



Maple Leaf Foods

Q4 2019 Business & Financial Review

All dollar amounts are presented in CAD dollars unless otherwise noted.





Forward-looking Statements and non-IFRS Measures

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

The Company's expectations with respect to future sales and returns associated with the anticipated growth of its plant-based protein business as of the date hereof are based on a number of assumptions, estimates and projections that have been developed based on experience and anticipated trends, including but not limited to: market growth assumptions, market share assumptions, new product innovation, foreign exchange rates and competition.

The Company's expectations with respect to improving pork market economics as of the date hereof are based on a number of assumptions, including but not limited to: pork supply pressures in African Swine Fever confirmed regions, global export trade trends and hog futures pricing.

The Company's assumptions about capital project expenditures and timing are based on a number of assumptions, including but not limited to: availability and cost of materials, labour, productivity levels, quality of estimating, weather conditions, and project scope.

These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. These assumptions have been derived from information currently available to the Company, including information obtained by the Company from third-party sources. These assumptions may prove to be incorrect in whole or in part. In addition, actual results may differ materially from those expressed, implied, or forecasted in such forward-looking information, which reflect the Company's expectations only as of the date hereof. Please refer to the sections entitled "Risk Factors" and "Forward-Looking Statements" in the Company's Management Discussion and Analysis for the fiscal year ended December 31, 2019 for additional detail.

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

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

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

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization: Defined as Adjusted Operating Earnings plus depreciation and intangible asset amortization, adjusted for items included in other expense that are not considered representative of ongoing operational activities of the business.

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

Construction Capital: Defined as investments in projects over \$50.0 million that are related to longer-term strategic initiatives, with no returns expected for at least 12 months in the future and the asset will be re-categorized from Construction Capital once operational.

Please refer to the Company's Management and Discussion and Analysis for the year ended December 31, 2019 for additional information on non-IFRS financial measures

Strategic Update



We continue to be focused on executing our strategic Blueprint





We Built a Profitable Base; Now We're Focused on Profitable Growth

2010

Transformation

2014

2015

Brand-led Growth

Today

✓ Exited non-core businesses

- Rothsay (2013)
- Olivieri (2013)
- Canada Bread (2014)

✓ Transformed our supply chain

- Established scale prepared meats network, consolidating fragmented supply chain
- Delivered significant efficiency and margin improvements

✓ Invested in technology

- Deployed SAP

✓ Expanding sustainable meats platform



✓ Renovated core brands



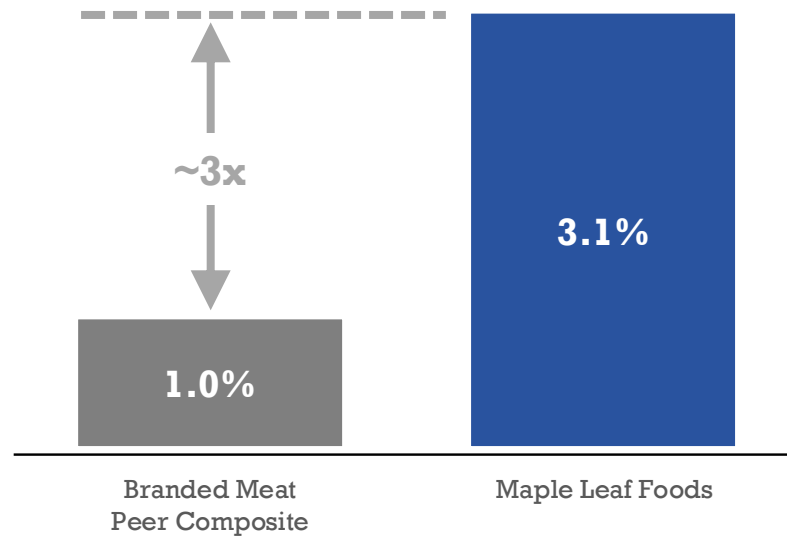
✓ Established leadership in Plant Protein





Maple Leaf's Growth Vectors Have Delivered Compelling Results

3-year Average Sales Growth
excluding acquisitions/divestments



We have developed growth vectors across our business:

