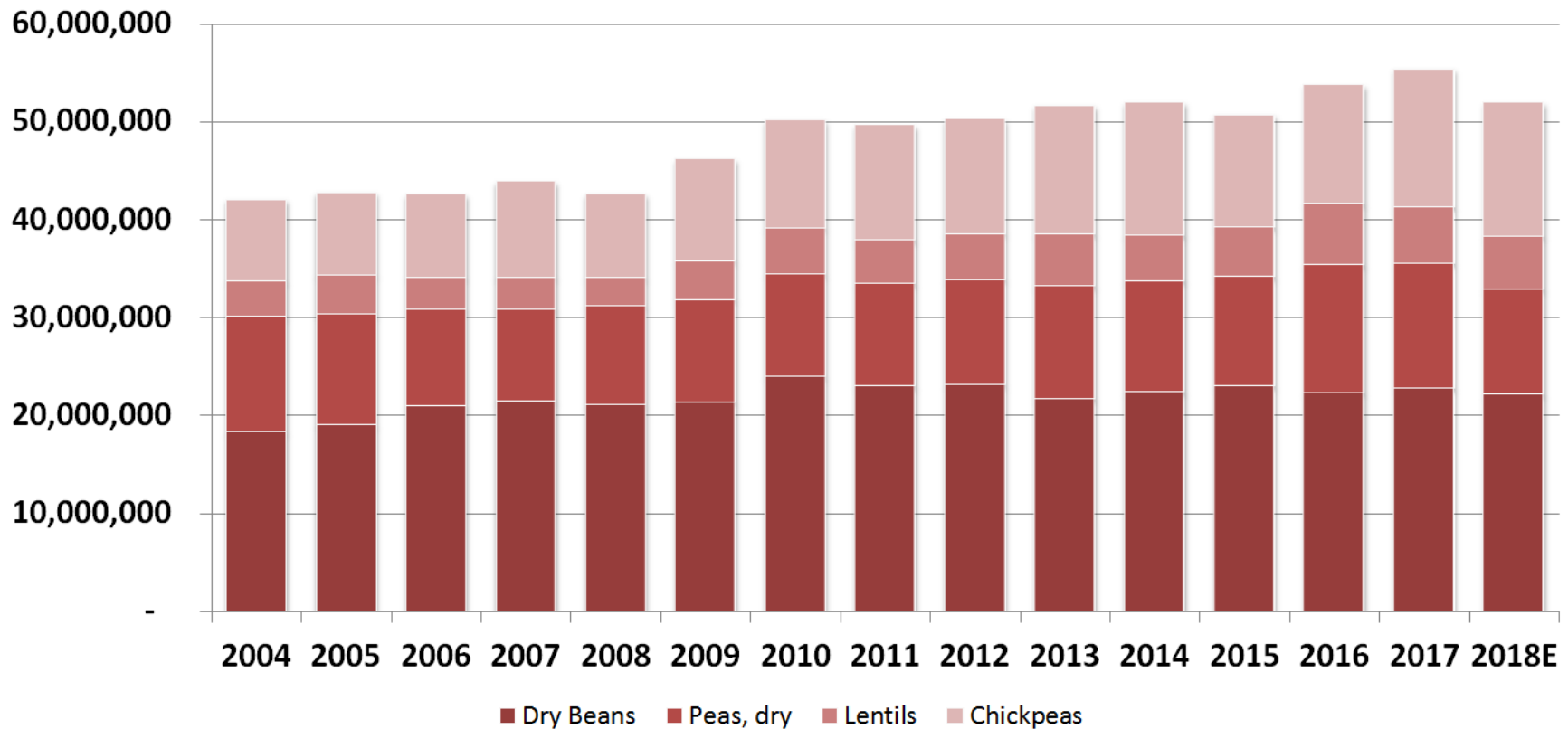
- Number shows kg of carbon dioxide equivalent produced per 1kg of food



