Flowers
FOODS

FOURTH QUARTER AND FULL YEAR 2024 REVIEW

February 7, 2025

REGARDING FORWARD-LOOKING STATEMENTS

Statements contained in this presentation 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 business and 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 for the year ended December 30, 2023 (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 the impacts of tariffs); 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 corporate responsibility 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, such as the acquisition of Purposeful Foods Holdings, Inc. (such transaction, the "Simple Mills acquisition", including the risk that we may fail to complete such transaction on the terms contemplated or at all, and/or realize the expected benefits of any transaction, (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, and changes to our direct-store-delivery distribution model in California, (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, 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 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 does it 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 October 5, 2024 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.

KEY MESSAGES

- **Strong execution in a difficult environment**, growing 4Q net income, adj. EBITDA and adj. EPS despite net sales decline
- Each of our **leading bread brands gained or held unit and dollar share** in tracked channels
- Announced pending **acquisition of Simple Mills**, expected to **enhance growth prospects and diversify category exposure**
- Issued 2025 guidance that reflects expectation for **strong execution offset by continued category weakness** in branded retail cake and bread

Q4 2024 FINANCIAL REVIEW

NET SALES

$1.111B -1.6% v PY

- Price/Mix +0.9%[1]
- Volume -2.5%[2]

CASH FLOWS — FY'24

Cash from Ops
$412.7M

Dividends
$203.0M

Capex
$132.1M

NET INCOME

$43.1M +20.9% v PY

ADJ. EBITDA[3]

$102.4M +6.3% v PY

- 9.2% of sales, up 70 bps
- Higher gross margin[5], partly offset by lower sales

GAAP DILUTED EPS

$0.20 +$0.03 v PY

ADJ. DILUTED EPS[4]

$0.22 +$0.02 v PY

- Higher EBITDA[5]
- Higher effective income tax rate

(1) Calculated as (current year period units X change in price per unit) / prior year period net sales $
(2) Calculated as (prior year period price per unit X change in units) / prior year period net sales $
(3) Earnings before interest, taxes, depreciation & amortization (EBITDA), adjusted for matters affecting comparability. See non-GAAP reconciliations at the end of this slide presentation. Earnings are net income. EBITDA and Adjusted EBITDA are reconciled to net income.
(4) Earnings per share (EPS), adjusted for matters affecting comparability. See non-GAAP reconciliations at the end of this slide presentation.
(5) Adjusted for matters affecting comparability.

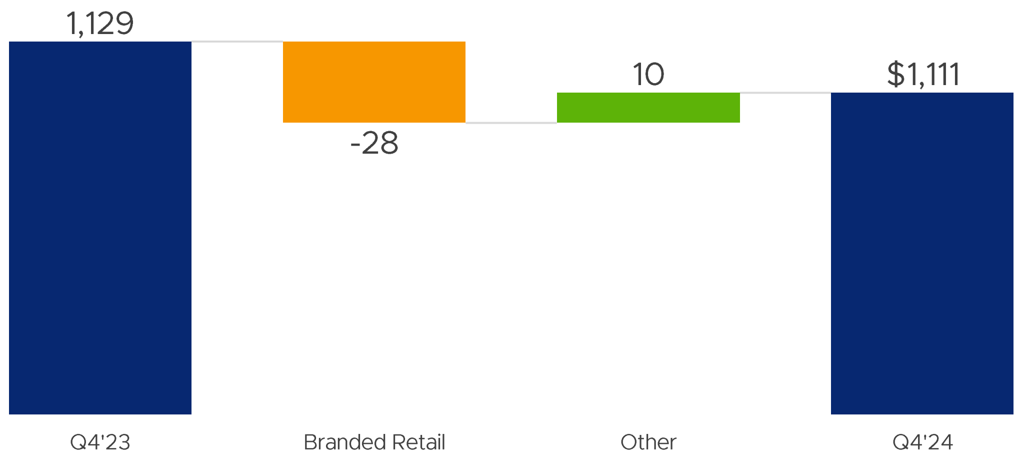
Q4 2024 NET SALES HIGHLIGHTS

Net sales declined 1.6% as positive price/mix was more than offset by volume declines

Branded Retail net sales declined 3.9% due to unfavorable price/mix resulting from increased promotional activity and volume declines, with the cake category more pressured than bread

Other net sales increased 2.6% due to favorable price/mix from optimization of our non-retail business, most notably in foodservice, partially offset by volume declines concentrated in vending, contract manufacturing, and institutional sales

NET SALES CHANGE BY SALES CLASS (MILLIONS)



-1.6%
CHANGE

NET SALES BRIDGE

	Branded Retail	Other	Total[1]
Price/Mix	-1.9%	+5.8%	+0.9%
Volume	-2.0%	-3.2%	-2.5%
Total	-3.9%	+2.6%	-1.6%

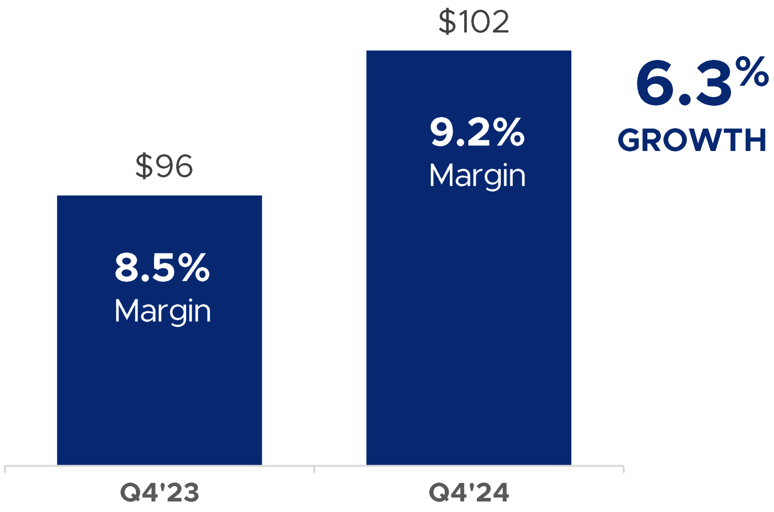
(1) Total column reflects consolidated results and is not the sum of Branded Retail and Other columns

Q4 2024 ADJ EBITDA HIGHLIGHTS

Net income increased $7.4 million to $43.1 million, primarily due to higher operating income resulting from moderating ingredient costs, optimization of our non-retail business, cost savings initiatives, and a decrease in impairment of assets, partially offset by reduced sales and a higher effective tax rate