1. Meat Protein Group

- Leveraging leadership in sustainable meats
- Rapidly growing presence in US
- Entrenching impact of brand renovation
- Constructing new scale poultry facility
- Investing in dry cured meats & protein kits

2. Plant Protein Group

- Foundation built on established brands
- Strategic investment in brand awareness
- Strong innovation pipeline
- Optimizing network to support growth

Notes: Sales growth excludes impact of acquisitions and divestments; Branded Meat Peer Composite includes Hormel, Tyson, Kraft Heinz, ConAgra and Premium Brands; Figures represent equal-weighted average of F2017/18/19 results.



Well-defined Strategies and the Leading Brands to Support Them

Two businesses, with two distinct strategies

Meat Protein Group

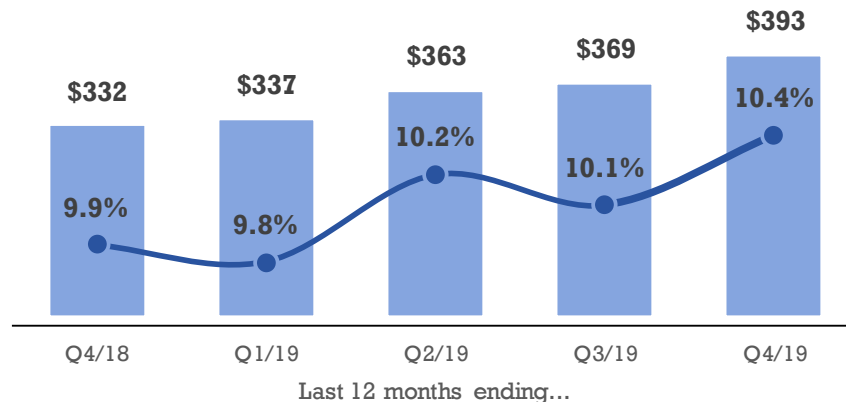
Strategy: Drive profitable growth

Our
Brands



Adjusted EBITDA Dollars & Margin
(in millions; margin as % of sales)

Financial
Track
Record

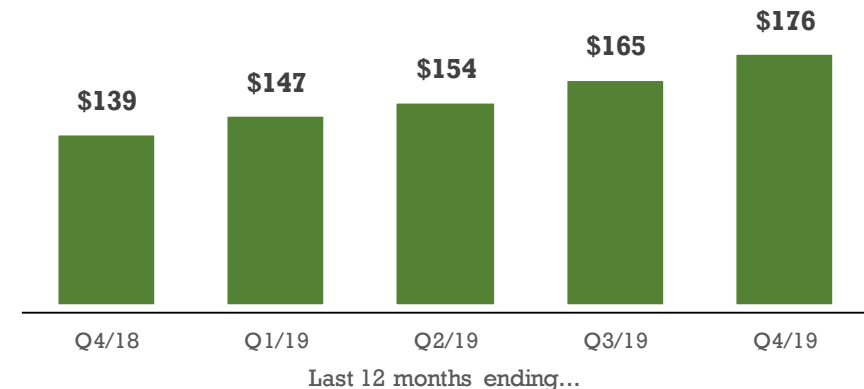


Plant Protein Group

Strategy: Invest for growth



Sales
(in millions)





Capital Allocation Priorities

- | | | | |
|----------|---------------------------------|---|---|
| 1 | Reinvest in the Business | ➔ | Growth capacity and efficiency initiatives with a focus on returns metrics & timing |
| 2 | Accretive Acquisitions | ➔ | Capitalize on inorganic opportunities with financial and strategic appeal |
| 3 | Dividend Appreciation | ➔ | Deliver consistent predictable growth |
| 4 | Share Repurchases | ➔ | Opportunistic buybacks when return metrics exceed other alternatives |

While maintaining a strong balance sheet with ample liquidity



Q4 2019 Results





Delivery of Strategic, Financial & Operational Priorities in 2019

Maple Leaf Foods

Becoming the most sustainable protein company on earth

Strategic

- ✓ First major food company to be Carbon Neutral
- ✓ Secured first sustainability linked credit facility in Canada