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

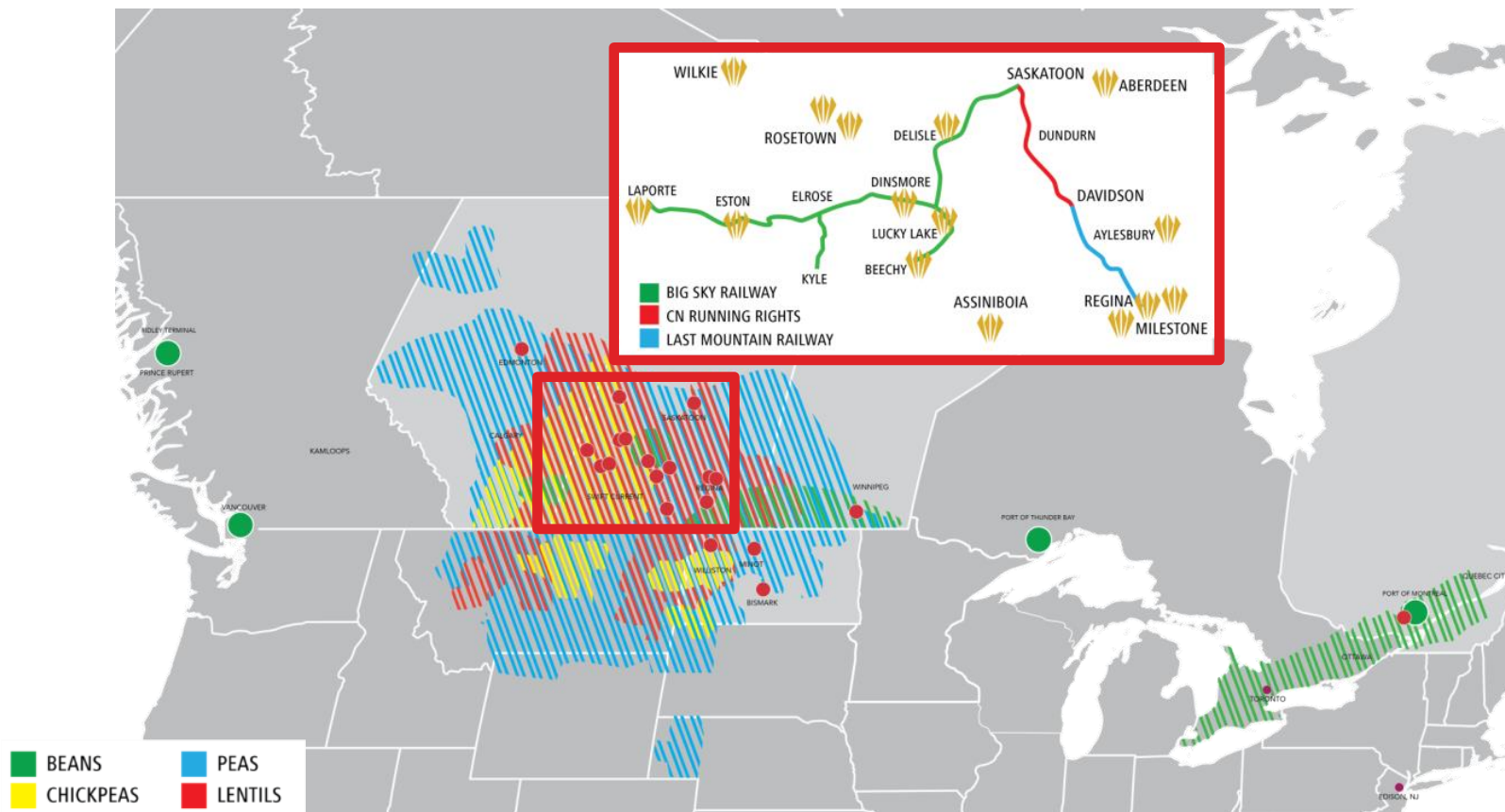
Global Pulse Production Rising

Global Pulse Production by Type (4 Major Pulses)