Adjusted EBITDA[1] increased primarily due to improved gross margin, partly offset by lower net sales

ADJUSTED EBITDA[1] (MILLIONS)



(1) *Earnings before interest, taxes, depreciation & amortization, adjusted for matters affecting comparability. See non-GAAP reconciliations at the end of this slide presentation.*

FISCAL 2025 GUIDANCE

(Provided February 7, 2025)

	FLOWERS STANDALONE	SIMPLE MILLS[1] (PARTIAL YEAR)	FLOWERS TOTAL
Net Sales	$5.180 to $5.257B	$223 to $230M	$5.403 to $ 5.487B
Adj. EBITDA[2]	$526 to $554M	$34 to $37M	$560 to $591M
Adj. dil. EPS[2]	$1.18 to $1.28	($0.07) to ($0.04)	$1.11 to $1.24

OTHER

Depreciation & amortization
$175 – $185M

Net interest expense
$60- $65M

Capital expenditures
$140 – $150M[3]

Effective tax rate
APPROX. 25.0%

Diluted shares outstanding
APPROX. 212.3M

Fiscal 2025 Considerations

- 53rd week expected to contribute $70-80M net sales, $5-7M adj. EBITDA, and approx. $0.02 adj EPS.
- Consumer resiliency
- Promotional environment
- Simple Mills integration
- Ability to mitigate cost inflation
- Timing and effectiveness of cost savings initiatives
- ERP rollout
- California distribution transition

(1) Assumes full-year proforma contribution of $258-266M net sales, $39-42M adj. EBITDA, and $(0.09)-(0.05) adj. EPS
(2) No reconciliation of the forecasted range for (i) adjusted EBITDA to net income or (ii) adjusted diluted EPS to diluted EPS for the 53-week Fiscal 2025 is included in this presentation because the company is unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the company believes such reconciliation would imply a degree of precision that would be confusing or misleading to investors. For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.
(3) $4-6 million related to ERP upgrade

GUIDANCE DRIVERS

	Adj EBITDA	D&A	Net Int Exp	Inc Tax Exp	Simple Mills
KEY CONSIDERATIONS	+ Carryover of new business wins, and pricing and efficiency actions + Innovation – Category declines – Higher ingredient costs – Promotional activity – Strategic investments	– Higher capital employed from acquisition and ERP	– Higher interest rates – Increased capex – Lower interest income	– Similar tax rate y/y	– Higher D&A from acquisition intangibles – Increased interest expense from acquisition-related debt

Data is not indicative of actual expected impact. Graph is intended for directional purposes only.

LONG-TERM GROWTH TARGET SCORECARD

	LT Targets[1]	CAGR[1]					
		FY'20[1]	FY'21	FY'22	FY'23	FY'24	FY'25[2]
Net Sales	1-2%	6.4%	2.5%	5.2%	5.4%	4.4%	4.0%
Adj EBITDA	4-6%	23.4%	7.8%	5.9%	4.4%	5.0%	4.2%[3]
Adj dil. EPS	7-9%	36.5%	13.7%	9.8%	5.7%	5.9%	4.2%[1]

(1) *Off FY'19 base; FY'20 was a 53-week year*
(2) *Implied return using FY'25 guidance midpoint for standalone Flowers, excluding Simple Mills impact; FY'25 is a 53-week year*
(3) *No reconciliation of the forecasted range for (i) adjusted EBITDA to net income or (ii) adjusted diluted EPS to diluted EPS for the 53-week Fiscal 2025 is included in this presentation because the company is unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the company believes such reconciliation would imply a degree of precision that would be confusing or misleading to investors. For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.*

Simple Mills

SIMPLE MILLS: STRATEGIC RATIONALE

ENHANCES GROWTH PROSPECTS

- Adds a **scaled, better-for-you snacking platform**, led by a seasoned management team, that is successfully penetrating mainstream consumers and offers **significant white space for future growth**
- **Enables future growth** of the Simple Mills brand by expanding distribution, accelerating innovation, increasing velocities, and gaining access to new segments and categories
- Leverages Flowers' **demonstrated ability to grow acquired companies** in the better-for-you space

DIVERSIFIES CATEGORY EXPOSURE

- Bolsters Flowers' **growing position in better-for-you and attractive snacking categories** through the addition of Simple Mills' market-leading products, which are meaningfully outpacing category growth
- **Enhances portfolio strategy**, increasing proforma 2024 branded retail sales as a percentage of total net sales[1] to approximately 66%
- Simple Mills' authenticity and brand strength provide **opportunity to extend across multiple snacking categories**

ATTRACTIVE FINANCIAL PROFILE

- Expected to be **immediately accretive** to net sales and adjusted EBITDA[2] growth and adjusted EBITDA margins[3] on a proforma basis[4]
- Expected to be **accretive to Flowers' adjusted earnings per share in 2026**

