FIRST QUARTER 2023 PREPARED REMARKS

May 18, 2023

CORPORATE PARTICIPANTS

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Ryals McMullian, *President and CEO*

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PRESENTATION

J.T. Rieck, *EVP of Finance and Investor Relations*

Hello everyone. This is J.T. Rieck, EVP of finance and investor relations. Welcome to the pre-recorded discussion of Flowers Foods' first-quarter 2023 results, which we announced in a press release on May 18, 2023. We will host a live Q&A session on Friday, May 19 at 8:30 a.m. Eastern. Further details about the live call, along with our earnings release, a transcript of these recorded remarks, and a related slide presentation, are posted on the investor section of flowersfoods.com.

Before we get started, keep in mind that the information presented here may include forward-looking statements about the company's performance. Although we believe these statements to be reasonable, they are subject to risks and uncertainties that could cause actual results to differ materially. In addition to what you hear in these remarks, important factors relating to Flowers Foods' business are fully detailed in our SEC filings.

Providing remarks today are Ryals McMullian, president and CEO, and Steve Kinsey, our CFO. Ryals, I'll turn it over to you…

Ryals McMullian, *President and CEO*

Thanks J.T.

It's a pleasure to welcome everyone to our call.

Our first quarter results demonstrate the strength of our leading brands, which performed well despite the challenging environment. That brand strength, combined with price increases in our store branded and non-retail businesses, drove record sales.

We faced very difficult year over year comparisons due to a strong impact from the Omicron surge early last year, accentuated by storm activity. The soft start, and lower-than-expected branded retail sales, resulted in an adjustment to our 2023 guidance.

However, our performance improved throughout the quarter. Although we lost 10 basis points of unit share in tracked channels, that loss was largely concentrated in the mass channel, as we expanded share in grocery. Importantly, we began gaining share in the overall category toward the end of the quarter, with branded retail bread units flat or up in five of the last six weeks of the quarter.

Inflation, combined with an uncertain economic environment, remains a headwind for consumers. They continued to trade down to private label products, though that growth declined throughout the quarter. Inflationary pressures also affected our margins, as the timing impact of our hedging strategy drove higher commodity costs.

It's important to note that we expect the current environment to be transitory. We believe that the premiumization of the category will remain a long-term trend and that when consumers get relief from the current inflationary pressures, they will return to our number one brands and differentiated products.

While we address these short-term issues, we are also maintaining our focus on longer-term opportunities. We are investing in future growth and exploring ways to maximize efficiency and productivity. Those investments, which may affect near-term results, are crucial to ensuring that Flowers is well-positioned to thrive in the years ahead.

Now, I'll provide an overview of our first quarter performance in the context of our four strategic priorities: developing our team, focusing on our brands, prioritizing margins, and pursuing smart M&A. Following that, Steve will review our financial results and updated 2023 guidance, and then I'll come back with a discussion on key themes moving forward and our plan to drive shareholder value in 2023 and beyond.

I'd like to start by recognizing the incredible contributions of our team, whose passion and commitment are the key ingredients in our success. One of our most important responsibilities as a company is ensuring that we have the right people in the right roles and providing them with the necessary resources to succeed.

For example, we recently restructured operational responsibilities at our bakeries—shifting them from the sales function to the supply chain function. We expect this change to improve operational effectiveness, increase profitable sales, and better meet customer requirements. Our supply chain team is now able to drive operating efficiencies and network optimization, and our sales team is able to focus on what they do best—bringing our leading products to as many customers as possible.

I have also challenged our entire team to heighten their overall sense of accountability for our results. To achieve our goals and succeed in this challenging environment, it is more important than ever to embrace our historical culture. Our financial results are the sum of our collective efforts, and each of us needs to be responsible for driving improvement so we emerge from this period even stronger.

Our new chief human resources officer, Cindy Cox, has extensive experience driving successful talent management programs, and she will be instrumental in furthering our capabilities. Among other things, her primary areas of focus will be on developing our existing team, incentivizing high performance, and recruiting new talent.

Our second strategic priority is focusing on our brands.