Financial

- ✓ Repurchased 0.8M shares at \$24.21/share for \$20.3M
- ✓ Solid balance sheet & liquidity
(Net Debt: \$442M, undrawn credit: \$1.5B)

Operational

- ✓ Successfully executed cost efficiency programs
- ✓ Began rollout of mobile devices to assist in plant maintenance

Two businesses, with two distinct strategies:

Meat Protein

Drive profitable growth

- ✓ Re-established pork trading relationship with China
- ✓ Continued growth in branded sustainable meats & US growth

- ✓ 13% sales growth to \$970M, driven by all meat businesses
- ✓ Adj. EBITDA margin of 11.4% via solid commercial execution

- ✓ Implemented CO2 stunning in Edmonton Poultry facility
- ✓ Increased capacity in key growth areas (bacon, kits, etc.)

Plant Protein

Investing for growth

- ✓ Fueled market share growth through product innovation
- ✓ Launched first major marketing campaign for Field Roast brand

- ✓ Achieved >30% sales growth for second consecutive quarter
- ✓ SG&A spend (\$45.3M) stable with Q3 level (\$44.9M)

- ✓ Launched QSR partnerships on plant-based chicken & nuggets
- ✓ Rolled out reformulated burger and grounds in Dec '19



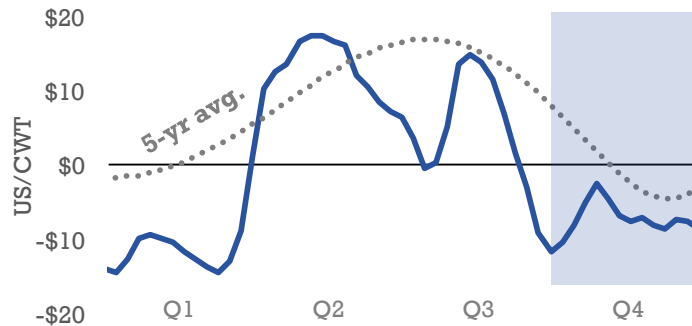
Meat Protein Group – Q4 2019 Key Financial Metrics

	Q4 2019	Change	Drivers
Sales	\$970.3	13.3%	<ul style="list-style-type: none"> • Higher volume/mix tied to brand renovation, growth in sustainable meats and double-digit growth in the US
Excl. acquisitions		9.9%	<ul style="list-style-type: none"> • Higher prices (PM pricing action & pork markets)
Gross Profit	\$150.5	+13.0%	<ul style="list-style-type: none"> • Favourable mix-shift towards higher-margin products
Gross Margin	15.5%	-10 bps	<ul style="list-style-type: none"> • Partially offset by biosecurity costs, temporary suspension of Chinese exports (access for only 1/3 of the quarter)
SG&A Expenses	\$84.0	+8.5%	<ul style="list-style-type: none"> • Increased tied to performance-based variable compensation
SG&A (as a % of sales)	8.7%	-30 bps	
Adj. EBITDA	\$110.2	+28.1%	<ul style="list-style-type: none"> • +100 bps impact from IFRS 16
Adj. EBITDA Margin	11.4%	+130 bps	<ul style="list-style-type: none"> • -80 bps impact from acquisitions
Adj. Operating Earnings	\$66.5	+19.2%	

Crystallized benefits from sustainable meats growth and brand renovation work

Meat Protein Group – Pork Market Volatility Continued in Q4

Hog Production Margins



Hog production margins = live hog cost (CME) less Informa Hog Raising Index
Source: Informa; CME Group.

- Live hog prices remained low in Q4 (over-supply vs. processing capacity), squeezing hog production margins

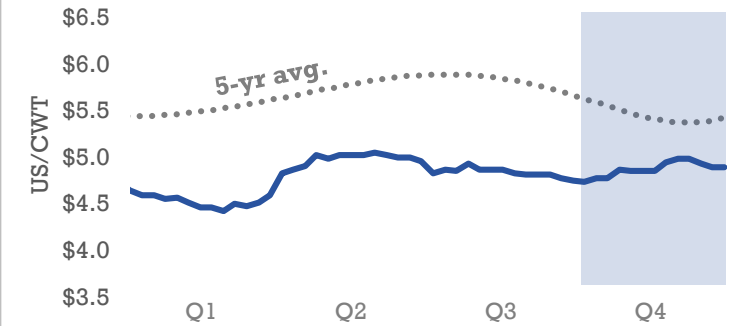
Pork Processor Margins



Pork processor margins = pork cutout less live hog cost (CME)
Source: USDA.