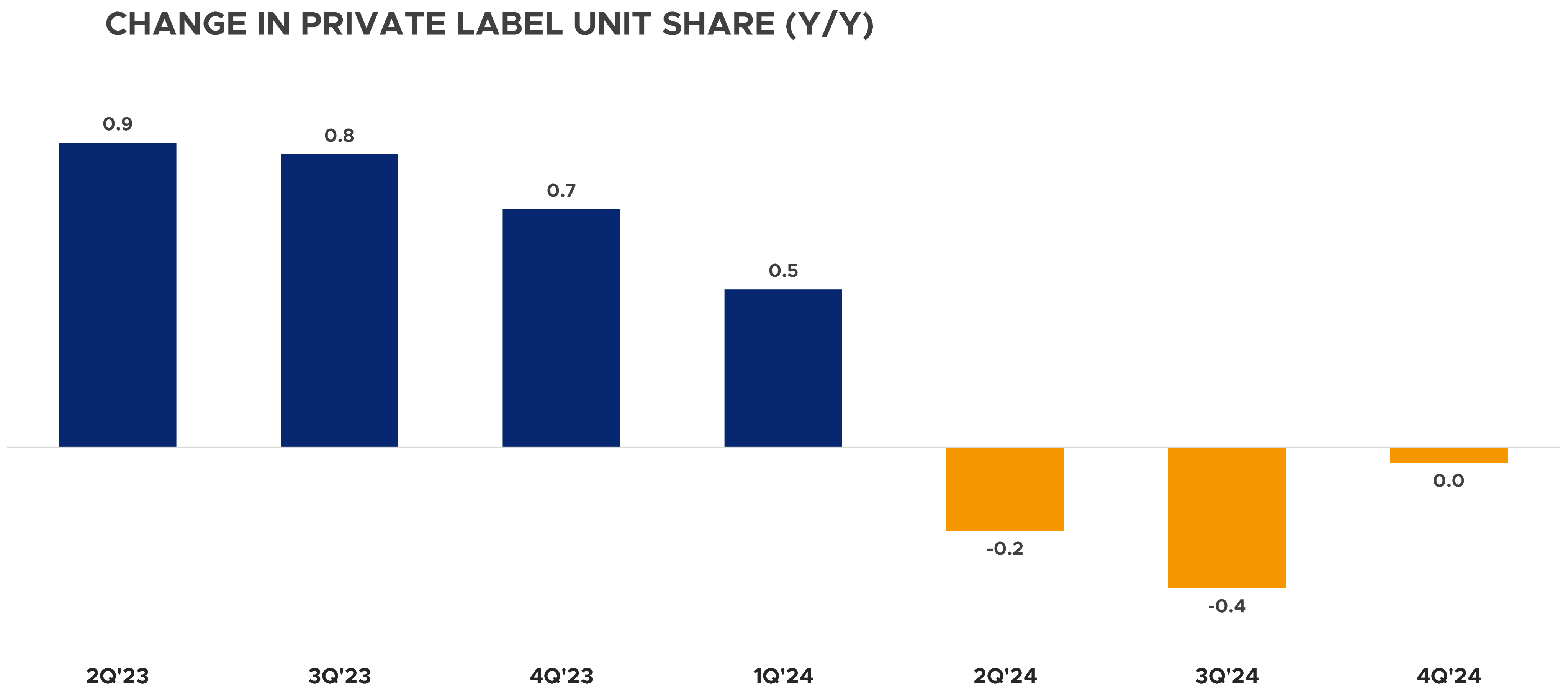
(1) Any reference to sales refers to net sales inclusive of allowances and deductions against gross sales.
(2) Earnings before interest, taxes, depreciation & amortization, adjusted for matters affecting comparability.
(3) Earnings before interest, taxes, depreciation & amortization, adjusted for matters affecting comparability, as a percentage of net sales.
(4) No reconciliation of expected adjusted EBITDA to net income or the expected adjusted EBITDA margin to net income margin is included in this presentation because the company is unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the company believes such reconciliation would imply a degree of precision that would be confusing or misleading to investors.

SIMPLE MILLS: AMPLE GROWTH OPPORTUNITIES

	Crackers	Cookies	Baking Mixes	Snack Bars
				
HH Penetration[1] (SM vs category)	**5%** vs **95%**	**2%** vs **95%**	**<1%** vs **71%**	**<1%** vs **75%**
TDPs[1] (SM vs legacy comps)	**251** vs **894**	**489** vs **1,310**	**149** vs **640**	**149** vs **584**
Avg Items/Store[1] (SM vs legacy comps)	**4.2** vs **10.3**	**6.4** vs **13.6**	**2.6** vs **7.4**	**3.2** vs **7.1**
Substantial Growth Runway[2] (SM vs cat. sales)	**$195M** vs **$10B**	**$84M** vs **$12B**	**$33M** vs **$3B**	**$18M** vs **$7B**

(1) TDP: Total distribution points--Circana L52W ending 12-1-24; Note: TDP and Avg Items per store selling are averages for brands with greater sales than Simple Mills Sales L52W
(2) SPINS, Circana, Nielsens; Total US – MULO, Natural Expanded, Whole Foods Market; Crackers, Cookies, Baking Mixes, Snack Bars; L52W ending 08/11/2024 (sum of channels)

PRIVATE LABEL MOMENTUM FADING

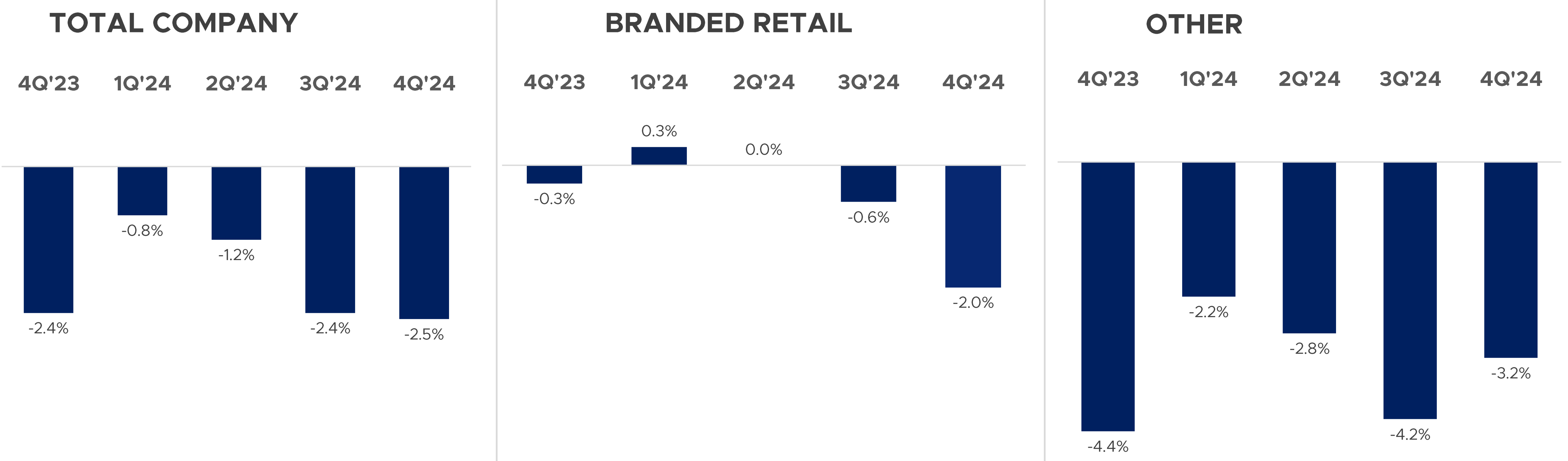


Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
Due to a change in methodology and sources, data provided previously by Circana may not be comparable to current data