The strength of our leading brands has never been more apparent. While consumers struggling with inflation continued trading down to private label products, Nature's Own held unit share flat, and Dave's Killer Bread gained 10 basis points. Although Canyon lost 80 basis points of unit share in the quarter, that decline was impacted by a shift in mix to the growing club channel, the sales of which aren't comprehensively measured in tracked channels. Sales of Canyon branded units increased as measured by our internal tracking and we remain confident in its ability to grow for many years to come.

Consumers love the unique attributes of our brands, and we are committed to bringing forth more products to meet their needs. Recent innovation includes Nature's Own Keto Net One loaf, Nature's Own Perfectly Crafted Everything buns, and Wonder Hawaiian buns.

And, of course, we continued the nationwide rollout of our DKB snack bars. The bars are currently on the shelf in more than six thousand stores, and we expect that number to grow to more than 10 thousand by year end. We are

excited about the consumer response to the bars so far and optimistic about their potential to help expand our addressable market. As we have discussed, the financial benefit will be limited in the near term as we invest in a robust marketing strategy to support the launch. While still early, we are encouraged by the preliminary results, which increase our confidence that we can meaningfully grow sales outside of the bread category.

In addition to the snack bars, we have a deep pipeline of products designed to capitalize on DKB's brand strength and expand our business beyond the bread aisle. Products include DKB Amped-Up Protein Bars and DKB Crunchy Snack Bites, each of which meet distinct consumer needs and are performing well in our test markets. You can sample these products for yourself by ordering them from our innovation site: creationsbyflowersfoods.com.

Our third strategic priority is margins, a particular focus given the current environment. We are addressing this area aggressively with multiple initiatives. To mitigate inflationary pressures, we implemented price increases on foodservice and private label products early this year, and selective price increases in our branded portfolio have been accepted and are set to go live this month.

We also continue to execute our portfolio strategy, whereby we aim to transition a greater portion of our sales to higher-margin branded retail products.

At the same time, we are focused on maximizing efficiencies. Investments in digital and ERP create near-term financial headwinds but are expected to enable growth and efficiency for years to come. We continue to expand our bakery of the future program to additional bakeries, and we are pleased that it is already driving improvements in scrap and labor costs.

We are also focused on cost savings initiatives, and we are on track to meet our savings goal of $20 to $30 million for 2023.

Our fourth priority is smart M&A. In February, we closed on the Papa Pita Bakery acquisition. Papa Pita has been an important co-manufacturer of Flowers products, and we expect the acquisition to drive manufacturing and distribution synergies.

M&A has been a key contributor to our growth for decades, expanding our geographic coverage and supplementing our brand lineup. Moving forward, we also expect M&A to help move us into faster-growing, adjacent categories beyond bread.

We continue to monitor the deal market, actively vetting potential acquisitions and investments that could add capabilities, brands, or products to our robust existing lineup. Our strong balance sheet positions us well to act when we have financial, commercial, and operational conviction.

Now, I'll turn it over to Steve to review the details of the quarter, and then I'll come back a little bit later to discuss our outlook for the current business environment. Steve?

Steve Kinsey, *CFO*

Thank you, Ryals – and hello everyone.

Moving on to our results, total sales in the first quarter increased 6.9% from the prior-year period. Improved price/mix drove the adjusted year-over-year increase, up 13.6%, primarily due to price increases to mitigate inflationary pressures. Volume decreased 7.3%, partly due to targeted sales rationalizations in cake and

foodservice, and difficult comparisons in the prior year period related to storms and the pandemic. The Papa Pita acquisition added 0.6% to the top line.

Gross margin as a percentage of sales, excluding depreciation and amortization, decreased 170 basis points to 47.8%. Comparisons were impacted by input cost inflation, partially offset by inflation-driven pricing actions, lower employee compensation expense, and reduced outside purchases of product.

Selling, distribution, and administrative expenses as a percentage of sales were 38.6%, consistent with the prior year period. Results benefited from sales increases in excess of wage inflation, lower incentive compensation, and lower distributor distribution fees as a percentage of sales. Those benefits were offset by greater marketing expenses, increased amortization of cloud-based applications, and acquisition-related costs. Excluding matters affecting comparability, adjusted SD&A expenses were 38.0%, consistent with the prior year period.

GAAP diluted EPS for the quarter was 33 cents per share compared to 40 cents in the prior-year period. Excluding the items affecting comparability detailed in the release, adjusted diluted EPS in the quarter was 38 cents per share, down 6 cents from the prior-year period.

