



FOR IMMEDIATE RELEASE
May 12, 2026

SYMBOL: TSX: AGTF

AGT Food and Ingredients Inc. Announces Financial Results for Q1 2026

REGINA, SASKATCHEWAN, May 12, 2026 – AGT Food and Ingredients Inc. (TSX:AGTF) ("AGT" or the "**Company**") announces its financial results for the quarter ended March 31, 2026.

Highlights

Adjusted Net Earnings \$7.1 million
Adjusted Net Earnings per diluted share \$0.15 (2025 - \$0.06)
Adjusted Free Cash Flow \$16.4 million
Adjusted Free Cash Flow conversion 42%
Adjusted EBITDA \$39.1 million
Net debt to Adjusted EBITDA 0.54x
Quarterly Common Share Dividend declared

Overview

During the first quarter of 2026, AGT completed an Initial Public Offering and concurrently closed a private placement with Fairfax Financial Holdings Limited ("**Fairfax**"). The Company raised \$596 million and reduced its total debt by approximately \$920 million. At March 31, 2026, the company has over \$1.2 billion in equity, a strong balance sheet and is well positioned to execute its business plan and organic growth objectives.

"AGT delivered solid operating performance despite disruptions in global trade and food security programs related to the Middle East conflict," said Murad Al-Katib, Chief Executive Officer. "We had stronger Adjusted Net Earnings and Adjusted Free Cash Flow in 2026. This quarter's performance highlights the success of our pivot to focus on packaged foods and valued added processing positioning us for accelerated growth in 2026 and beyond. Our pasta, "Better For You" and value-added businesses showed resiliency and strength and our strong balance sheet will allow us to execute on our business plan."

The table below summarizes the way management reviews the business.



First Quarter Financial Summary

(Stated in thousands of Canadian dollars excluding earnings per share)	Three months ended Mar 31,	
	2026	2025
Adjusted Net Earnings	\$ 7,117	\$ 2,345
Adjusted Free Cash Flow	16,356	13,708
Adjusted EBITDA	39,130	39,993
Gross profit including net monetary gain	68,720	61,350
Adjusted Gross Profit	62,870	63,381
Revenues	560,662	860,161
Net Loss	(96,937)	(4,956)
Net Loss per basic and diluted common share	(2.93)	(0.23)
Adjusted Net Earnings per diluted share	0.15	0.06

First Quarter Highlights

- **Adjusted Net Earnings** in the current year quarter improved to \$7.1 million or \$0.15 per diluted share and adjusts the Net Loss for the IPO related impacts, interest expense on debt repaid from the IPO for the period up to March 9, 2026 and unrealized foreign exchange losses.
- **Adjusted Free Cash Flow** improved to \$16.4 million representing an Adjusted EBITDA conversion rate of 42%. The sale of AGT's rail assets in the first quarter of 2025 also had a \$6 million positive impact on Adjusted Free Cash Flow in the prior year.
- **Adjusted EBITDA** in 2026 of \$39.1 million was relatively consistent with 2025 despite the impact of the conflict and unrest in the Middle East, weather related challenges in South Africa, and the one-week Türkiye plant shutdown for the Ramadan holiday in Q1 2026 versus Q2 in the prior year. On a combined basis, these resulted in lower Adjusted EBITDA of approximately \$10 million in Q1 2026. Management believes these impacts are primarily timing differences and will largely reverse over the remainder of the year.
- **Gross profit including net monetary gain** of \$68.7 million in 2026, reflected an increase from \$61.4 million in 2025 primarily attributable to the higher non-cash favourable impact of hyperinflationary accounting. **Adjusted Gross Profit** of \$62.9 million in 2026 was consistent with \$63.4 million in 2025.
- **Adjusted Net Debt to Adjusted EBITDA Ratio** for the twelve months ended March 31, 2026 was 0.54 (3.35 at December 31, 2025) and reflects the positive impact of the IPO. Future Adjusted Free Cash Flow will be used to fund working capital, capital expenditures, dividends, and repay trade finance facilities.
- **Revenues** for the three months ended March 31, 2026 were \$560.7 million compared to \$860.2 million in 2025 due to a reduction in total volumes of 13% primarily related to shipping delays related to the war in the Middle East including lower food security sales and lower commodity prices following the strong 2025 North American Harvest.



