



LASSONDE INDUSTRIES INC.

NBC'S "BETWEEN TWO FIRMS" EVENT

Presentation to shareholders
April 12, 2021



FORWARD-LOOKING STATEMENTS

Caution regarding forward-looking statements

Certain statements made in this presentation, including, but not limited to, statements regarding the prospects of the industry, plans, financial position, and business strategy of the Company may constitute forward-looking statements within the meaning of Canadian securities legislation and regulations. These forward-looking statements do not provide guarantees as to the future performance of Lassonde Industries Inc. and are subject to risks, both known and unknown, as well as uncertainties that may cause the outlook, profitability, or actual results of Lassonde Industries Inc. to differ significantly from the profitability or future results stated or implied by these statements. Detailed information on risks and uncertainties is provided in the “Uncertainties and Principal Risk Factors” section of the MD&A for the year ended December 31, 2020, available at www.sedar.com and at www.lassonde.com.

The forward-looking statements contained in this presentation reflect our expectations as at May 14, 2021 and, accordingly, are subject to change after this date. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events, or otherwise.

The terms “EBITDA,” “free cash flow,” and “adjusted EPS” are non-GAAP financial measures and do not have any standardized meaning under IFRS. They are therefore unlikely to be comparable to similar measures presented by other issuers. Refer to the section “Financial Measures Not in Accordance with IFRS” in the MD&A of Lassonde Industries Inc. for the Fourth Quarter ended December 31, 2020.

PARTICIPANTS



Jean Gattuso
President and COO



Guy Blanchette
Former CFO and Vice
President Investors
Relations



Eric Gemme
Executive Vice President
and CFO



Vince Timpano
President and CEO of
Lassonde Pappas and
Company Inc.

BIO OF VINCE TIMPANO AND ÉRIC GEMME

Vince Timpano

Mr. Timpano has a solid track record as a corporate officer with extensive commercial and operational experience. Over the past 20 years, he has served in various executive roles, including President, Global Coalitions at Aimia Inc., President of Coca-Cola Canada and President and Chief Executive Officer of The Minute Maid Company Canada. In addition, Mr. Timpano has served on numerous boards, including as Chair, with United Way Toronto. He currently serves on the board of advisors with the Napoleon Group of Companies.

Mr. Timpano is a graduate of the Institute of Corporate Directors, Rotman School of Management of the University of Toronto and received an MBA from the Ivey Business School of the University of Western Ontario.

Eric Gemme

Prior to joining Lassonde, Mr. Gemme was Chief Financial Officer & Head of Corporate Services at BBA Inc., a Canadian-based engineering consulting firm. He was previously Vice President Finance & Control at Future Electronics Inc., a Montreal-based worldwide distributor of electronic components. Earlier, he was Vice President Finance for the Avionics & Surveillance division of Cobham plc, a UK-based aerospace & defence supplier. These positions were preceded by more than ten years in senior positions at CAE Inc., Cognicase Inc., and PwC.

Mr. Gemme graduated from UQAM with a Bachelor of Business Administration in Accounting and holds various professional designations including: CA-CPA (Quebec), CPA (Illinois), Chartered Global Management Accountant (CGMA), Chartered Business Valuator (CBV), and Certified Risk Manager (CRM). He also has an Executive Certificate in Technology, Operations, and Value Chain Management from the MIT-Sloan School of Management.



FINANCIAL HIGHLIGHTS

Guy Blanchette
Executive Vice President
Investors relations

FINANCIAL HIGHLIGHTS - FISCAL 2020

EARNINGS

In millions of \$
(except EPS)

	Years ended December 31			% Δ	% Δ
	2020	2019	2018	20 vs 19	19 vs 18
Sales	1,980.9	1,678.3	1,594.0	18.0%	5.3%
Operating profit (EBIT)	151.9	100.8	105.2	50.7%	-4.2%
<i>Operating profit/Sales</i>	<i>7.7%</i>	<i>6.0%</i>	<i>6.6%</i>		
Profit	101.9	74.9	68.0	35.9%	10.2%
Profit attributable to shareholders	97.8	72.0	66.4	35.9%	8.4%
EBITDA	217.1	157.7	154.0	37.7%	2.4%
Earnings per share (EPS)	14.11	10.37	9.50	36.1%	9.2%

FINANCIAL HIGHLIGHTS - FISCAL 2020

EARNINGS

Sales of \$1,980.9M, ↑ \$302.6M (or 18.0%) vs \$1,678.3M in 2019:

- Excluding Sun-Rype and favourable FX impact, sales were up \$113.9M or **6.8%** year over year:
 - Increase in sales of private label products and favourable mix;
 - Partly driven by changes in food habits related to the impacts of COVID-19 and the confinement.