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

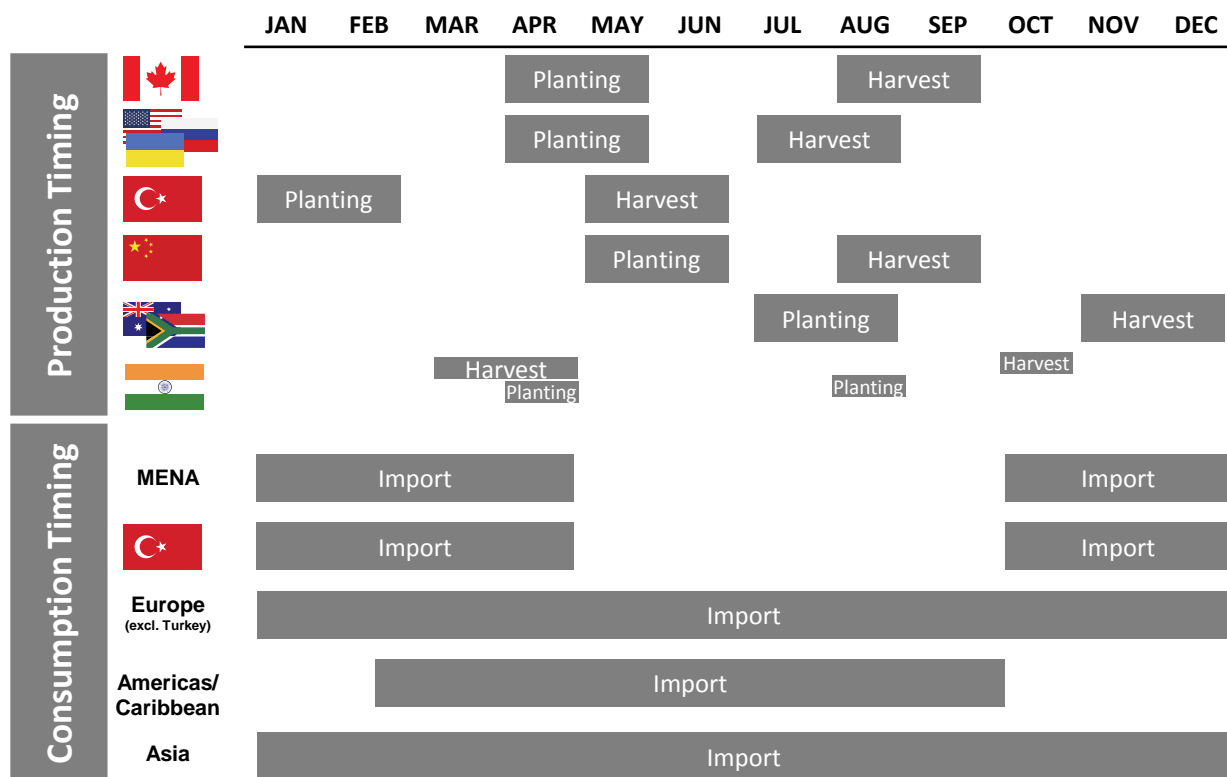
North America Pulse Growing Regions



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⁽¹⁾



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⁽²⁾ – Major Pulse Importer

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

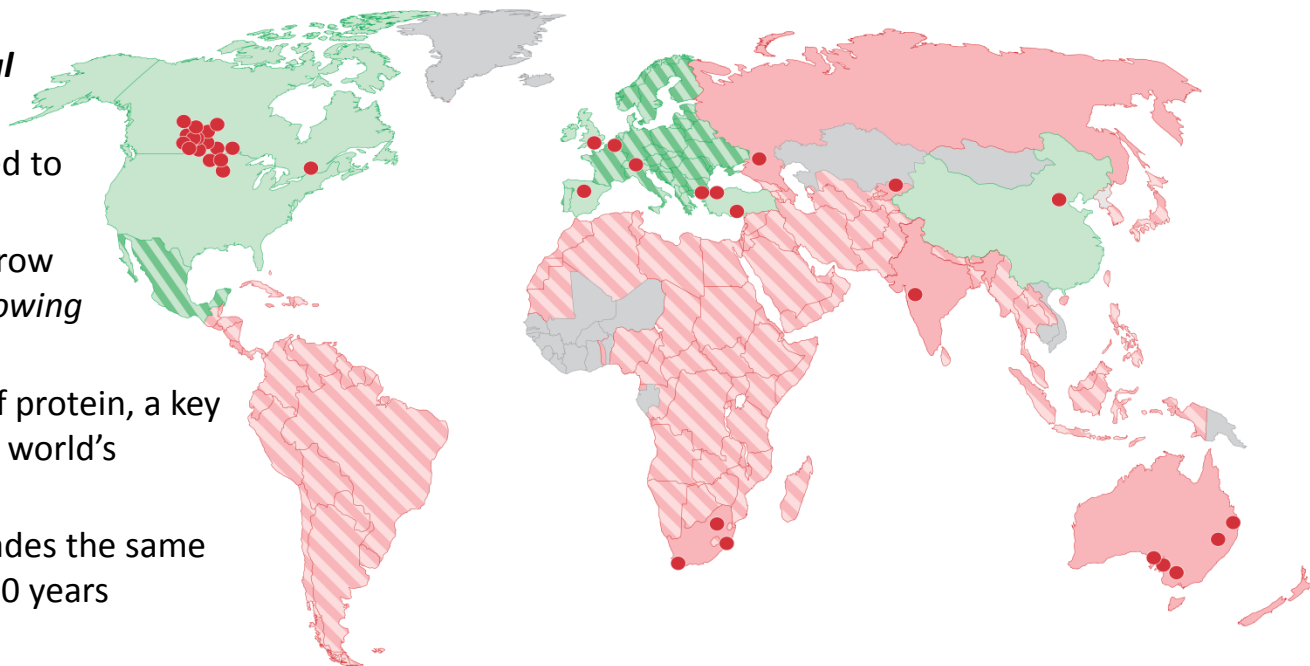
AGT has significantly reduced its reliance on the North American harvest, reducing sales seasonality, while simultaneously taking advantage of key import opportunities