VOLUME TRENDS

- Branded retail impacted primarily by cake softness with smaller percentage declines in bread
- Other pressured by away-from-home weakness as we execute our portfolio strategy, partly offset by increases in private label

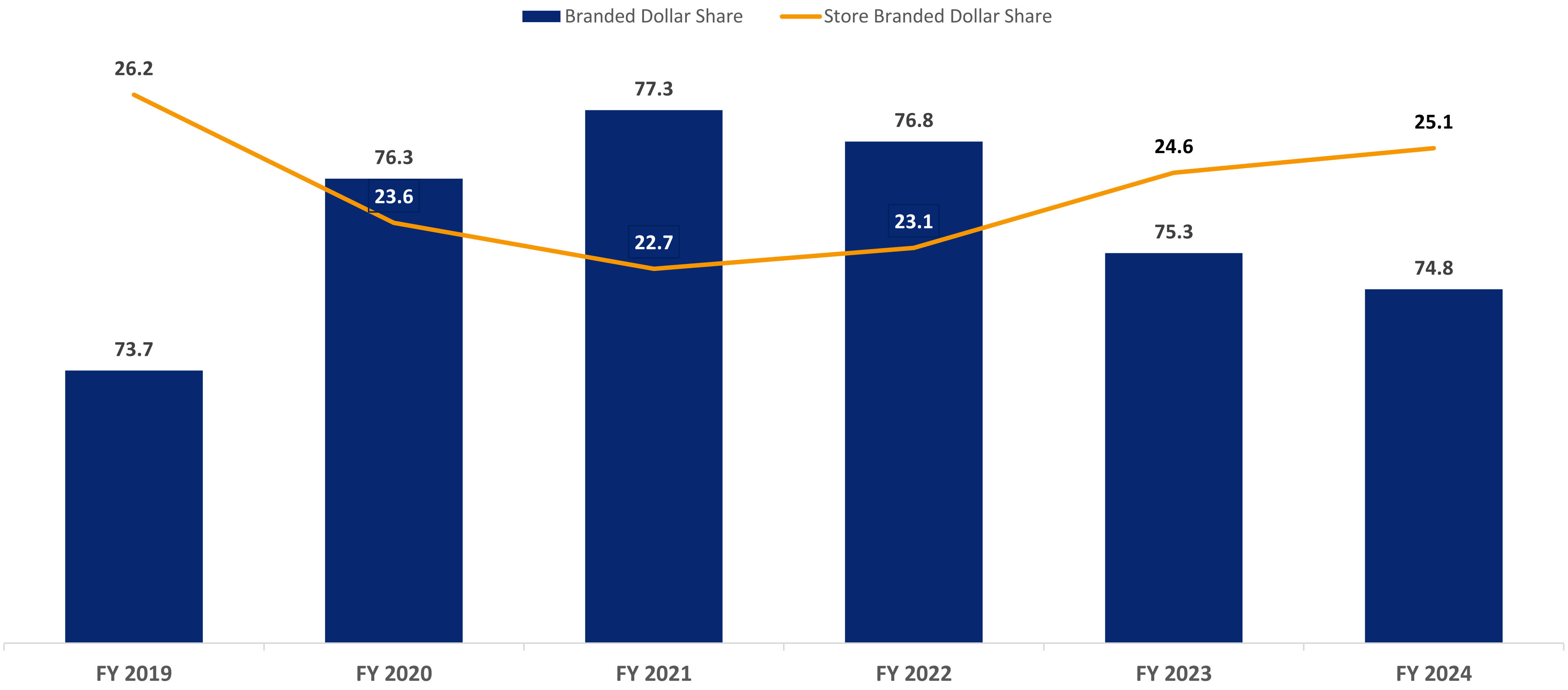
FLO Volume % Change (Y/Y)



Source: Flowers internal data
Volume data excludes impact of acquisitions during first year after acquisition date

BRANDED VS STORE BRAND MARKET SHARE

Long-term trend of branded share gains interrupted by inflationary pressure on consumers



Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
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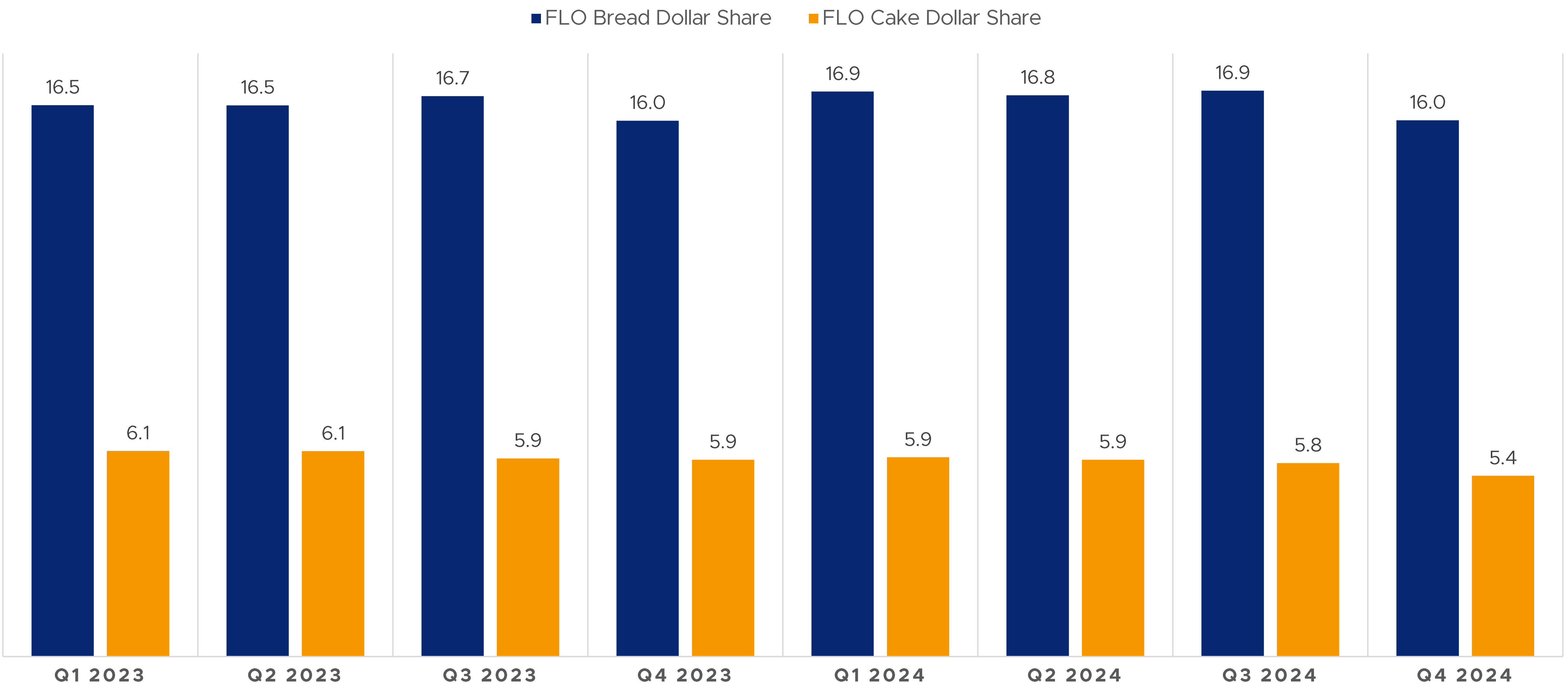
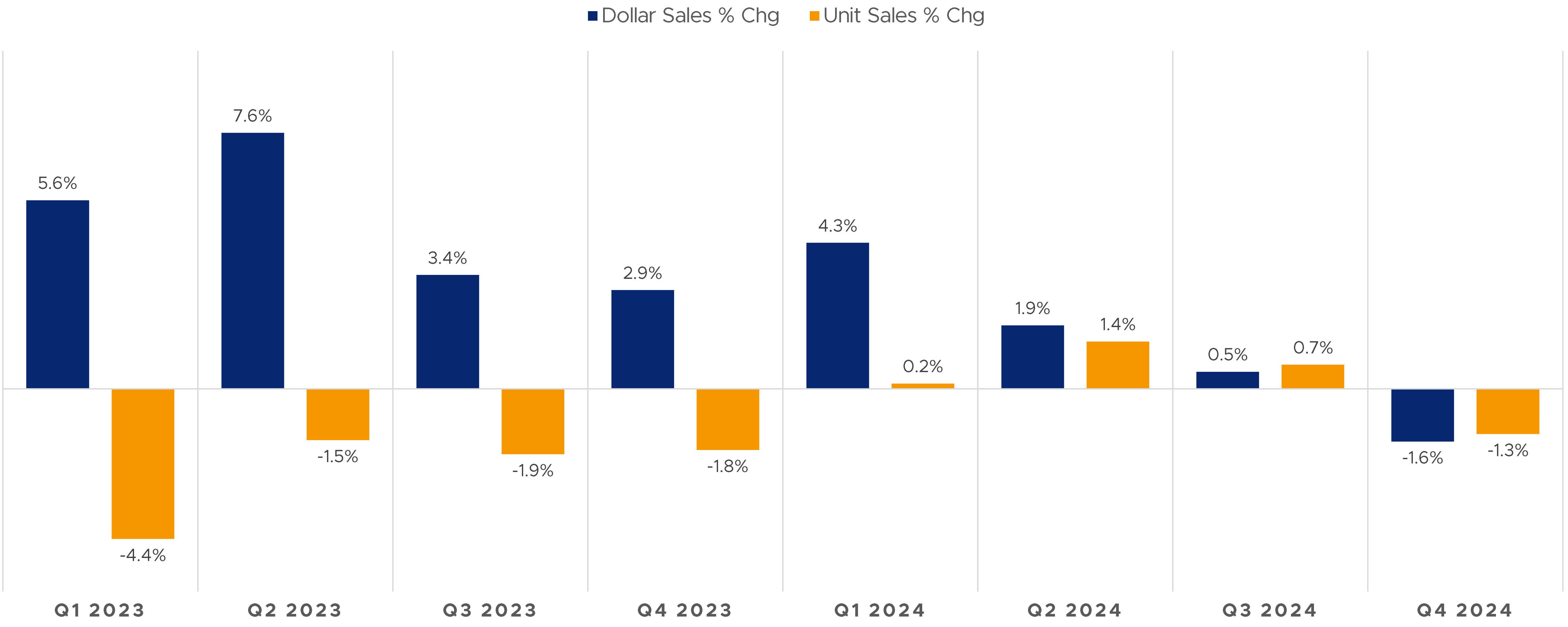
FLOWERS MARKET SHARE



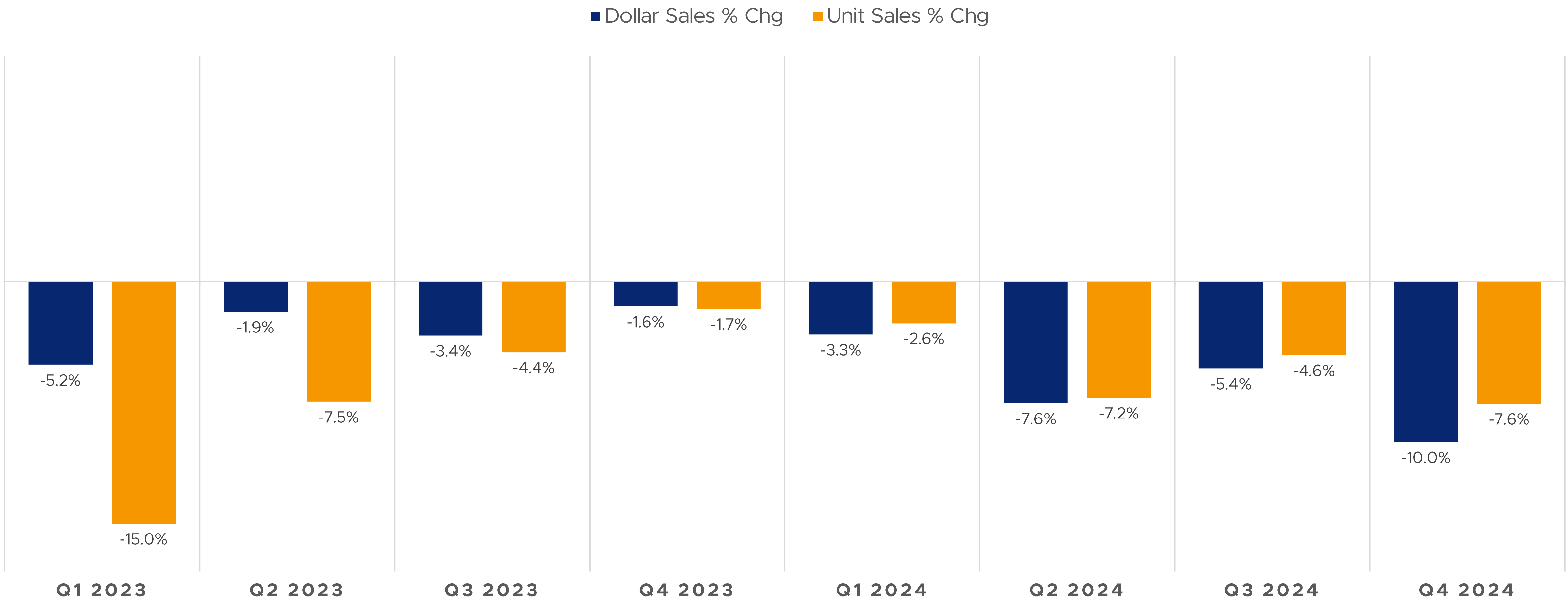
Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
Due to a change in methodology and sources, data provided previously by Circana may not be comparable to current data