- **Dividend:** The Company declared a quarterly cash dividend for Q2 2026 of \$0.05 per common Share, payable on July 15, 2026 to shareholders of record as of the close of business on June 30, 2026. The Company's intention is to continue to declare dividends on a quarterly basis.
- **NCIB:** AGT intends to file a normal course issuer bid ("NCIB") for its common shares, subject to TSX approval. If approved by the TSX, AGT would be permitted to purchase for cancellation, through facilities of the TSX or such other permitted means, up to 5% of AGT's issued and outstanding common shares over a period of twelve months (calculated in accordance with TSX rules) at prevailing market prices.

This press release contains certain measures and ratios, such as Adjusted EBITDA, Adjusted Gross Profit, Adjusted Free Cash Flow, Adjusted Net Earnings, Adjusted Net Earnings per diluted common share, Adjusted Free Cash Flow conversion and Adjusted Net Debt to Adjusted EBITDA Ratio that do not have any standardized meanings as prescribed by GAAP and, therefore, are considered non-GAAP measures. The method of calculating these measures may differ from other entities and accordingly, may not be comparable to measures used by other entities. For further details, see the sections titled "Non-GAAP Financial Measures" in this release and in the Company's MD&A for the three months ended March 31, 2026.

Additional Information

A copy of AGT's Unaudited Condensed Consolidated Interim Financial Statements ("Financial Statements") for the quarters ended March 31, 2026 and 2025 and related Management's Discussion and Analysis ("MD&A") have been filed with the Canadian Securities Regulatory authorities and are available on SEDAR at sedarplus.ca and AGT's website at agtfoods.com. The Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting using accounting policies that are consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**") and the reporting currency is in Canadian dollars.

Conference Call

A conference call to discuss the First Quarter 2026 results is scheduled for Wednesday, May 13, 2026 at 8:30 a.m. Eastern time. To join the conference, please dial 1-833-821-0163 (toll free from Canada & the U.S.) or +1-647-846-7232 (from outside Canada & the U.S.). An audio replay of the conference call will be available on AGT's website after the conference call by visiting www.agtfoods.com.

Annual General Meeting

AGT's Annual Meeting (the "**Meeting**") will be held on June 23, 2026, at 11:00 a.m. Eastern time, in a virtual only format via live audio webcast at <https://meetings.lumiconnect.com/200-879-895-807>. or accessible on our website at www.agtfoods.com/AGM. Details on how to vote and access the Meeting can be found in the Management Information Circular, which is available on the AGT website at www.agtfoods.com, under the Company's profile at sedarplus.ca and at TSX Trust Company's website at <https://docs.tsxtrust.com/gtxbbfo0u5>.



About AGT

AGT is a globally diversified food company that produces high-quality, nutritious products for everyday consumption. Our products reach consumers in 127 countries, and our global footprint consists of 39 state-of-the-art, highly efficient manufacturing facilities operating across 5 continents. These facilities are strategically located near critical freight and logistics infrastructure and in close proximity to key agricultural growing regions, which provides us with the ability to efficiently source, process, and produce healthy plant-based food products that are both tasty and affordable. Our integrated supply chain utilizes the latest manufacturing technologies, allowing us to produce a growing portfolio of packaged food brands in everyday categories including pasta, pulses, rice, and cereals. In addition, AGT is an integral partner to many global packaged food companies and international retailers through production, supply, and innovation partnership agreements to manufacture proprietary, value-added products for their owned global and store brands.

To learn more, please visit: www.agtfoods.com.