Markets for Pulses & Staple Foods

Traditional Markets for Pulses

Growth Driver: Population & Global Demand for Food

- 2050 - Global population expected to rise 30% to approximately 9.7B
- Global food output will have to grow by 70% to feed the world with growing middle class
- Pulses are a sustainable source of protein, a key nutrient for large numbers of the world's populations
- Need to produce in the next decades the same amount of food as the past 10,000 years



New Markets for Pulses

Growth Driver: Health, Nutrition and Sustainability

- High Protein and Fibre, Nutrient Dense, Low Fat, Gluten Free, non-GMO, Low Allergenicity
- Lower Energy Use, Reduce Greenhouse Gas Emissions, Improve Soil Health through Rotational Cropping, Increase Water Use Efficiency



Global Supply / Demand by Pulse Type

Lentils

Total Production:
6.7 million mt ⁽¹⁾

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

Lentil Supply and Demand (in mt)						
Rank	Importers		Exporters		Producers	
1	India	753,566	Canada	2,053,528	Canada	3,248,000
2	Turkey	337,500	Australia	284,106	India	920,000
3	Bangladesh	319,803	Turkey	243,768	Australia	830,000
4	UAE	183,634	USA	235,174	USA	575,000
5	Sri Lanka	131,004	UAE	99,521	Turkey	325,000

Chickpeas

Total Production:
12.7 million mt ⁽¹⁾

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

Chickpea Supply and Demand (in mt)						
Rank	Importers		Exporters		Producers	
1	India	873,542	Australia	1,274,875	India	7,060,000
2	Bangladesh	175,636	Russia	239,079	Australia	2,310,000
3	Pakistan	129,844	Canada	137,055	Pakistan	537,800
4	UAE	117,103	USA	133,941	Turkey	451,000
5	Iran	89,971	Argentina	127,653	Myanmar	425,000

Peas

Total Production:
14.0 million mt ⁽¹⁾

Canadian production is destined for export markets primarily India and China

Pea Supply and Demand (in thousands of mt)						
Rank	Importers		Exporters		Producers	
1	India	3,061,899	Canada	3,136,682	Canada	4,836,000
2	China	1,001,558	Russia	702,002	Russia	2,200,000
3	Pakistan	462,860	USA	583,013	USA	1,259,000
4	Bangladesh	351,096	France	367,883	India	1,010,000
5	USA	119,400	Ukraine	257,833	Ukraine	750,000

Beans

Total Production:
22.5 million mt ⁽¹⁾

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

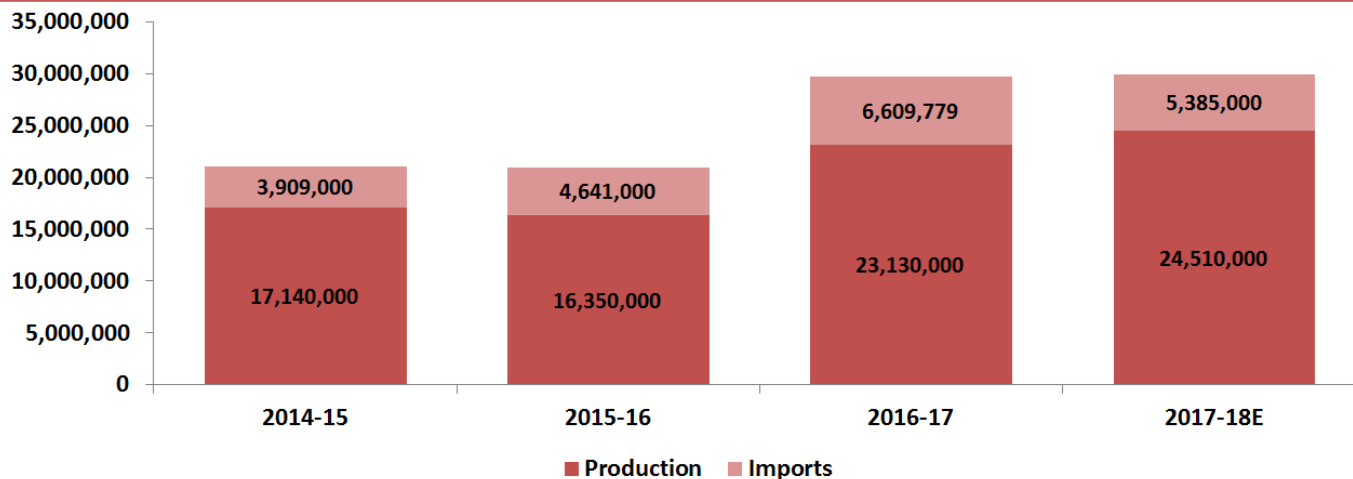
Bean Supply and Demand (in mt)						
Rank	Importers		Exporters		Producers	
1	India	681,406	Myanmar	984,491	India	6,600,000
2	Brazil	341,890	China	630,162	Myanmar	3,614,000
3	Mexico	163,226	Australia	421,505	Brazil	3,400,000
4	Italy	127,561	Argentina	402,256	USA	1,363,000
5	VietNam	106,627	USA	191,827	China	962,000