- Conversely, pork processing margins benefitted from lower live hog prices as cutout value adjustments lagged

Pork By-Product Market



Notes: Figures shown represent USDA by-product drop value.
Source: USDA.

- By-product values remained weak due to limited access to Asian markets (US trade dispute, four month trade embargo with Canada)

While the net impact of the Pork Complex (vs. 5-yr avg) benefitted Meat Protein margins by 40 bps in Q4...



... softness from Q1-Q3 resulted in a negative 110 bps impact to margins for the full year



Plant Protein Group – Q4 2019 Key Financial Metrics

	Q4 2019	Change	Drivers
Sales	\$49.7	31.5%	<ul style="list-style-type: none"> • Expanded distribution of new product innovation • Continued growth in legacy portfolio
Gross Profit	\$7.2	-24.1%	<ul style="list-style-type: none"> • Start-up inefficiencies related to high growth (-1,010 bps) • Other one-time items (-280 bps)
Gross Margin	14.4%	-1060 bps	
SG&A Expenses	\$45.3	+301.8%	<ul style="list-style-type: none"> • In-line with Q3 levels (\$44.9M) • Continued focus on advertising, promotions and marketing to secure market share, as well as building organizational capacity
SG&A (as a % of sales)	91.1%	+6130 bps	
Adj. EBITDA	-\$34.9	nm	
Adj. Operating Earnings	-\$38.1	nm	

Delivered accelerating revenue growth, supported by targeted investments in-line with Q3



Greenleaf Commands a Strong #2 Position in North America



(all figures for Q4 2019)

Market growth

+82% Y/Y

+36% Y/Y

Market Share

#1 *New entrant* 39% share (↓5% from Q3)
#2 greenleaf 29% share (↓1% from Q3)
 #3 *Incumbent* 10% share (↓1% from Q3)

#1 *Incumbent* 57% share (↑5% from Q3)
#2 greenleaf 16% share (flat from Q3)
 #3 *New entrant* 9% share (↓8% from Q3)

Distribution (measured in ACV)

#1 greenleaf 65% (Innovation 25%)
 #2 *Incumbent* 53%
 #3 *New entrant* 51%

#1 *Incumbent* 93%
#2 greenleaf 72% (Innovation 65%)
 #3 *New entrant* 68%

Velocities (Innovation only)

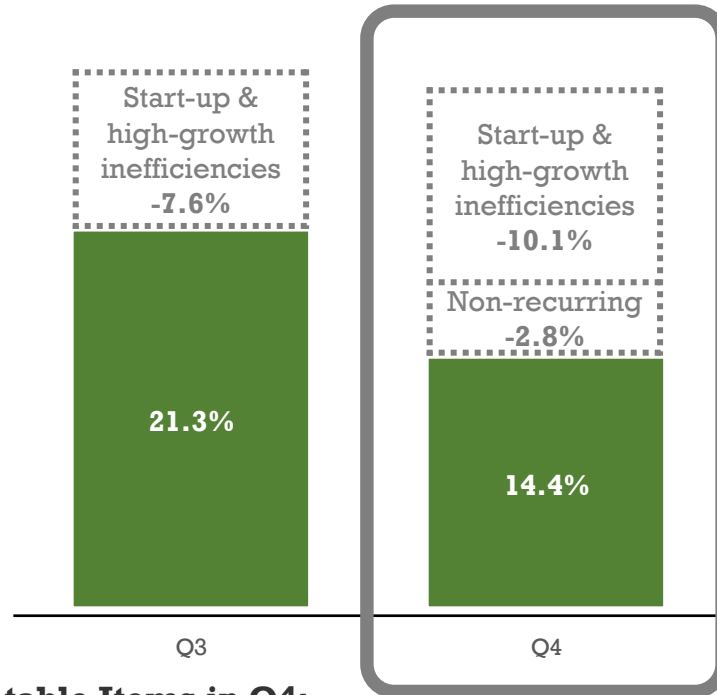
#1 *New entrant* US\$186/TDP (↓10% from Q3)
#2 greenleaf US\$43/TDP (↑55% from Q3)
 #3 *New entrant* US\$38/TDP