Operating profit of \$151.9M, ↑ \$51.1M (or 50.7%) vs \$100.8M in 2019:

- Excluding Sun-Rype's \$8.2M EBIT for 2020 and acquisition-related costs in 2019, the 2020 EBIT would be up \$41.4M;
- Reflecting the following items:
 - Favourable change in the sales mix and higher sales volume;
 - Decrease in certain raw materials costs impacting orange concentrate and PET resin;
 - Lower selling and marketing expenses;
 - Partly offset by:
 - Higher performance-related salary expenses;
 - Increase in warehousing and transportation costs; and
 - Additional costs related to the pandemic.

FINANCIAL HIGHLIGHTS - FISCAL 2020

EARNINGS (CONTD)

Financial expenses of \$17.3M in 2020 vs \$19.5M in 2019, ↓ \$2.2M:

- Despite more than \$80.0M invested to effect the Sun-Rype acquisition.

“Other (gains) losses”: \$0.8M gain in 2020 vs \$19.2M gain in 2019:

- The 2020 gain mostly results from the settlement of various insurance claims;
- The 2019 gain mainly results from a \$20.8M settlement of an insurance claim related to the OOB acquisition price.

The 2020 effective income tax rate was 24.3% versus 25.4% in 2019:

- The 2019 effective income tax rate reflected the unfavourable impact of changes to U.S. tax regulations on the deductibility of certain interest expenses;
- The 2020 effective rate mainly reflects the impact of US incentive measures to help businesses dealing with the pandemic.

Profit attributable to shareholders of \$97.8M in 2020 vs \$72.0M in 2019 and EPS of \$14.11 vs \$10.37 in 2019:

- Excluding Sun-Rype and the gain realized in 2019 following the settlement of an insurance claim, the 2020 profit attributable to the Company’s shareholders was up \$34.5 million year over year.

FINANCIAL HIGHLIGHTS - FISCAL 2020

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In millions of \$	As at December 31			% Δ	% Δ
	2020	2019	2018	20 vs 19	19 vs 18
Non-cash working capital	154.3	188.1	196.2	-18.0%	-4.1%
Property, plant and equipment	390.5	334.5	305.6	16.7%	9.5%
Total assets	1,381.6	1,310.2	1,318.6	5.5%	-0.6%
Net Debt *				\$ Δ	
				20 vs 19	
Long-term debt (including current portion)	170.4	239.9	321.8	(69.5)	
Lease liabilities (IFRS 16)	45.1	25.2	-	19.9	
Bank overdraft	-	12.4	-	(12.4)	
Minus: Cash and cash equivalents	(6.8)	(1.8)	(4.6)	(5.0)	
	208.7	275.7	317.2	(67.0)	
Net debt/Total assets	15.1%	21.0%	24.1%		

* The indebtedness of our U.S. subsidiaries was US\$80.0M as of December 31, 2020, whereas the Company had borrowed US\$481.7M to carry out its three U.S. acquisitions between 2011 and 2018.