Non-GAAP Performance Measures

This press release makes reference to certain non-GAAP measures, including non-GAAP ratios. These measures are not recognized measures under IFRS Accounting Standards and do not have a standardized meaning under IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS Standards measures by providing further understanding of AGT's results of operations from management's perspective. These non-GAAP measures are used to provide investors with supplemental measures of our operating performance and to highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS Accounting Standards measures. AGT also believes that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers. Our management also uses non-GAAP measures in order to review operating performance and comparisons from period to period, prepare annual operating budgets, and assess AGT's ability to meet future capital expenditure and working capital requirements.

Non-GAAP Measures

- (a) Adjusted Gross Profit is used to evaluate operating performance. It is calculated by adjusting for the non-cash impacts of hyperinflation accounting and revaluation depreciation from gross profit including net monetary gain. The most comparable IFRS Accounting Standards financial measure for Adjusted Gross Profit is gross profit including net monetary gain. Management uses Adjusted Gross Profit to measure the underlying operating performance of the business, excluding the effects of inflation-related accounting adjustments, to provide a clearer view of the Issuer's operating results.
- (b) Adjusted EBITDA is used to evaluate performance and profitability of segments, ability to create value and ability to generate liquidity through operating cash flow to fund future working capital



needs, service outstanding debt and fund future capital expenditures. Adjusted EBITDA is calculated by taking net (loss) earnings and adding or subtracting depreciation and amortization, finance expense, income taxes, unrealized foreign exchange loss (gain), share-based payment arrangements and other and the impact of hyperinflation. Adjusted EBITDA for a trailing twelve-month period is calculated by deriving the last twelve months of Adjusted EBITDA calculated in the manner identified above. The most comparable IFRS Accounting Standards financial measure to Adjusted EBITDA is net (loss) earnings.

- (c) Free Cash Flow is used to evaluate the ability to generate liquidity to fund future working capital needs, capital expenditures, pay dividends and repay trade finance facilities. Free Cash Flow is calculated by taking net (loss) earnings and adding or subtracting non-cash items including the impacts of hyperinflation, interest paid on the Sponsor Notes, cash taxes paid and maintenance capital expenditures. The most comparable IFRS Accounting Standards financial measure is net (loss) earnings. Adjusted Free Cash Flow excludes interest expense on debt that was repaid in the first quarter of 2026 in connection with the IPO. Adjusted Free Cash Flow is calculated by taking Free Cash Flow and adding back interest on debt repaid in connection with the IPO. The most comparable IFRS Accounting Standards financial measure is net (loss) earnings.
- (d) Adjusted Net Earnings is used to show net earnings of the organization excluding non-recurring costs closely associated with the IPO, foreign exchange gains and losses, the impact of hyperinflation and other unusual items. Adjusted Net Earnings is calculated by taking net (loss) earnings and adding or subtracting share-based payment arrangements expense, accretion interest expense on the Sponsor Notes, interest expense on debt repaid in connection with the IPO, unrealized foreign exchange (gain) loss and other unusual items. The most comparable IFRS Accounting Standards financial measure is net (loss) earnings.
- (e) Adjusted Net Debt is used to evaluate existing borrowings and amounts available to fund future working capital needs and fund future capital expenditures. Adjusted Net Debt is calculated by taking the sum of bank indebtedness plus current and long-term debt and lease liabilities less Sponsor Notes payable and cash.

Non-GAAP Ratios

- (a) Adjusted Free Cash Flow Conversion is used to evaluate the ongoing ability to generate liquidity to fund future working capital needs, service outstanding debt, fund future capital expenditures and pay dividends. Adjusted Free Cash Flow Conversion is calculated by dividing Adjusted Free Cash Flow by Adjusted EBITDA.
- (b) Adjusted Net Debt to Adjusted EBITDA Ratio is used to evaluate existing borrowings and amounts available to fund future working capital needs and fund future capital expenditures. Adjusted Net Debt to Adjusted EBITDA Ratio is calculated by dividing Adjusted Net Debt by the trailing twelve months Adjusted EBITDA.