FLOWERS FRESH PACKAGED BREADS



Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
Due to a change in methodology and sources, data provided previously by Circana may not be comparable to current data

FLOWERS COMMERCIAL CAKE



Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
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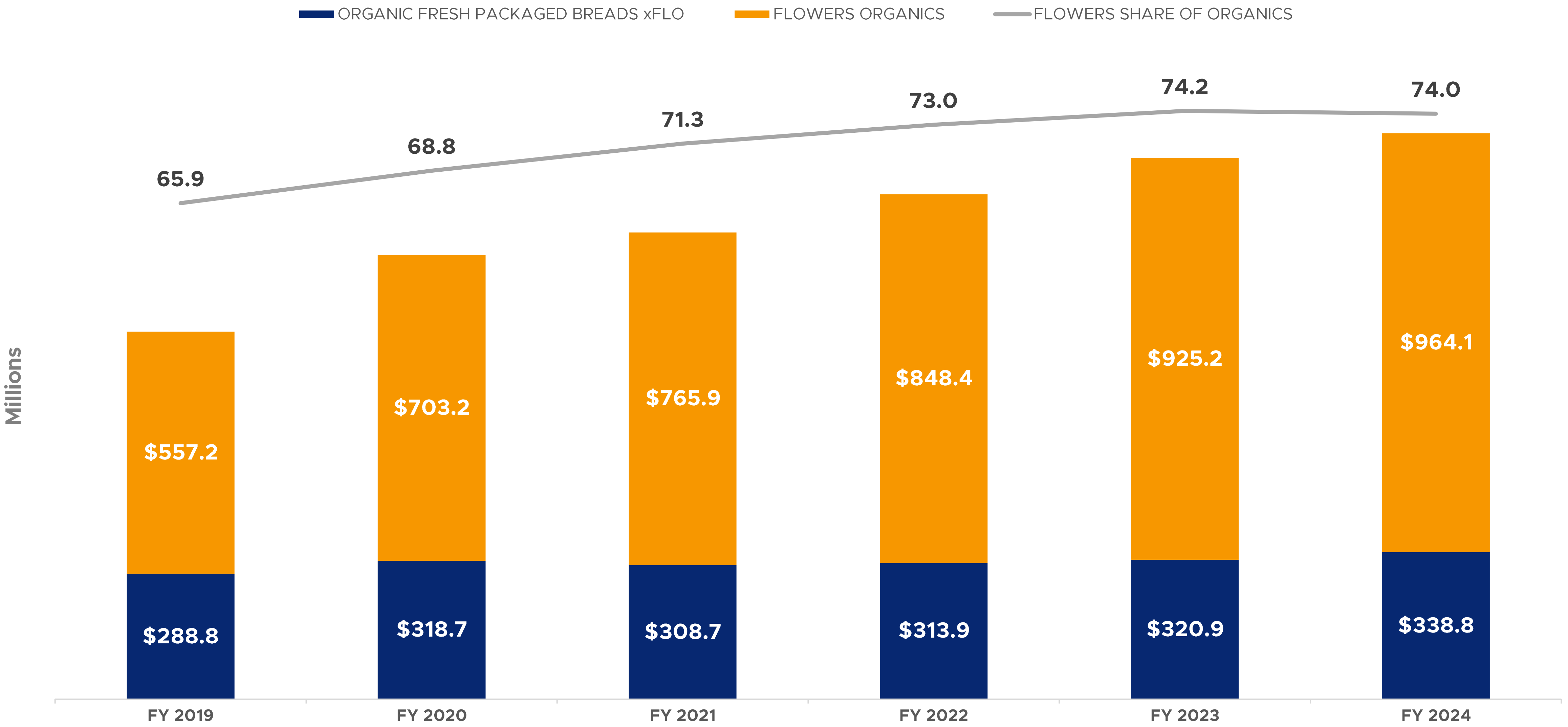
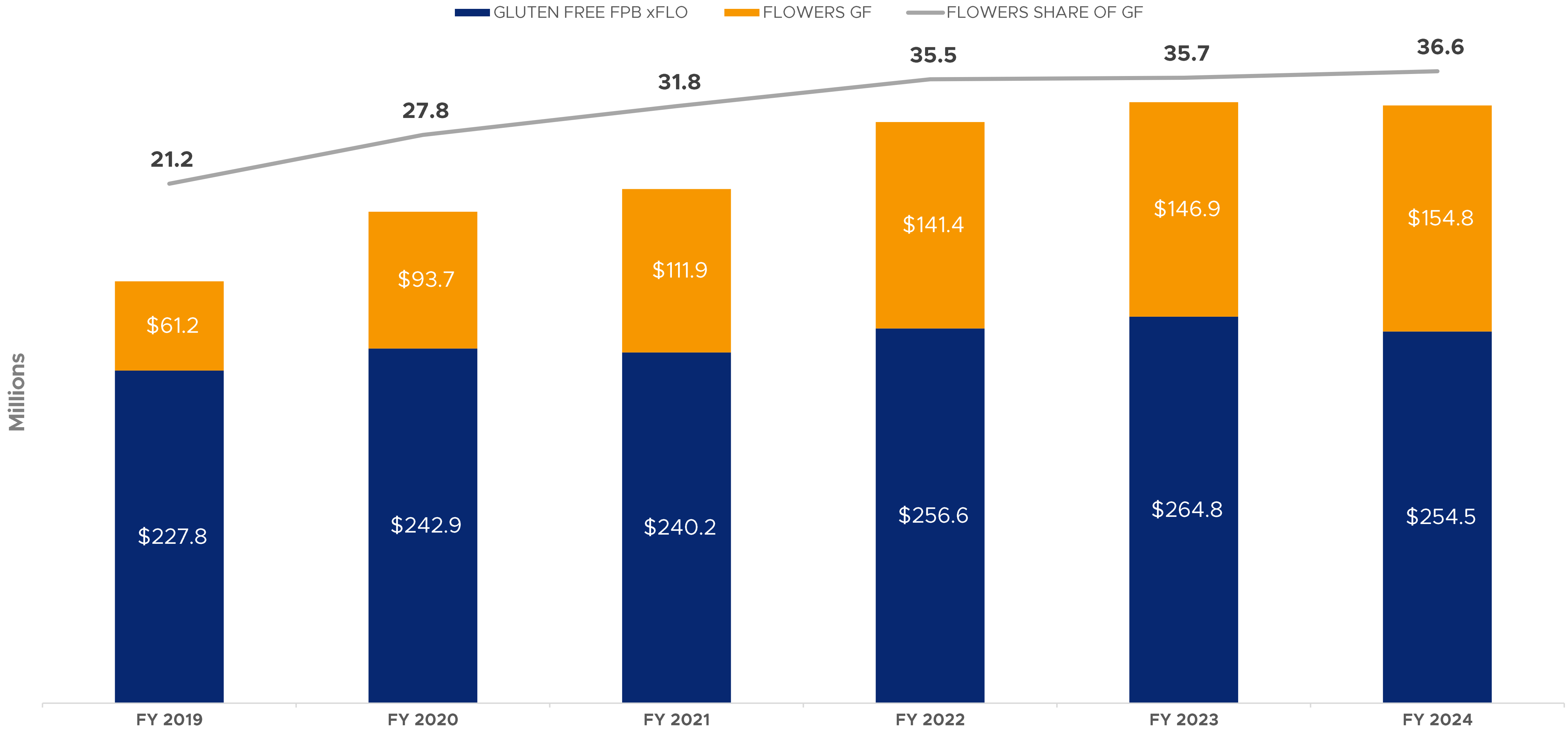
ORGANIC CATEGORY SALES



Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
Due to a change in methodology and sources, data provided previously by Circana may not be comparable to current data

GLUTEN-FREE CATEGORY SALES



Source: Flowers Custom Database – Circana Total US Mulo+ with Conv
Due to a change in methodology and sources, data provided previously by Circana may not be comparable to current data

INFORMATION REGARDING NON-GAAP FINANCIAL MEASURES

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 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. 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 to increase the investors' insights about the company's core operations. These costs include, but are not limited to, the costs of closing a plant or costs associated with acquisition-related activities, restructuring activities, certain impairment charges, legal settlements, costs to implement an enterprise resource planning system and enhance bakery digital capabilities (business process improvement costs) to provide investors direct insight into these costs, 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. Adjusted EBITDA is used as the primary performance measure in the company's 2014 Omnibus Equity and Incentive Compensation Plan (Amended and Restated Effective May 25, 2023).

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 to the most comparable GAAP financial measure.

No reconciliation of the forecasted range for (i) adjusted EBITDA or (ii) adjusted diluted EPS to diluted EPS is included in this presentation because we are unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the company believes such reconciliation would imply a degree of precision that would be confusing or misleading to investors. For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF EARNINGS PER SHARE TO ADJUSTED DILUTED EARNINGS PER SHARE

	For the 12-Week Period Ended December 28, 2024	For the 12-Week Period Ended December 30, 2023
Net income per diluted common share	**$ 0.20**	$ 0.17
Business process improvement costs (recoveries)	**NM**	0.01
Impairment of assets	**NM**	0.02
Restructuring charges	**—**	NM
Acquisition-related costs	**0.01**	—
Legal settlements and related costs	**0.01**	—
Pension plan settlement loss	**NM**	—
Adjusted net income per diluted common share	**$ 0.22**	$ 0.20

NM – Not meaningful.
Certain amounts may not add due to rounding.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF GROSS MARGIN EXCLUDING DEPRECIATION AND AMORTIZATION TO GROSS MARGIN (000S OMITTED)

	For the 12-Week Period Ended December 28, 2024	For the 12-Week Period Ended December 30, 2023
Net sales	**$ 1,111,125**	$ 1,129,027
Materials, supplies, labor and other production costs (exclusive of depreciation and amortization)	**568,463**	587,719
Gross margin excluding depreciation and amortization	**542,662**	541,308
Less depreciation and amortization for production activities	**20,252**	20,213
Gross margin	**$ 522,410**	$ 521,095
Depreciation and amortization for production activities	**$ 20,252**	$ 20,213
Depreciation and amortization for selling, distribution, and administrative activities	**16,565**	16,803
Total depreciation and amortization	**$ 36,817**	$ 37,016

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF SELLING, DISTRIBUTION AND ADMINISTRATIVE EXPENSES TO ADJUSTED SD&A (000S OMITTED)

	For the 12-Week Period Ended December 28, 2024	For the 12-Week Period Ended December 30, 2023
Selling, distribution, and administrative expenses	**$ 444,042**	$ 447,905
Business process improvement costs (recoveries)	**1,250**	(2,900)
Acquisition-related costs	**(2,008)**	—
Legal settlements and related costs	**(2,973)**	—
Adjusted SD&A	**$ 440,311**	$ 445,005
Sales	**$ 1,111,125**	$ 1,129,027
Adjusted SD&A as a percent of sales	**39.6%**	39.4%

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA (000S OMITTED)

	For the 12-Week Period Ended December 28, 2024	For the 12-Week Period Ended December 30, 2023
Net income	$ 43,122	$ 35,676
Income tax expense	13,783	10,398
Interest expense, net	4,326	3,885
Depreciation and amortization	36,817	37,016
EBITDA	98,048	86,975
Other pension benefit	122	(62)
Business process improvement costs (recoveries)	(1,250)	2,900
Plant closure costs and impairment of assets	450	6,264
Restructuring charges	—	226
Acquisition-related costs	2,008	—
Legal settlements and related costs	2,973	—
Adjusted EBITDA	$ 102,351	$ 96,303
Net sales	$ 1,111,125	$ 1,129,027
Adjusted EBITDA margin	9.2%	8.5%