#1 *New entrant* C\$29/TDP (↓52% from Q3)*
#2 greenleaf C\$9/TDP (↓60% from Q3)*
 *Seasonality from burger season

Source: IRI/SPINS data (MULO + Natural) for US refrigerated segment; data for last 12 weeks ended December 29, 2019.
 Q3 as of October 6, 2019. Nielsen xAOC for Canadian refrigerated segment for the last 12 weeks ended December 7, 2019.
 Q3 as of September 14, 2019. Velocities measured as \$/average TDP and distribution measured as % ACV for MULO only.

Plant Protein Group – Gross Margin and SG&A Expense Evolution

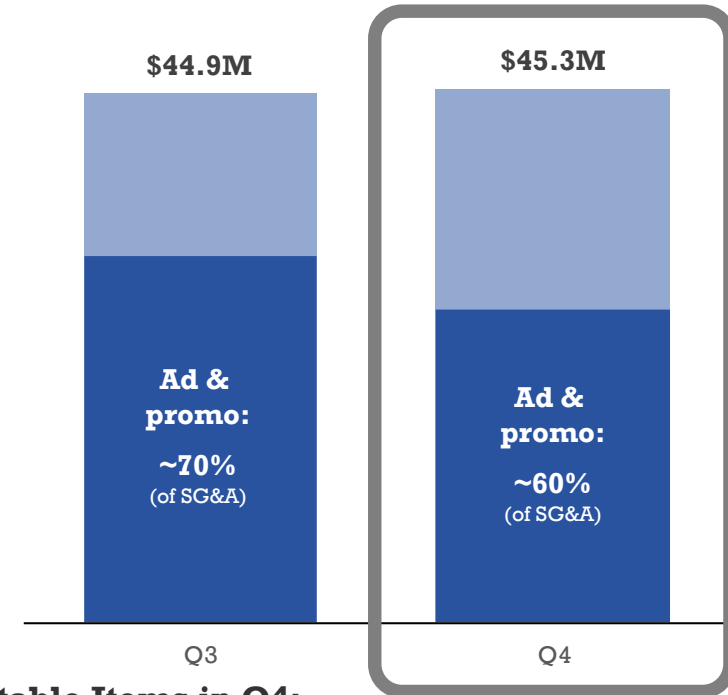
Gross Margin



Notable Items in Q4:

- Product margins remain near 30% after excluding short-term factors.
- Non-recurring items primarily related to inventory provisions, and higher freight supply to meet strong demand.

SG&A Expenses



Notable Items in Q4:

- SG&A investment in-line with Q3 level, with ~60% allocated to advertising & promotions to build brand awareness
- Key activities: Lightlife “Taste of Honesty” Campaign and Field Roast “Gather What’s Great” partnership with Roy Choi



Total Company – Q4 2019 Key Financial Metrics

	Q4 2019	Change	Drivers
Sales	\$1,016.0	13.7%	<ul style="list-style-type: none"> • Strong growth in Meat Protein • Accelerated growth in Plant Protein
<i>Excl. acquisitions</i>		10.4%	
Adj. EBITDA	\$75.3	-15.5%	<ul style="list-style-type: none"> • Solid commercial performance across the business • Offset by strategic investment in Plant Protein and short term dilutive impact of acquisitions
<i>Adj. EBITDA Margin</i>	7.4%	-260 bps	
Adj. Operating Earnings	\$28.4	-47.5%	
Adj. EPS	\$0.12	-58.6%	
Net Debt ¹	\$442.0	+\$131.2	<ul style="list-style-type: none"> • Increase in Construction Capital primarily related to the London Poultry facility and to a lesser extent the Shelbyville facility
Capital Expenditure (YTD)	\$270.7	+\$90.8	
<i>Construction Capital (YTD)</i>	\$82.8	+\$73.3	

Strong rebound in Meat Protein performance offset by planned Plant Protein margin pressure

¹Excludes \$243.5 million in lease obligations.

