

# Annual General Meeting

May 10, 2024



Premium Brands

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## Forward Looking Statements

This presentation contains forward looking statements with respect to the Company, including, without limitation, statements regarding its business operations, strategy and financial performance and condition, acquisition opportunities, capital projects and plans, outlook and objectives of or involving the Company. While management believes that the expectations reflected in such forward looking statements are reasonable and represent the Company's internal expectations and belief as of the date of this presentation, there can be no assurance that such expectations will prove to be correct as such forward looking statements involve unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Forward looking statements generally can be identified by the use of the words "may", "could", "should", "would", "will", "expect", "intend", "plan", "estimate", "project", "anticipate", "believe" or "continue", or the negative thereof or similar variations. Forward looking statements in this presentation include statements with respect to the Company's expectations and/or projections regarding its: (i) acquisition growth strategy and pipeline; (ii) revenue, organic growth rate, EBITDA and margin projections; (iii) five-year target for sales and EBITDA; (iv) dividends and dividend policy; (v) capital expenditure projects; (vi) sale and leaseback transactions; and (vii) free cash flow.

Forward looking statements are based on a number of key expectations and assumptions made by the Company, including, without limitation the expectations and assumptions outlined in the Company's Management's Discussion and Analysis ("MD&A") for the fiscal year ended December 30, 2023, a copy of which is filed electronically through SEDAR and is available online at [www.sedar.com](http://www.sedar.com). Although the forward looking statements contained in this presentation are based on what the Company's management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

Forward looking statements involve significant risks and uncertainties and should not be read as guarantees of future performance or results. Factors that could cause actual results to differ materially from the Company's expectations as referenced in the MD&A for the fiscal year ended December 30, 2023. Readers are cautioned that the foregoing risks and uncertainties are not exhaustive.

Forward looking statements reflect management's current beliefs and are based on information currently available to the Company. Unless otherwise indicated, the forward looking statements in this presentation are made as of the date of this presentation and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking statements in this presentation.

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## Company Profile

	2004	2023
Revenue	\$0.2 billion	\$6.3 billion
Adjusted EBITDA	\$14.1 million	\$559.1 million
Business platforms	2	6
Geographic reach	Western Canada	North America
Operating facilities	8	116
Employees	900	13,100
Free cash flow per share	\$0.78	\$5.70
Annualized dividend rate	\$ nil	\$3.08 / share
Cumulative dividends	\$ nil	\$982.9 million
Share price	\$9.75	\$89.23

# Our Vision

To invest in specialty food businesses featuring:

**Entrepreneurial** cultures

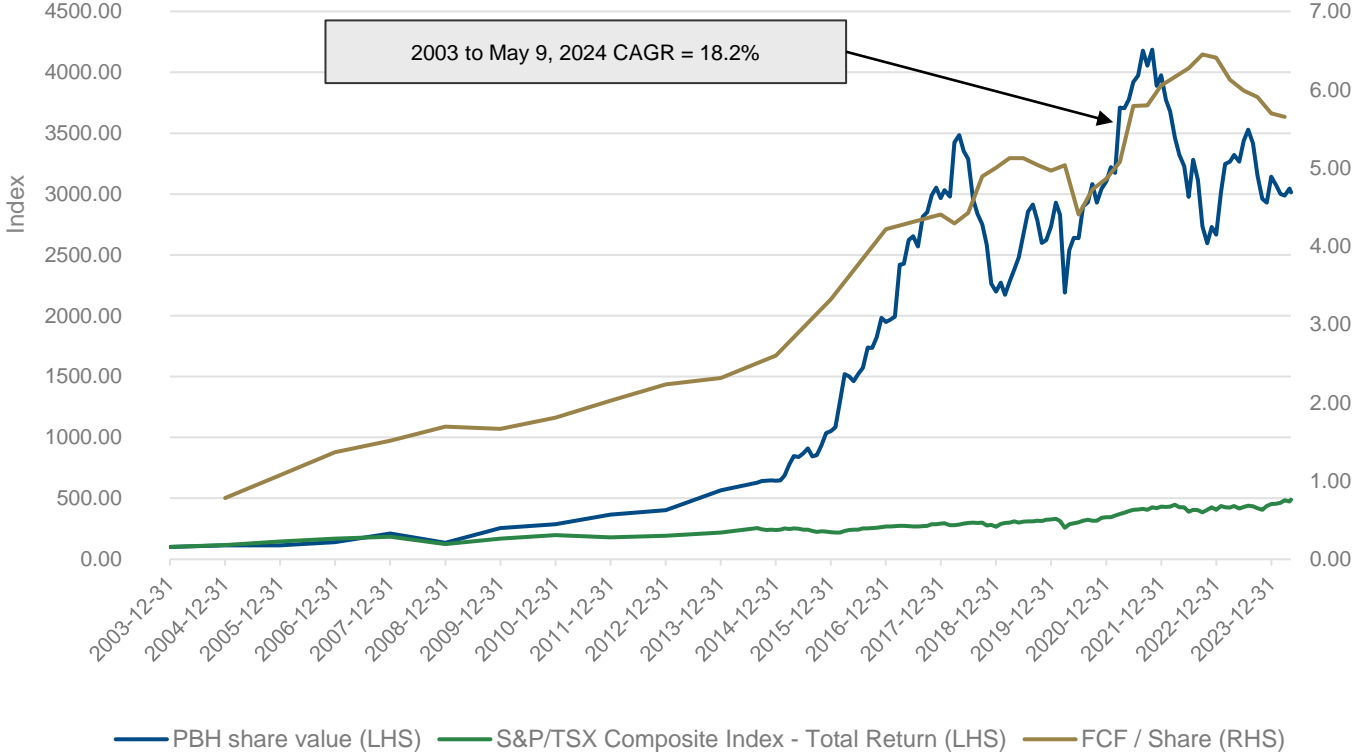
**Great tasting** foods made with **wholesome** ingredients