⁽¹⁾ Source: Compiled by StatPUB from official and estimated data; Data shown for 2016

AGT Key Markets - India

- Largest pulses market in the world with over 20 million metric tonnes of demand annually and a growing supply demand deficit.
- Global markets currently in an oversupply position with high levels of production in all origins – production and consumption. This is leading to overall low prices impacting market activities.
- Production in India has been inconsistent in recent years. It is currently higher than previous years, however it may reduce once again. India depends on imports to continue to meet domestic market requirements. Traditionally India consumes local production first, then commences import activities. Return to normal patterns has been slower than expected but viewed as commencing.
- Indian Government is supporting their local market with messaging surrounding food security and agricultural policy, anti-hoarding regulations, import of safety stocks to ensure availability of pulses and non-tariff trade barriers such as their policy on fumigation of agricultural products and duty on pulses (peas 50%; lentils 33%; chickpeas 66%) as well as restrictions on pea import volumes.
- Pulse markets there expected to build prices back up and reduce stocks that may result in the return of more normalized imports on improved pricing.

India – Pulses Supply / Demand Position (mt)



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	
Calories 110	Calories from Fat 30
% Daily Value*	
Total Fat 3g	5%
Saturated Fat 0g	0%
Trans Fat 0g	
Cholesterol 0mg	0%
Sodium 190mg	8%
Total Carbohydrate 19g	6%
Dietary Fiber 3g	12%
Sugars 2g	
Protein 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 \$28.26B spent on pet food in the U.S. in 2016, and approximately \$29.69B estimated for 2017
- Global Feed Markets estimated at over \$370B



Aquaculture

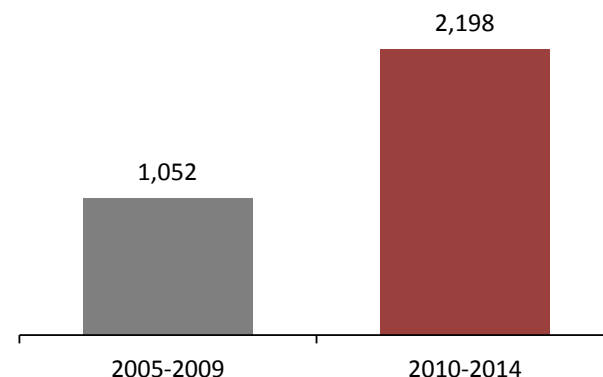
- Accounts for ~47% of the world's fish food production for human consumption



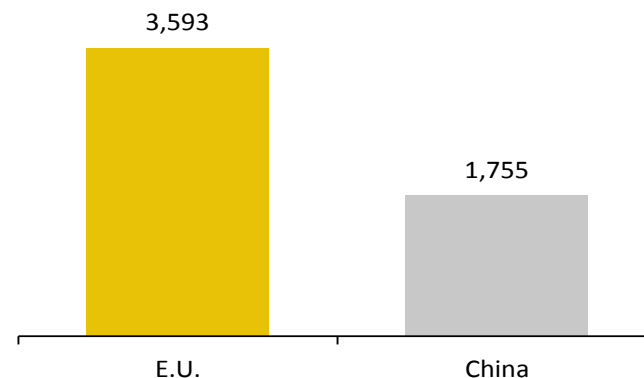
Food Ingredients Changing the Category

- 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

Canada and U.S. Product Launches



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



From Producer to the World



AGT Food and Ingredients Inc.

(TSX: AGT)

www.agtfoods.com ir@agtfoods.com