FINANCIAL HIGHLIGHTS - FISCAL 2020

FREE CASH FLOW ANALYSIS

In millions of \$

	Years ended		Variance 2020-2019
	December 31 2020	2019	
Free cash flow			
Profit	101.9	74.9	27.0
Adjustments			
Amortization and Depreciation	65.2	57.0	8.2
Pension plans, income tax and other	12.9	4.4	8.5
Change in non-cash working capital	51.2	4.4	46.8
Cash flows from operating activities	231.2	140.7	90.5
Dividends paid	(18.4)	(18.0)	(0.4)
Acquisition of PP&E and intangibles	(40.5)	(39.9)	(0.6)
Net proceeds from the disposal of PP&E	0.1	0.2	(0.1)
	172.4	83.0	89.4
Business and investment acquisitions	(80.6)	(15.6)	(65.0)
Free cash flow	91.8	67.4	24.4
Used (Financed) as follows:			
Decrease (increase) in net debt*	91.8	60.2	31.6
Repurchase of shares	-	7.2	(7.2)
	91.8	67.4	24.4

10 * Before currency translation effect.

FINANCIAL HIGHLIGHTS - Q4-2020

EARNINGS

In millions of \$
(except EPS)

Fourth Quarters ended

	Dec. 31 2020	Dec. 31 2019	% Δ 20 vs 19	\$ Δ 20 vs 19
Sales	515.1	432.1	19.2 %	83.0
Operating profit <i>Operating profit/Sales</i>	38.9 7.6%	25.0 5.8%	55.9 %	13.9
Profit attributable to shareholders	23.5	28.5	-17.3 %	(5.0)
EBITDA	56.8	39.3	44.8 %	17.5
Earnings per share (EPS)	3.39	4.10	-17.3 %	(0.71)

FINANCIAL HIGHLIGHTS - Q4-2020

EARNINGS (CONT'D)

Sales of \$515.1M, ↑ \$83.0M (or 19.2%) vs \$432.1M in 2019:

- Excluding Sun-Rype, sales were up \$34.9M year over year mainly due to an increase in sales of private label products and to selling price adjustments impacting national brands.

Operating profit of \$38.9M, ↑ \$13.9M vs \$25.0M in 2019:

- Excluding Sun-Rype's \$1.7M operating profit and acquisition expenses in 2019, Q4-20 operating profit would be up \$10.7M in 2020 reflecting the following items:
 - Higher gross margin from the Company's Canadian operations;
 - Partly offset by higher performance-related salary expenses and increase in marketing expenses in Canada.

Financial expenses of \$3.7M in 2020 vs \$5.1M in 2019, ↓ \$1.4M:

- A \$0.5M increase in financial expenses resulting from the Sun-Rype acquisition; and
- A decrease in the interest expense on long-term debt.

FINANCIAL HIGHLIGHTS - Q4-2020 EARNINGS (CONT'D)

Other (gains) losses": \$1.2M loss in 2020 vs \$20.9M gain in 2019:

- The Q4-20 loss mainly due to \$1.8 million in FX losses;
- The Q4-19 gain was mainly due to a \$20.8 million settlement of an insurance claim related to the acquisition price of Old Orchard Brands, LLC.

The 2020 effective income tax rate was 28.3% versus 25.4% in 2019:

- The Q4-19 effective income tax rate reflected the unfavourable impact of changes to U.S. tax regulations on the deductibility of certain interest expenses.
- The Q4-20 higher effective income tax rate mainly reflects:
 - Decrease in the deductible amounts on the Company's interest expense;
 - Unfavourable geographic distribution of the Company's profit before income taxes; and
 - U.S. withholding taxes related to an intercompany dividend.

Profit attributable to shareholders of \$23.5M in 2020 vs \$28.5M in 2019 and EPS of \$3.39 vs \$4.10 in 2019:

- Excluding Sun-Rype and the 2019 gain resulting from the settlement of an insurance claim, the Q4-20 profit attributable to the Company's shareholders was up \$6.8 million year over year.

DIVIDENDS AND OUTLOOK

FISCAL 2021

Dividend:

- Quarterly dividend to be declared on May 7 for Q2;
- Historically, annualized dividend at 25% of the prior year's profit attributable to shareholders.

Outlook:

- The Company's adjusted sales were up 6.8% in fiscal 2020. Barring any significant external shocks including the impacts of the pandemic, the Company believes that, for 2021, consolidated annual sales will remain stable when compared to 2020.
- However, the uncertainty surrounding such a forecast is higher than it is under normal circumstances, as the impact in 2020 of the lockdown and physical distancing measures on demand for the Company's products is hard to measure.
- In addition, it notes a rise of inflationary pressures, in particular on transportation costs and raw materials.
- Investment-related cash outflows in 2021 to exceed the average of the last five years mostly due to the upgrade of the Company's ERP software in Canada, increases in storage capacity and additional capacity for single-serve formats in the United States. Investing cash flows could reach between \$50 million and \$60 million in 2021.