Turning now to our balance sheet, liquidity, and cash flow.

For the first quarter, cash flow from operating activities decreased by $66.2 million to $58.0 million, which included business process improvement costs of $6.2 million related to the ongoing transformation strategy initiatives. Cash flow from operating activities was affected by working capital increases of $76 million, largely due to the impact of inflation. Capital expenditures decreased $16.5 million to $34.0 million and included $10.0 million for the ongoing ERP upgrade. Dividends paid increased $2.4 million to $49.1 million.

Our financial position remains strong. At quarter end, net debt to trailing twelve month adjusted EBITDA stood at approximately 2.1-times. At quarter end, we held approximately $28 million in cash and cash equivalents and had approximately $521 million of remaining availability on our credit facilities.

As Ryals mentioned, we are adjusting our 2023 guidance to reflect the slower-than-expected start to the year. We are now forecasting sales to increase 5.8% to 7.0%, EBITDA in the range of $494 million to $528 million, and EPS in the range of $1.15 to $1.25.

Key factors that could shift results within our guidance range include demand reversion, price elasticities, consumer resilience, and continued inflationary pressure. Overall, demand elasticities have been in line with our expectations, remaining below historical levels.

As a reminder, our adjusted EBITDA guidance incorporates approximately $26 million (or 9 cents per share) of incremental costs related to the ERP project. Those incremental costs were $5.7 million (or 2 cents per share) in the first quarter. We anticipate these costs to moderate substantially by project completion in 2026. Additionally, we expect a 2023 impact of 8-10 cents per share from an increase in interest, depreciation, and amortization expense associated with the ERP implementation and Papa Pita acquisition.

Our ERP program remains on track, and we are confident in our ability to begin implementation in 2023 and complete the project within the financial guidance. In Fiscal 2023, we expect costs for the upgrade of our ERP system to be approximately $95 million to $105 million, including $30 to $40 million expected to be capitalized. As of April 22, 2023, we have incurred costs related to the project of approximately $172 million, of which $97 million has been capitalized.

Approximately 80% of our key raw materials are covered in 2023. To minimize volatility and provide adequate visibility into costs, we have maintained our historical hedging strategy in which we attempt to increase the

certainty of our key commodity costs 6 to 12 months out. We continue to monitor the commodity markets, exploring opportunities to extend coverage at lower values that could benefit our second half results.

Thank you. And now I'll turn it back to Ryals.

Ryals McMullian, *President and CEO*

Thank you, Steve.

Now I'd like to discuss some key areas impacting our current performance, including consumer behavior and our initiatives to maximize long-term results.

In response to inflationary pressures, consumers are trading down to lower-priced products, responding more to promotions, and shifting more of their shopping trips to value-focused retailers. Private label has reversed a multi-year trend of share losses, though its volumes are still well below pre-pandemic levels and the gains have largely occurred in the mass channel.

In the first quarter, private label gained 70 basis points of unit share in tracked channels, driven by large gains in the mass channel. In the grocery channel, however, private label lost 20 basis points of unit share. From a cadence perspective, private label share gains moderated significantly throughout the quarter.

As I mentioned, we saw a similar dynamic in our own performance between the grocery and mass channels. Our strong performance in grocery continued—gaining 20 basis points of unit share, with consistent growth throughout the quarter. At the same time, we lost unit share in mass, largely due to private label strength. Overall, our sales improved toward the end of the quarter as we moved past difficult prior-year comparisons, with particular improvement in branded bread.

In addition to the impact of consumer trade down on mix, we've also seen volume revert toward pre-pandemic levels in the category overall. During the pandemic, the category enjoyed a large increase in demand as consumers ate more meals at home, but that benefit has dissipated as consumers have reverted to eating more meals out of the home. The resulting unit volume pressure, which began in 2021, continued into the first quarter, but lessened considerably toward the end of the period.

What has endured is the trend toward premiumization. Consumers recognize the superior taste, texture, and quality of more-premium, branded products and have shifted a greater portion of their purchases toward those products. Although private label has gained some share recently, branded retail products have outperformed private label since 2019, accounting for 81.4% of tracked channel category sales in 2022, up 370 basis points from 2019.

