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**FOR IMMEDIATE RELEASE**  
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**SYMBOL: TSX: AGT**

**AGT Food and Ingredients Inc. Announces Third Quarter 2018 Results**

**REGINA, NOV 12, 2018** - AGT Food and Ingredients Inc. (TSX:AGT) ("**AGT**" or the "**Company**") has announced its financial results for the three and nine months ended September 30, 2018.

Highlights for the quarter include:

- **Adjusted EBITDA\*** was \$18.5 million for the three months ended September 30, 2018 compared to \$17.2 million for the three months ended June 30, 2018 and compared to \$10.1 million for the three months ended September 30, 2017.
- **Food ingredients and packaged foods** Adjusted EBITDA\* per metric tonne ("**mt**") improved to \$141.18 per mt for the nine months ended September 30, 2018 compared to \$112.11 per mt for the nine months ended September 30, 2017.
- **Food ingredients and packaged foods** contributed 62.5% of Adjusted EBITDA\* for the nine months ended September 30, 2018 with 15.5% of mt invoiced.
- **Adjusted Gross Profit\*** per mt improved to \$89.98 per mt for the three months ended September 30, 2018 compared to \$70.80 per mt for the three months ended June 30, 2018 and compared to \$70.78 for the three months ended September 30, 2017.
- **Net Debt\*** increased to \$510.6 million at September 30, 2018 when compared to \$386.3 million at September 30, 2017 and increased from \$464.4 million at June 30, 2018.
- **Dividend** of \$0.15 per share for the quarter (\$0.60 per share on an annualized basis).

"Global pulses markets continue to be challenged, with volumes in the traditional shipping period being light. The oversupply conditions and ongoing policy of volume restriction and tariffs in India continue to challenge global product flows. Our food ingredient business has provided stable cash flow, generating offsetting earnings for our other segments. We expect that conditions will continue to stabilize in the near term and we are hopeful that market dynamics may improve in 2019," said Mr. Murad Al-Katib, President and CEO of AGT.

The financial statements and notes thereto for the three and nine months ended September 30, 2018, as well as the related management's discussion and analysis, have been filed under AGT's profile on [www.sedar.com](http://www.sedar.com) and have been posted on AGT's website at [www.agtfoods.com](http://www.agtfoods.com). All amounts are reported in Canadian dollars.

A conference call to discuss third quarter 2018 results is scheduled for Monday, November 12, 2018 at 8:30 a.m. Eastern time. To join the conference, please dial 1-800-319-4610 (toll free from Canada & the U.S.) or +1-604-638-5340 (from outside Canada & the U.S.).



A recording of the call will be available at [www.agtfoods.com](http://www.agtfoods.com) on Monday, November 12, 2018. A telephone replay will also be available until midnight Eastern time, Monday, November 26, 2018. To access the replay, please call 1-800-319-6413 (toll free from Canada & the U.S.) or +1-604-638-9010 (from outside Canada & the U.S.). When prompted, enter the code 2669, followed by the number sign (#).

The Company also provided an update with respect to the non-binding privatization proposal (the “**Proposed Transaction**”) announced on July 26, 2018, led by certain members of the Company’s management team, including President and Chief Executive Officer, Murad Al-Katib, and which included Fairfax Financial Holdings Limited and Point North Capital Inc. (collectively, the “**Buyer Group**”), and updated by a press release on October 1, 2018. The Company and the Buyer Group have agreed to further extend the previously announced cooperation agreement to facilitate continued negotiation of a definitive agreement for the Proposed Transaction at a price of \$18.00 per share, and to allow the Buyer Group to finalize its financing arrangements for the Proposed Transaction. Neither the Special Committee nor the Board of Directors of AGT has approved the Proposed Transaction. The Buyer Group's proposal remains non-binding, and there can be no assurance that the Proposed Transaction will proceed. Neither of the Company, nor the Special Committee, expects to make further public comment regarding these matters until an agreement for the Proposed Transaction is reached or the Proposed Transaction is abandoned. As a result, no further information regarding the proposal will be disclosed or discussed during the scheduled third quarter 2018 conference call.

### **AGT Food and Ingredients Inc. Profile**

AGT Food and Ingredients Inc. is a processor of value-added pulses, staple foods and ingredients for export and domestic markets as well as a supplier of retail packaged and canned foods to retail and food service sectors. Through its offices and processing facilities located in some of the best agricultural growing regions in Canada, the U.S., Turkey, China, Australia and South Africa, merchandising and sales offices in the U.K., the Netherlands, Spain, Switzerland and India and origination offices in Russia, AGT produces a full range of pulses and specialty crops including lentils, peas, chickpeas, beans and canary seed as well as food ingredients such as pulse flours, proteins, starches and fibres. Through its subsidiaries in Turkey, the Arbel Group, AGT also produces staple foods such as Arbella Pasta, rice, and milled wheat products, including bulgur and semolina.

### **Cautionary Statements**

Certain statements in this press release are forward-looking statements. In particular, this press release contains forward looking statements with respect to, among other things, market conditions, anticipated disclosures with respect to the Proposed Transaction. 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 please see the table on page 38 in the related management's discussion and analysis for the three and nine months ended September 30, 2018.

**For further information:**

**Investor Relations**

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