LASSONDE : A DIVERSIFIED AGRIBUSINESS COMPANY IN NORTH AMERICA

Jean Gattuso
President and COO

OVERVIEW

2020 Sales:
\$1,981 M

EBITDA:
\$217 M

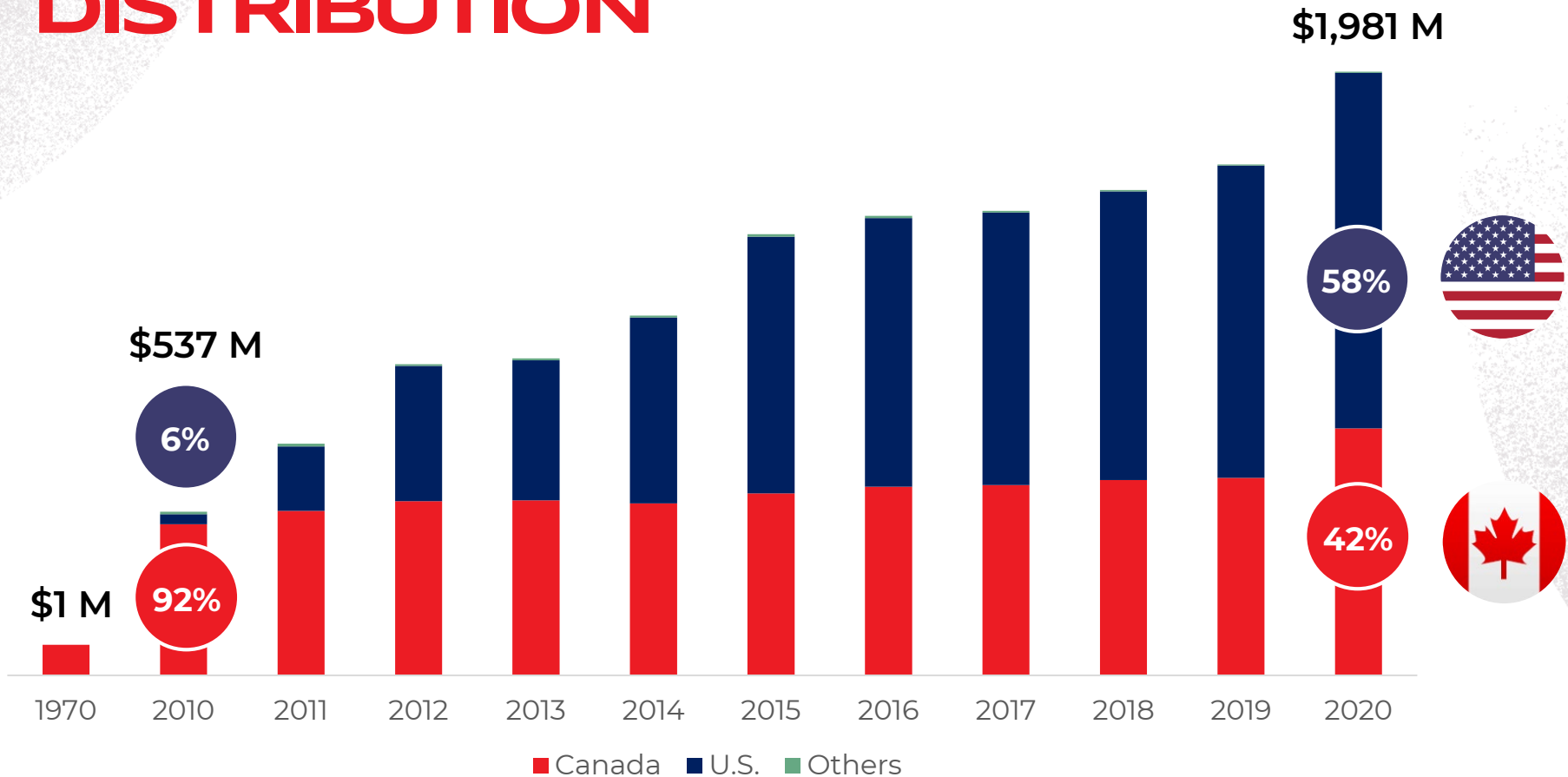


A. LASSONDE	LASSONDE SNACKS (DIVISION OF A. LASSONDE INC.)	ARISTA WINES	LASSONDE SPECIALTIES	LASSONDE PAPPAS AND COMPANY
<p>The Canadian leader in the development, manufacture, and marketing of juices and drinks.</p>	<p>Manufactures fruit-based snacks.