The following provides a reconciliation of non-GAAP measures and non-GAAP ratios presented throughout the press release to the nearest measure under GAAP:



Reconciliation of Net Loss to Adjusted Free Cash Flow

(Stated in thousands of Canadian dollars)	Three months ended Mar 31,	
	2026	2025
Net loss	\$ (96,937)	\$ (4,956)
Adjustments:		
Depreciation in cost of sales	10,286	9,767
Depreciation and amortization in general and administration	1,358	1,534
Unrealized foreign exchange loss (gain)	16,352	(772)
Share-based payment arrangements ¹	66,114	3,885
Amortization of discounts and accretion expense on long-term debt and lease liability	2,896	428
Accretion expense on Sponsor Notes ²	19,185	3,132
Sponsor note interest ³	3,745	5,100
Income tax expense (recovery)	593	(419)
Cash taxes paid	(6,318)	(216)
Hyperinflation & revaluation depreciation impact ⁴	(10,539)	(2,213)
Maintenance capital expenditures ⁵	(533)	(517)
Other ⁶	3,710	(1,046)
Free Cash Flow	9,913	13,708
Add back interest on debt repaid in connection with the IPO	6,443	-
Adjusted Free Cash Flow	\$ 16,356	\$ 13,708
Adjusted Free Cash Flow conversion	41.8%	34.3%

Note: Figures may not add due to rounding.

¹ Share-based payment arrangements expense related to the IPO was recorded in 2026.

² Includes accretion interest on Sponsor Notes.

³ Sponsor Note interest has historically been excluded as this payment is deemed a distribution to the Sponsor similar to a dividend. During 2026, the Sponsor Notes were settled at the time of the IPO and the 2026 amount represents the amount paid during the quarter prior to settlement.

⁴ Hyperinflation and revaluation depreciation impact increased when compared to the prior year due to increased hyperinflation on an increased property, plant and equipment balance in 2026 combined with a smaller decline in hyperinflation in inventory in the current period. The impact on free cash flow differs from the impact on adjusted EBITDA as the impacts from certain non-cash items are excluded from free cash flow and not from adjusted EBITDA.

⁵ Maintenance capital expenditures exclude capital expenditures of a non-recurring nature.

⁶ Includes gain and loss on disposal of property, plant and equipment excluding Mobil sale that occurred in the first quarter of 2025, bad debt expense and other items.



Reconciliation of Net Loss to Adjusted EBITDA

(Stated in thousands of Canadian dollars)	Three months ended Mar 31,			
	2026		2025	
Net loss	\$	(96,937)	\$	(4,956)
Adjustments:				
Finance expense		30,961		35,907
Accretion interest on Sponsor Notes		19,185		3,132
Income tax expense (recovery)		593		(419)
Depreciation and amortization		11,644		11,301
Unrealized foreign exchange loss (gain)		16,352		(772)
Hyperinflation & revaluation depreciation impact		(10,668)		(2,350)
Share-based payment arrangements ¹		66,114		3,885
Other		1,886		(5,735)
Adjusted EBITDA	\$	39,130	\$	39,993

Note: Figures may not add due to rounding.

¹ Additional share-based payment arrangements were recorded during the quarter related to execution of the public offering.