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF INCOME TAX EXPENSE TO ADJUSTED INCOME TAX EXPENSE (000S OMITTED)

	For the 12-Week Period Ended December 28, 2024	For the 12-Week Period Ended December 30, 2023
Income tax expense	**$ 13,783**	$ 10,398
Tax impact of:		
Business process improvement costs (recoveries)	**(313)**	725
Impairment of assets	**112**	1,566
Restructuring charges	**—**	57
Acquisition-related costs	**502**	—
Legal settlements and related costs	**743**	—
Pension plan settlement loss	**60**	—
Adjusted income tax expense	**$ 14,887**	$ 12,746

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME (000S OMITTED)

	For the 12-Week Period Ended December 28, 2024	For the 12-Week Period Ended December 30, 2023
Net income	$ 43,122	$ 35,676
Business process improvement costs (recoveries)	(937)	2,175
Plant closure costs and impairment of assets	338	4,698
Restructuring charges	—	169
Acquisition-related costs	1,506	—
Legal settlements and related costs	2,230	—
Pension plan settlement loss	181	—
Adjusted net income	$ 46,440	$ 42,718

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA (000S OMITTED)

	Trailing 52-Week Period Ended December 28, 2024
Net income	$ 248,116
Income tax expense	80,826
Interest expense, net	19,623
Depreciation and amortization	159,210
EBITDA	507,775
Other pension benefit	(273)
Business process improvement costs	4,529
Legal settlements and related costs	3,800
Restructuring charges	7,403
Acquisition-related costs	2,008
Plant closure costs and impairment of assets	10,310
Restructuring-related implementation costs	2,979
Adjusted EBITDA	$ 538,531
Net sales	$ 5,103,487
Adjusted EBITDA margin	10.6%

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF DEBT TO NET DEBT AND CALCULATION OF NET DEBT TO TRAILING TWELVE MONTH ADJUSTED EBITDA RATIO (000S OMITTED)

	As of December 28, 2024
Current maturities of long-term debt	$ -
Long-term debt	1,021,644
Total debt	1,021,644
Less: Cash and cash equivalents	5,005
Net Debt	**$ 1,016,639**
Adjusted EBITDA for the Trailing Twelve Months Ended December 28, 2024	$ 538,531
Ratio of Net Debt to Trailing Twelve Month Adjusted EBITDA	**1.9**

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA (000S OMITTED)

	For the Fiscal Year Ended December 30, 2023	For the Fiscal Year Ended December 31, 2022	For the Fiscal Year Ended January 1, 2022	For the Fiscal Year Ended January 2, 2021	For the Fiscal Year Ended December 28, 2019
Net Income	$ 123,416	$ 228,394	$ 206,187	$ 152,318	$ 164,538
Income tax expense (benefit)	33,691	70,317	64,585	48,393	47,545
Interest expense, net	16,032	5,277	8,001	12,094	11,097
Loss on extinguishment of debt	-	-	16,149	-	-
Depreciation and amortization	151,709	141,957	136,559	141,384	144,228
EBITDA	324,848	445,945	431,481	354,189	367,408
Other pension (benefit) cost	(269)	(773)	(405)	(74)	2,248
Pension plan settlement and curtailment loss	-	-	403	108,757	-
Gain on divestiture	-	-	-	-	-
Gain on sale, severance costs, and lease termination (gain) loss	-	(4,390)	(2,644)	(4,066)	-
Acquisition-related costs	3,712	12,518	-	-	22
FASTER Act and loss (recovery) on inferior ingredients	-	236	944	107	(37)
Project Centennial consulting costs	-	-	-	15,548	784
ERP road mapping consulting costs	-	-	-	4,363	-
Restructuring and related impairment charges	7,099	-	-	35,483	23,524
Multi-employer pension plan withdrawal costs	-	-	3,300	-	-
Plant closure costs and impairment of assets	7,298	7,825	-	-	-
Legal settlements and related costs	137,529	7,500	23,089	7,250	28,014
Other pension plan termination costs	-	-	-	133	-
Executive retirement agreement	-	-	-	-	763
Business process improvement consulting costs	21,521	33,169	31,293	-	-
Acquisition consideration agreement	-	-	3,400	-	-
Manufacturing facility closure costs and acquisition costs	-	-	-	-	-
Adjusted EBITDA	$ 501,738	$ 502,030	$ 490,861	$ 521,690	$ 422,726

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF EARNINGS PER SHARE TO ADJUSTED EARNINGS PER SHARE

	For the Fiscal Year Ended December 28, 2024	For the Fiscal Year Ended December 30, 2023	For the Fiscal Year Ended December 31, 2022	For the Fiscal Year Ended January 1, 2022	For the Fiscal Year Ended January 2, 2021	For the Fiscal Year Ended December 28, 2019
Net income per diluted common share	$ 1.17	$ 0.58	$ 1.07	$ 0.97	$ 0.72	$ 0.78
Restructuring and related impairment charges	0.03	0.02	-	-	0.13	0.08
FASTER Act, net of (recovery) loss on inferior ingredients	-	-	-	-	-	-
Project Centennial consulting costs	-	-	-	-	0.05	-
ERP road mapping consulting costs	-	-	-	-	0.02	-
Multi-employer pension plan withdrawal costs	-	-	-	0.01	-	-
Plant closure costs and impairment of assets	0.04	0.03	0.03	-	-	-
Pension plan settlement and curtailment loss	-	-	-	-	0.38	-
Legal settlements and related costs	0.01	-	0.03	0.08	0.03	0.10
Gain on sale, severance costs, and lease termination (gain) loss	-	0.48	(0.02)	(0.01)	(0.01)	-
Loss on extinguishment of debt	-	-	-	0.06	-	-
Acquisition-related costs	0.01	0.01	0.04	-	-	-
Business process improvement costs	0.02	0.08	0.12	0.11	-	-
Acquisition consideration adjustment	-	-	-	0.01	-	-
Restructuring-related implementation costs	0.01	-	-	-	-	-
Adjusted net income per diluted common share	$ 1.28	$ 1.20	$ 1.27	$ 1.24	$ 1.31	$ 0.96

Certain amounts may not add due to rounding.