</p>	<p>Imports and markets selected wines and manufactures apple ciders and cider-based beverages.</p>	<p>Develops, manufactures, and markets specialty food products.</p>	<p>Develops, manufactures, and markets national and private label brand juices and drinks.</p>

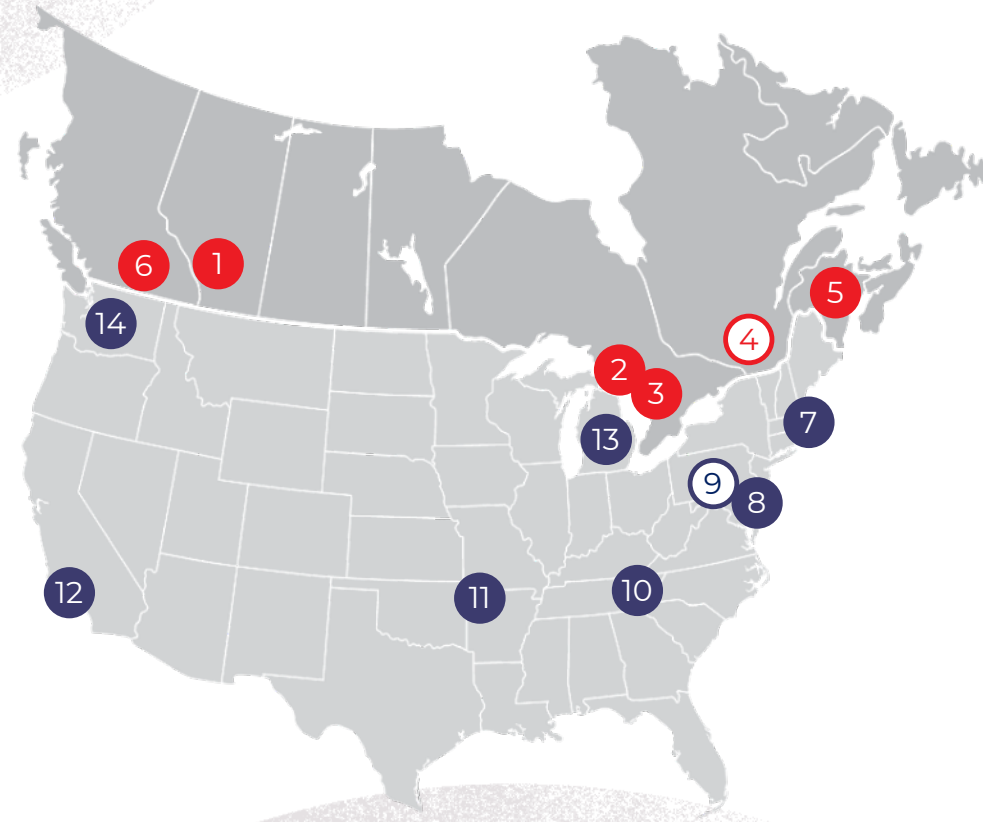
OUR BRANDS

A. LASSONDE	LASSONDE SNACKS (Division of A. Lassonde Inc.)	ARISTA WINES	LASSONDE SPECIALTIES	LASSONDE PAPPAS AND COMPANY
        	  	<p>VIVRE UNE</p>   <p>AU QUOTIDIEN</p>   	 	    