Notes: All figures in millions, except per share amounts.

Update on Key Large-Scale Capital Projects

London Poultry Facility



Strategic Rationale

- Increases processing capacity for value-added, higher margin poultry products
- Gains operating efficiencies through lower costs and consolidation of sub-scale plants

Update

- Construction is underway
- Experienced poor weather last spring and delays in sourcing some construction components due to robust economy
- Start-up now planned for Q2 2022

Shelbyville Plant Protein Facility



Strategic Rationale

- Increases production capacity to meet growing demand with low cost manufacturing

Update

- Continued advancement on engineering and design work to ensure plans have flexibility and scalability to meet demands of the rapidly evolving plant protein market
- Due to additional design work, completion will be delayed until the end of 2022
- In the interim, demand will be met with expanded capacity within existing network

2020 & Long Term Outlook





2020 Financial Priorities – Measurable Progress Towards LT Targets

Meat Protein Group

- 1. Mid-to-high single digit sales growth**, driven by continued momentum in sustainable meats and higher sales to Asian markets.
- 2. Gross margin expansion** due to mix-shift benefits in prepared meats, favourable shift in pork complex more in-line with 5-yr avg. and higher sales to Asian markets.
- 3. Expand Adjusted EBITDA margin** towards the 2022 target of 14-16%, based on factors noted above as well as cost efficiencies.

Plant Protein Group

- 1. Sales growth of approximately 30%, in line with the long term strategic targets**, driven by product innovation, increased distribution and market growth.
- 2. Gross margin expansion relative to 2019**, driven by stronger product margins while being impacted by inherent inefficiencies of a rapidly growing business.
- 3. SG&A expenses of approximately \$150M**, primarily related to advertising, promotion and marketing, while scaling up talent and operations.

Total Company

- 1. Capital expenditure of \$650-700M.** Approximately 70% of this will be construction capital, which is mainly related to ongoing construction of the London poultry facility; further capacity and efficiency improvements in our prepared meats business; and investments in plant protein capacity at an existing facility, as well as further design, engineering and site work at the Shelbyville plant protein facility.



2020 Strategic & Operational Priorities

Company Wide

- ☐ Leverage our Carbon Neutral commitment with our brands
- ☐ Maintain a strong balance sheet with ample liquidity

Meat Protein Group

- ☐ Grow sustainable meats, including continued momentum in the US
- ☐ Increase development in kits & dry cured meats
- ☐ Continue construction of London Poultry facility

Plant Protein Group

- ☐ Aligning Lightlife and Field Roast brands with emerging customer demand segmentation
- ☐ Continue to develop and launch innovative assortment
- ☐ Advance design, engineering and site work at Shelbyville facility



Long Term Outlook – Focused on Material Value Creation

Meat Protein Group

2022 Adjusted EBITDA margin target of 14-16%, driven by:

- *Growth in sustainable meats*
- *Cost and capital discipline*
- *Mix-shift benefits from our brand and food renovation work*

Plant Protein Group

2029 ambitious goals for high-growth business:

- *Reach \$3B in sales, in a \$25B market*
- *Grow into low double-digit SG&A rate*
- *Deliver approx. 30% gross margin*
- *Adj. EBITDA margin above Meat Protein*

Stakeholder Value Creation

Maple Leaf is focused on creating value for ALL stakeholders:

- *Leverage Carbon Neutral position, while making progress towards our Science-Based Targets*
- *Implementing world-leading animal welfare standards*
- *Advancing social impact through the Maple Leaf Centre for Action on Food Security*
- *Expanding sustainable meats, specifically RWA*

Appendix

The background of the advertisement is a close-up photograph of a wooden cutting board. On the board, there is a small white bowl containing yellow mustard, a butter knife with a smear of mustard on its blade, and a piece of raw salmon. The text is overlaid on this image.