A passion for both their **local** communities and what is **best for our planet**



# Share Price

Date	Closing Share Price	Accumulated Dividends Per Share
Dec 31, 2003	\$8.60	Nil
May 9, 2024	\$89.23	\$31.48



## Premium Brands

To provide talented proven entrepreneurs with the resources they need to transform their good food businesses into bigger great food businesses

**ENTREPRENEURSHIP with ACCOUNTABILITY**

# Core Business Strategies

<b>1. Targeted segments of the food industry</b>	<ul style="list-style-type: none"> <li>• Emerging trends</li> <li>• Niche product categories</li> <li>• Leading regional brands focused on authenticity and differentiation</li> <li>• Unique distribution solutions</li> <li>• Significant organic growth opportunities</li> </ul>
<b>2. Decentralized entrepreneurial culture</b>	<ul style="list-style-type: none"> <li>• Dedicated to maintaining an entrepreneurial environment</li> <li>• Decentralized / flat organizational structure</li> <li>• Supporting partners versus managing a hierarchical structure</li> </ul>
<b>3. Distinct and proven management teams</b>	<ul style="list-style-type: none"> <li>• No business function silos</li> <li>• All disciplines reflected in each business: president, CFO, sales leader and operations leader</li> <li>• Dynamic and rapid decision making</li> <li>• Focus on value versus cost</li> <li>• Extensive senior management experience ranging from 10 – 50 years across the business groups</li> </ul>
<b>4. Premium Brands eco-system</b>	<ul style="list-style-type: none"> <li>• Big fish in small pond</li> <li>• Leveraging of common resources</li> <li>• Cross business synergies</li> </ul>
<b>5. State-of-the-art production facilities</b>	<ul style="list-style-type: none"> <li>• Efficient but not necessarily big</li> <li>• Focus on batch processing versus high volume throughput</li> <li>• Mitigates food safety risks</li> </ul>
<b>6. Risk diversification</b>	<ul style="list-style-type: none"> <li>• Businesses</li> <li>• Channels</li> <li>• Customers</li> <li>• Geographies</li> <li>• Products</li> <li>• Commodities</li> <li>• Procurement Services</li> </ul>
<b>7. Acquisitions</b>	<ul style="list-style-type: none"> <li>• Selective and patient in finding the right businesses / partners whose long-term objectives fit with ours</li> <li>• Uniquely positioned to provide entrepreneurs with ownership solutions</li> <li>• Solid reputation across North America</li> <li>• Development and momentum of platform level acquisition strategies</li> </ul>



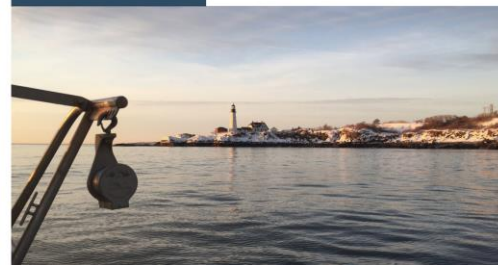
# A Leader in Environmental, Social, and Governance

<b>Nutritious Food</b>	<ul style="list-style-type: none"><li>• Natural ingredients, sustainable and responsible supply chains, robust labelling practices, excellence in food safety</li></ul>
<b>People</b>	<ul style="list-style-type: none"><li>• Employee safety-first culture, prioritizing mental health and well-being, embracing diversity and workplace inclusion</li></ul>
<b>Environment</b>	<ul style="list-style-type: none"><li>• Emissions reduction, freight optimization, waste reduction, water conservation, biodiversity impact</li></ul>
<b>Communities</b>	<ul style="list-style-type: none"><li>• Food security, supporting charitable organizations, community engagement and promoting volunteerism</li></ul>