GEOGRAPHIC SALES DISTRIBUTION



OUR NETWORK IN NORTH AMERICA



- 1 **Calgary (AB)**
- 2 **Thornbury (ON)**
- 3 **Toronto (ON)**
- 4 **Rougemont, Saint-Damase, Boisbriand (QC)**
Head office and multiple facilities
- 5 **Port Williams (NS)**
- 6 **Kelowna (BC)**
- 7 **Carver (MA)**
Cranberry receiving station
- 8 **Seabrook (NJ)**
- 9 **Carneys Point (NJ)**
Regional office
- 10 **Mountain Home (NC)**
- 11 **Springdale (AR)**
- 12 **Ontario (CA)**
- 13 **Sparta (MI)**
- 14 **Selah, Wapato (WA)**

COMPETITIVE ENVIRONMENT

- The effects of the pandemic continues into the first quarter.
- Growth in sales volumes of the fruit juice and beverage industry in 2020 and the first quarter of 2021, both in the U.S. and Canadian markets.
- Little capacity available in the North American market.
- Demand for more environmentally-friendly packaging.
- Increased demand for locally made products.
- Supply chain inflation impacting PET resin, commodities and transportation fees.

IMPACTS OF THE PANDEMIC

FINANCIAL ACCOUNT - SALES	COVID-19 IMPACTS	IMPACT ON RESULTS
Volume	Industry volume (retail) \approx +5%	▲ Sales
Retailers and distributors (usually 87% of sales)	Increase to \approx 91% of sales	▲ Sales
Food Service (usually 13% of sales)	Decrease to \approx 9% of sales	▼ Sales
Sales breakdown		
Multi-serve vs individual formats	Increased demand for multi-serve	▲ Sales
Refrigerated and frozen vs shelf	Increased demand for refrigerated & frozen	▲ Sales

CORPORATE STRATEGY

Evolving towards a balanced portfolio mastering both beverages and food products.



CONSOLIDATE

Sun-Rype

- Complete the installation of the Lasonde ERP system at Sun-Rype.
- Finalize the alignment of operations and sales between Sun-Rype and A. Lasonde Inc.
- Increase the distribution of Sun-Rype snack products in North America.

Future

- Lasonde will pursue its consolidation strategy over the coming years using its strong balance sheet and cash flow generation.
- Special emphasis on low-acid products.

RIGHT PRODUCT, RIGHT SIZE, RIGHT PRICE

Juice is better than the fruit you don't eat!

Centered on consumer needs:

- More than 3,800 unique products
- Nearly 200 different formats are made in the Lassonde network



INNOVATE - HEALTH & HYDRATION

A few of our innovations in 2020-2021

Immune health



Snacks



Ciders and spritzers



Juices and drinks



Sauces



RESPONSIBLE DEVELOPMENT THROUGH ESG EFFORTS

Lassonde offers delicious and nourishing products to North American consumers, using operational practices oriented towards the respect and well-being of its employees and the fairness of its supply chain, while being sustainable for the environment.

In order to measure our progress, we are implementing tools and processes linked to key indicators, which will also serve as a framework for communicating our performance to our stakeholders in the years to come.