IT'S TIME FOR **BETTER.**
FOR MEAT THAT TASTES THE WAY IT SHOULD
LIKE MEAT.

MADE FROM ANIMALS THAT ARE **RAISED**, NOT PRODUCED.
IT'S TIME FOR MORE **FARM** AND LESS PHARM.
BECAUSE ANTIBIOTICS ARE FOR THE SICK, NOT THE HUNGRY.

IT'S TIME TO LET NATURE DO ITS THING.

**IT'S TIME FOR BETTER MEAT
FOR BETTER LIVING.**

IT'S TIME FOR THE GREENFIELD NATURAL MEAT CO.

GREENFIELD
NATURAL MEAT CO.



Reconciliation of Non-IFRS Metrics – Adjusted EBITDA Margin

	Three months ended Dec. 31, 2019				Three months ended Dec. 31, 2018 ⁽¹⁾			
(\$ millions) (Unaudited)	Meat Protein Group	Plant Protein Group	Non- allocated ⁽²⁾	Total	Meat Protein Group	Plant Protein Group	Non- allocated ⁽²⁾	Total
Earnings (loss) before income taxes	\$62.1	(38.2)	(0.2)	\$23.6	\$13.3	(1.7)	6.5	\$18.1
Interest Expense and other financing costs	—	—	7.4	7.4	—	—	4.2	4.2
Other expense (income)	(0.6)	0.1	(4.1)	(4.6)	0.3	(1.0)	8.3	8.5
Restructuring and other related costs	5.0	—	—	5.0	42.2	—	—	42.4
Earnings (loss) from operations	\$66.5	(38.1)	3.0	\$31.4	\$55.8	(1.8)	19.1	\$73.1
Decrease in fair value of biological assets ⁽³⁾	—	—	(7.8)	(7.8)	—	—	(22.2)	(22.2)
Unrealized loss (gain) on derivative contracts ⁽³⁾	—	—	4.7	4.7	—	—	3.1	3.1
Adjusted Operating Earnings	\$66.5	(38.1)	—	\$28.4	\$55.8	(1.8)	—	\$54.0
Depreciation and amortization	43.1	3.3	—	46.4	30.6	4.7	—	35.3
Items included in other expense representative of ongoing operations ⁽⁴⁾	0.6	(0.1)	—	0.5	(0.3)	0.1	—	(0.2)
Adjusted EBITDA	\$110.2	(34.9)	—	\$75.3	\$86.1	3.0	—	\$89.1
Adjusted EBITDA margin	11.4%	(70.3)%	N/A	7.4%	10.1%	8.0%	N/A	10.0%

¹Comparative figures have been presented to align with current reportable segments

²Non-Allocated includes eliminations of inter-segment sales and associated costs of goods sold, and non-allocated costs which are comprised of expenses not separately identifiable to reportable segments and are not part of the measures used by the Company when assessing a segment's operating results.

³Unrealized gains/losses on derivative contracts is reported within cost of sales in the Company's 2019 annual audited consolidated financial statements.

For biological assets information, please refer to Note 6 of the Company's 2019 annual audited consolidated financial statements.

⁴Primarily includes (gains) and losses on disposal of investment properties, acquisition related costs and interest income, net of tax.



Reconciliation of Non-IFRS Metrics – Adjusted Earnings per Share

(\$ per share) (Unaudited)	Three months ended Dec. 31,	
	2019	2018
Basic earnings per share	\$0.14	\$0.10
Restructuring and other related costs ⁽²⁾	0.03	0.25
Items included in other (income) expenses not considered representative of ongoing operations ⁽²⁾	(0.03)	0.06
Change in the fair value of biological assets ⁽³⁾	(0.05)	(0.13)
Unrealized loss (gain) on derivative contracts ⁽³⁾	0.03	0.02
Adjusted Earnings per Share⁽¹⁾	\$0.12	\$0.29

¹May not add due to rounding.

²Includes per share impact of restructuring and other related costs, net of tax.

³Includes per share impact of the change in unrealized loss (gain) on derivative contracts and the change in fair value of biological assets, net of tax.