The near-term mix trends, combined with our portfolio strategy of transitioning more of our sales to higher-margin branded retail products, have impacted volumes. Importantly, most of our volume declines have been in cake and foodservice, where we have been implementing price increases and rationalizing business that fails to meet our profitability hurdles.

However, that volume effect has led to a temporary imbalance between capacity and production. Now we recognized the possibility of this imbalance when we initiated our portfolio strategy, but inflationary pressures have exacerbated the impact. Our supply chain optimization work is intended to address this imbalance, and we remain confident that our strategy is the right one for Flowers over the long-term.

As I mentioned earlier, it is important to understand, however, that we believe many of these headwinds are temporary. We expect premiumization to be a long-term driver of branded retail sales. When inflationary pressures lessen, we believe consumers will return to their prior purchasing habits. While at-home eating may never return to peak COVID levels, the work-from-home trend appears to be sustainable.

We are taking the necessary steps to thrive in this new environment. Although that process may be uneven and result in some near-term headwinds, we believe it is the best path toward growing long-term shareholder value. As we align our product portfolio and network to this future, we are excited about the potential for our company. We see a portfolio shifted to more-profitable, branded products being produced and distributed by a more-modern and efficient bakery network. We expect to supplement that existing business by moving into faster-growing, adjacent categories both organically and via M&A.

We have the right team with the right structure to make that shift possible and I've never been more excited about our long-term prospects.

So, with that, thank you very much for your time. This concludes our prepared remarks.

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Forward-Looking Statements

Statements contained in this filing and certain other written or oral statements made from time to time by Flowers Foods, Inc. (the "company", "Flowers Foods", "Flowers", "us", "we", or "our") and its representatives that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to current expectations regarding our future financial condition and results of operations and are often identified by the use of words and phrases such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should," "will," "would," "is likely to," "is expected to" or "will continue," or the negative of these terms or other comparable terminology. These forward-looking statements are based upon assumptions we believe are reasonable. Forward-looking statements are based on current information and are subject to risks and uncertainties that could cause our actual results to differ materially from those projected. Certain factors that may cause actual results, performance, liquidity, and achievements to differ materially from those projected are discussed in our Annual Report on Form 10-K (the "Form 10-K") and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission ("SEC") and may include, but are not limited to, (a) unexpected changes in any of the following: (1) general economic and business conditions; (2) the competitive setting in which we operate, including advertising or promotional strategies by us or our competitors, as well as changes in consumer demand; (3) interest rates and other terms available to us on our borrowings; (4) supply chain conditions and any related impact on energy and raw materials costs and availability and hedging counter-party risks; (5) relationships with or increased costs related to our employees and third-party service providers; (6) laws and regulations (including environmental and health-related issues); and (7) accounting standards or tax rates in the markets in which we operate, (b) the loss or financial instability of any significant customer(s), including as a result of product recalls or safety concerns related to our products, (c) changes in consumer behavior, trends and preferences, including health and whole grain trends, and the movement toward less expensive store branded products, (d) the level of success we achieve in developing and introducing new products and entering new markets, (e) our ability to implement new technology and customer requirements as required, (f) our ability to operate existing, and any new, manufacturing lines according to schedule, (g) our ability to implement and achieve our environmental, social, and governance goals in accordance with regulatory requirements and expectations of stakeholders, suppliers, and customers; (h) our ability to execute our business strategies which may involve, among other things, (1) the ability to realize the intended benefits of completed, planned or contemplated acquisitions, dispositions or joint ventures, (2) the deployment of new systems (e.g., our enterprise resource planning ("ERP") system), distribution channels and technology, and (3) an enhanced organizational structure (e.g., our sales and supply chain reorganization), (i) consolidation within the baking industry and related industries, (j) changes in pricing, customer and consumer reaction to pricing actions (including decreased volumes), and the pricing environment among competitors within the industry, (k) our ability to adjust pricing to offset, or partially offset, inflationary pressure on the cost of our products, including ingredient and packaging costs; (l) disruptions in our direct-store-delivery distribution model, including litigation or an adverse ruling by a court or regulatory or governmental body that could affect the independent contractor classifications of the independent distributor partners, (m) increasing legal complexity and legal proceedings that we are or may become subject to, (n) labor shortages and turnover or increases in employee and employee-related costs, (o) the credit, business, and