Reconciliation of Net (Loss) Earnings to Adjusted Net Earnings

(Stated in thousands of Canadian dollars)	Three months ended March 31,					
	Pre-tax		Tax		After tax	
	2026	2025	2026	2025	2026	2025
Net (loss) earnings	\$ (96,344)	\$ (5,375)	\$ (593)	\$ 419	\$ (96,937)	\$ (4,956)
Adjustments:						
Share-based payment arrangements	66,114	3,885	-	-	66,114	3,885
Accretion interest on Sponsor Notes	19,185	3,132	-	-	19,185	3,132
Unrealized foreign exchange loss (gain)	16,352	(772)	(4,415)	208	11,937	(564)
Hyperinflation and revaluation depreciation impact ¹	(5,492)	2,701	4,873	2,514	(619)	5,215
Other items affecting net income ²	-	(5,984)	-	1,616	-	(4,368)
Add back interest on debt repaid in connections with the IPO ³	10,188	-	(2,751)	-	7,437	-
Adjusted Net Earnings	\$ 10,003	\$ (2,413)	\$ (2,886)	\$ 4,757	\$ 7,117	\$ 2,345

¹ Hyperinflation impact includes the hyperinflation on net income as shown in the section "Financial Reporting in Hyperinflationary Economies" adjusted for hyperinflation on unrealized foreign exchange gains and losses which is excluded from this metric.

² Other items in the prior year include the removal of the gain on sale of AGT's rail assets that closed in January 2025.

³ Includes both interest on repaid Syndicated Credit Facilities and settled Sponsor Notes.



Calculation of Adjusted Gross Profit

(Stated in thousands of Canadian dollars)	Three months ended Mar 31,	
	2026	2025
Revenue	\$ 560,662	\$ 860,161
Cost of sales	(530,001)	(821,588)
Net monetary gain	38,059	22,777
Gross profit including net monetary gain	68,720	61,350
Impacts of hyperinflation and revaluation depreciation	(5,850)	2,031
Adjusted Gross Profit	\$ 62,870	\$ 63,381

Calculation of Adjusted Net Debt

(Stated in thousands of Canadian dollars)	As at Mar 31,	As at Dec 31,
	2026	2025
Bank indebtedness	\$ 25,963	\$ 36,611
Current portion of long-term debt	2,259	7,858
Current portion of lease liabilities	2,117	2,202
Long-term debt ¹	128,050	647,823
Long-term portion of lease liabilities	5,515	4,522
Cash	(61,581)	(61,411)
Adjusted Net Debt ¹	\$ 102,323	\$ 637,605
	For the twelve months ended,	For the twelve months ended,
	March 31,	Dec 31,
	2026	2025
Adjusted EBITDA	\$ 189,342	\$ 190,205
Adjusted Net Debt to Adjusted EBITDA ratio	0.54	3.35

¹ Long-term debt and Adjusted Net Debt at December 31, 2025 exclude the Sponsor Notes payable in the amount of \$320,815 as the Sponsor Notes were due to the controlling shareholder with interest only payments. The Sponsor notes were settled at the time of the IPO and no balances are outstanding at March 31, 2026.

Forward-Looking Information

This press release contains forward-looking statements within the meaning of applicable Canadian securities laws including, without limitation, statements related to our strategy, future results, including adjusted EBITDA and Free Cash Flow, segment performance, expenses, operating costs and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as “expects” or variations of such words and phrases, or statements that certain actions, events or results “will” be taken, occur or be achieved.

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 international operations as well as the factors discussed under “Risk Factors” in AGT’s Annual Information Form for the year ended December 31, 2025 dated March 16, 2026 filed on SEDAR+. 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.

Although AGT believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as at the date of this press release. In addition to other assumptions identified in this press release, assumptions have been made regarding, among other things, production quality; the volume and quality of crops held on-farm by producers and customers in North America; demand for and supply of open market pulses; movement and sale of pulses in Australia and Türkiye; agricultural commodity prices; demand for crop products and the market share of these products that will be achieved; general financial conditions for Western Canadian, US, Turkish and Australian agricultural producers; the ability of the railways to ship pulses to port facilities for export without labor or other service disruptions; the ability to maintain existing customer contracts and relationships; the impact of competition; the ability to obtain and maintain existing financing on acceptable terms; and currency, exchange and interest rates.

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 as may be required in accordance with applicable securities laws.

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