ENVIRONMENT

Key topics

◆ Packaging ◆ Water ◆ Circular economy

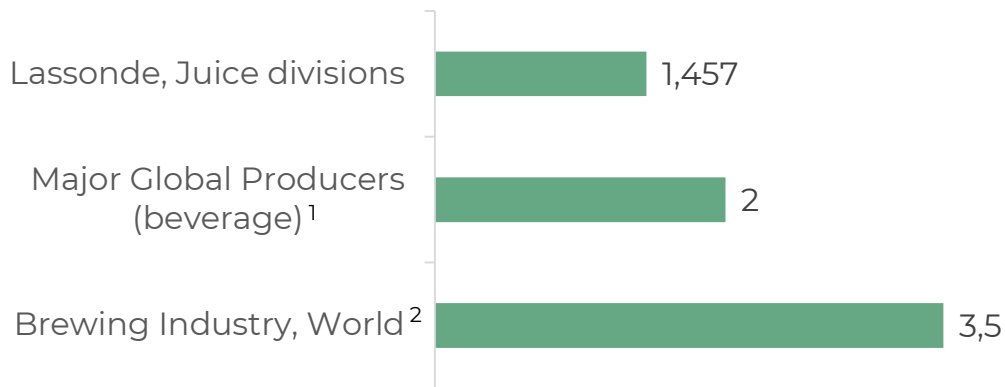
2019	2020	2021	2025
<p>In-market test for paper straws on Oasis carton juice</p> <p>Significant efforts in process optimization to reduce water consumption</p>	<p>Introduce paper straws on two national brands: KIJU and Simple drop (3.6% of national brands in Canada)</p> <p>Water consumption reduced by 15% between 2017 and 2020</p>	<p>Accelerate the deployment of paper straws (23% of our national brands in Canada)</p> <p>Initiate sustainability reporting with key performance indicators</p>	<p>Offer paper straws on 100% of our national brands in Canada</p> <p>Use 50% post-consumer recycled content in our PET packaging</p> <p>Use 100% recyclable packaging for our products</p> <p>Work with governments and associations to modernize selective collection and deposit</p>

ENVIRONMENT

Water

Lassonde is a world leader in consumption of water per litre of beverage

Litres consumed per 1 litre of beverage produced - 2020*



SOCIAL

Key topics

◆ Occupational health ◆ Food Safety ◆ Human capital ◆ Diversity and inclusion

-27% Number of working days lost due to work-related accidents or occupational diseases in 2020, compared to 2019

4,666 hours of training completed on COVID-19 protection measures, teleworking, industry best practices, stress management, etc.

20% Reduction in sugar by 2025 in our portfolio of national brand products

SOCIAL

Lassonde is committed to support:

- Health and healthy lifestyles
- Education
- Food security
- Charitable causes in North America including:
 - La Tablée des chefs
 - Tel-jeunes
 - United Way
 - Food banks
 - Cancer Research Foundation
 - Start2Finish
 - Mclane Global
 - Daily Break Food Bank
 - Feeding America
 - Warrior Food Project
 - Feed the need
 - The Let It Be Foundation
 - Hunger in Action Gym



GOVERNANCE

Key topics

◆ Provision of ESG reporting tools ◆ IT security and data protection ◆ Code of ethics ◆ Transparency

Board of Directors composed of **38%** women and our CEO is a woman

The Company's **Code of Ethics** must be acknowledged by all employees on an annual basis

Whistleblowing processes in place for:

- corporate governance issues (Corporate Web Site)
- employee concerns about questionable accounting or auditing matters (quarterly reminders of the policy providing for the process sent to all office employees), and
- for any code of ethics non-compliance issue

Significant investments at all levels to improve the **security** of our IT systems

1,560 employees received mandatory cybersecurity training



PRIORITIES 2020-2021

FOLLOW-UP ON 2020 PRIORITIES

Manage the impacts of the COVID-19 crisis by minimizing the negative effects on the Company



Adapt our organization to long-term changes in eating and drinking habits resulting from the COVID-19 crisis



Increase the profitability of our U.S. activities



Reap the benefits of Lassonde Specialties investment program



Promote organic growth



Reap synergies between Sun-Rype and A. Lassonde Inc.



Continue to develop frozen juice concentrates in Canada



Maintain the pace of debt reduction



2021 PRIORITIES

Seamless transition at COO and CFO positions	Complete integration of Sun-Rype activities into A. Lassonde Inc. to maximize acquisition synergies
Maintain the Company's level of activity as the world transitions to a post-COVID life	Maintain pace of margin growth of Lassonde Specialties through emerging product lines and improved productivity
Protect significant 2020 gains in frozen concentrate sales volumes	Reduce debt levels to free up the Company's borrowing capacity for major acquisitions and capital investments
Increase significantly the scope of the Company's ESG reporting	Be on the lookout for possible acquisitions in the low acidity food or beverage sector
Refocus Arista Wine's activities on its distinctive products and packaging	Major capital investment of \$50 to \$60M CAD to modernize the Company's Canadian ERP, add storage capacities and single-serve formats