legal risks associated with independent distributor partners and customers, which operate in the highly competitive retail food and foodservice industries, (p) any business disruptions due to political instability, pandemics, armed hostilities (including the ongoing conflict between Russia and Ukraine), incidents of terrorism, natural disasters, labor strikes or work stoppages, technological breakdowns, product contamination, product recalls or safety concerns related to our products, or the responses to or repercussions from any of these or similar events or conditions and our ability to insure against such events, (q) the failure of our information technology systems to perform adequately, including any interruptions, intrusions, cyber-attacks or security breaches of such systems or risks associated with the planned implementation of the upgrade of our ERP system; and (r) the potential impact of climate change on the company, including physical and transition risks, availability or restriction of resources, higher regulatory and compliance costs, reputational risks, and availability of capital on attractive terms. The foregoing list of important factors does not include all such factors, nor necessarily present them in order of importance. In addition, you should consult other disclosures made by the company (such as in our other filings with the SEC or in company press releases) for other factors that may cause actual results to differ materially from those projected by the company. Refer to Part I, Item 1A., Risk Factors, of the Form 10-K, Part II, Item 1A., Risk Factors, of the Form 10-Q for the quarter ended April 22, 2023 and subsequent filings with the SEC for additional information regarding factors that could affect the company's results of operations, financial condition and liquidity. We caution you not to place undue reliance on forward-looking statements, as they speak only as of the date made and are inherently uncertain. The company undertakes no obligation to publicly revise or update such statements, except as required by law. You are advised, however, to consult any further public disclosures by the company (such as in our filings with the SEC or in company press releases) on related subjects.

Information Regarding Non-GAAP Financial Measures

The company prepares its consolidated financial statements in accordance with U.S. Generally Accepted Accounting Principles (GAAP). However, from time to time, the company may present in its public statements, press releases and SEC filings, non-GAAP financial measures such as, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted EPS, adjusted diluted EPS, adjusted income tax expense, adjusted selling, distribution and administrative expenses (SD&A), and gross margin excluding depreciation and amortization. The reconciliations attached provide reconciliations of the non-GAAP measures used in this presentation or release to the most comparable GAAP financial measure. The company's definitions of these non-GAAP measures may differ from similarly titled measures used by others. These non-GAAP measures should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP.

The company defines EBITDA as earnings before interest, taxes, depreciation and amortization. Earnings are net income. The company believes that EBITDA is a useful tool for managing the operations of its business and is an indicator of the company's ability to incur and service indebtedness and generate free cash flow. EBITDA is used as the primary performance measure in the company's 2014 Omnibus Equity and Incentive Compensation Plan. Furthermore, pursuant to the terms of our credit facility, EBITDA is used to determine the company's compliance with certain financial covenants. The company also believes that EBITDA measures are commonly reported and widely used by investors and other interested parties as measures of a company's operating performance and debt servicing ability because EBITDA measures assist in comparing performance on a consistent basis without regard to depreciation or amortization, which can vary significantly depending upon accounting methods and non-operating factors (such as historical cost). EBITDA is also a widely-accepted financial indicator of a company's ability to incur and service indebtedness.

EBITDA should not be considered an alternative to (a) income from operations or net income (loss) as a measure of operating performance; (b) cash flows provided by operating, investing and financing activities (as determined in accordance with GAAP) as a measure of the company's ability to meet its cash needs; or (c) any other indicator of performance or liquidity that has been determined in accordance with GAAP.

The company defines adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted diluted EPS, adjusted income tax expense and adjusted SD&A, respectively, to exclude additional costs that the company considers important to present to investors. These costs include, but are not limited to, the costs of closing a plant or costs associated with acquisition-related activities, certain impairment charges, legal settlements and other costs impacting past and future comparability. The company believes that these measures, when considered together with its GAAP financial results, provides management and investors with a more complete understanding of its business operating results, including underlying trends, by excluding the effects of certain charges.

Presentation of gross margin includes depreciation and amortization in the materials, supplies, labor and other production costs according to GAAP. Our method of presenting gross margin excludes the depreciation and amortization components, as discussed above.

The reconciliations attached provide reconciliations of the non-GAAP measures used in this presentation or release to the most comparable GAAP financial measure.