**B**  
Premium Brands

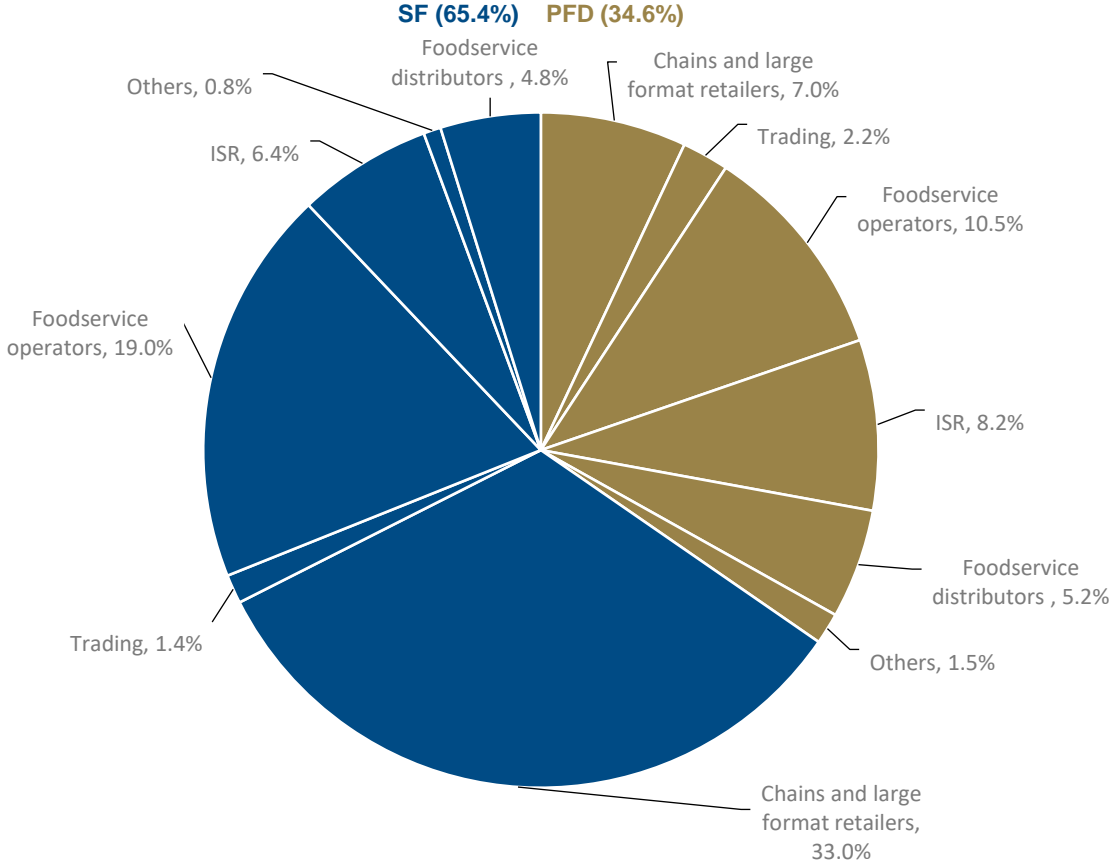
**2023 ESG Report**



# Premium Brands Eco-system

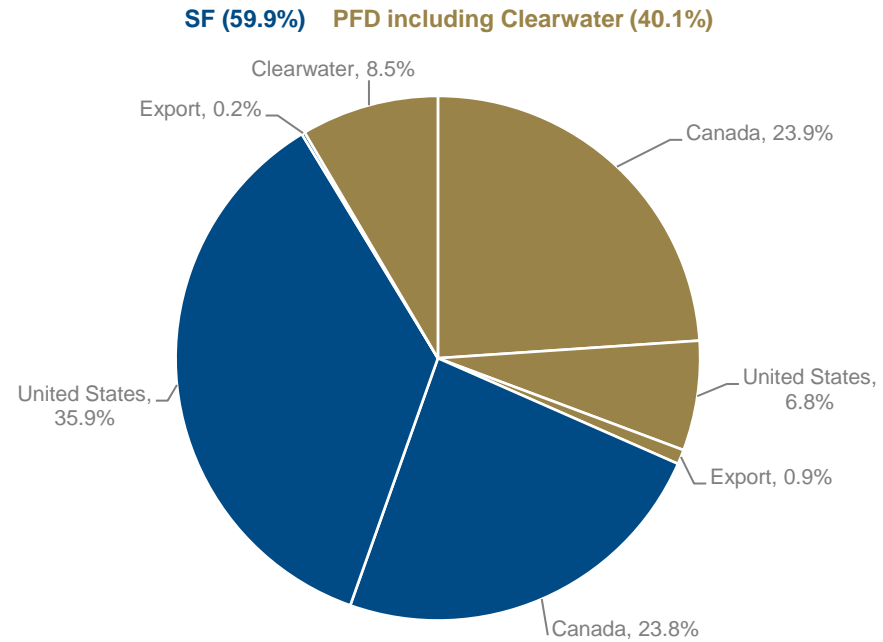
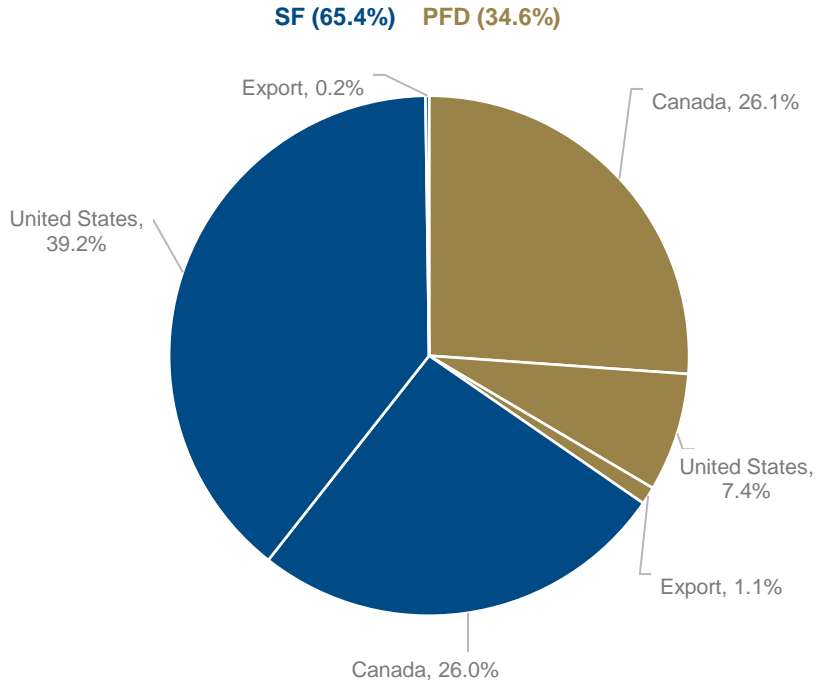


# Diversification – Channels and Customers

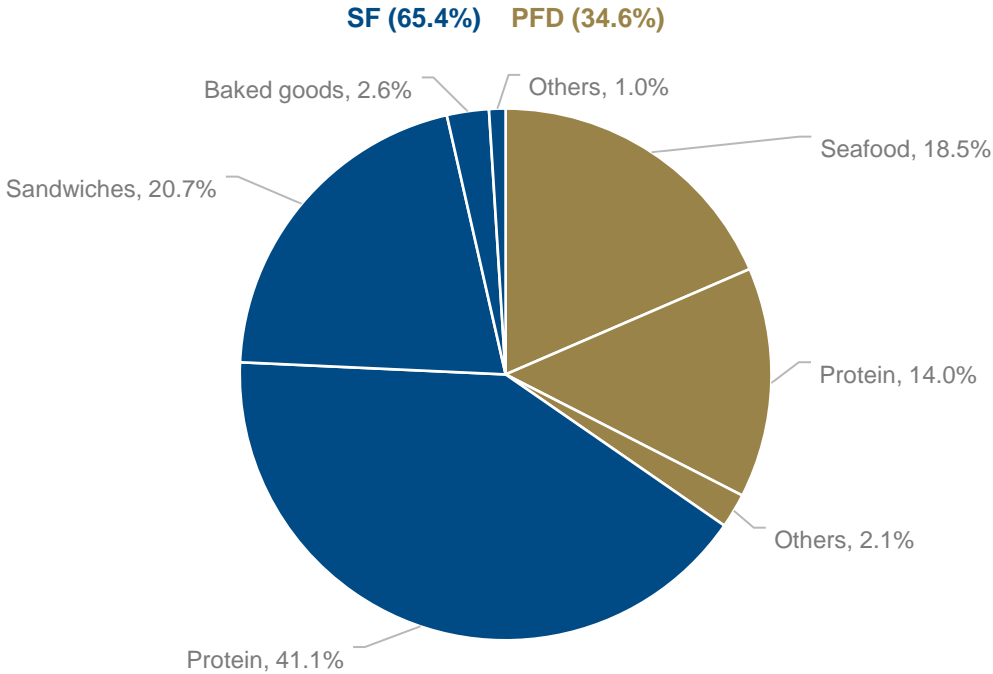


Customer	% Sales
Customer A	14.4%
Customer B	12.7%
Customer C	5.2%
Customer D	4.6%
Customer E	3.6%
Customer F	3.1%
Customer G	1.6%
Customer H	1.5%
Customer I	1.4%
Customer J	1.1%

# Diversification – Geographically

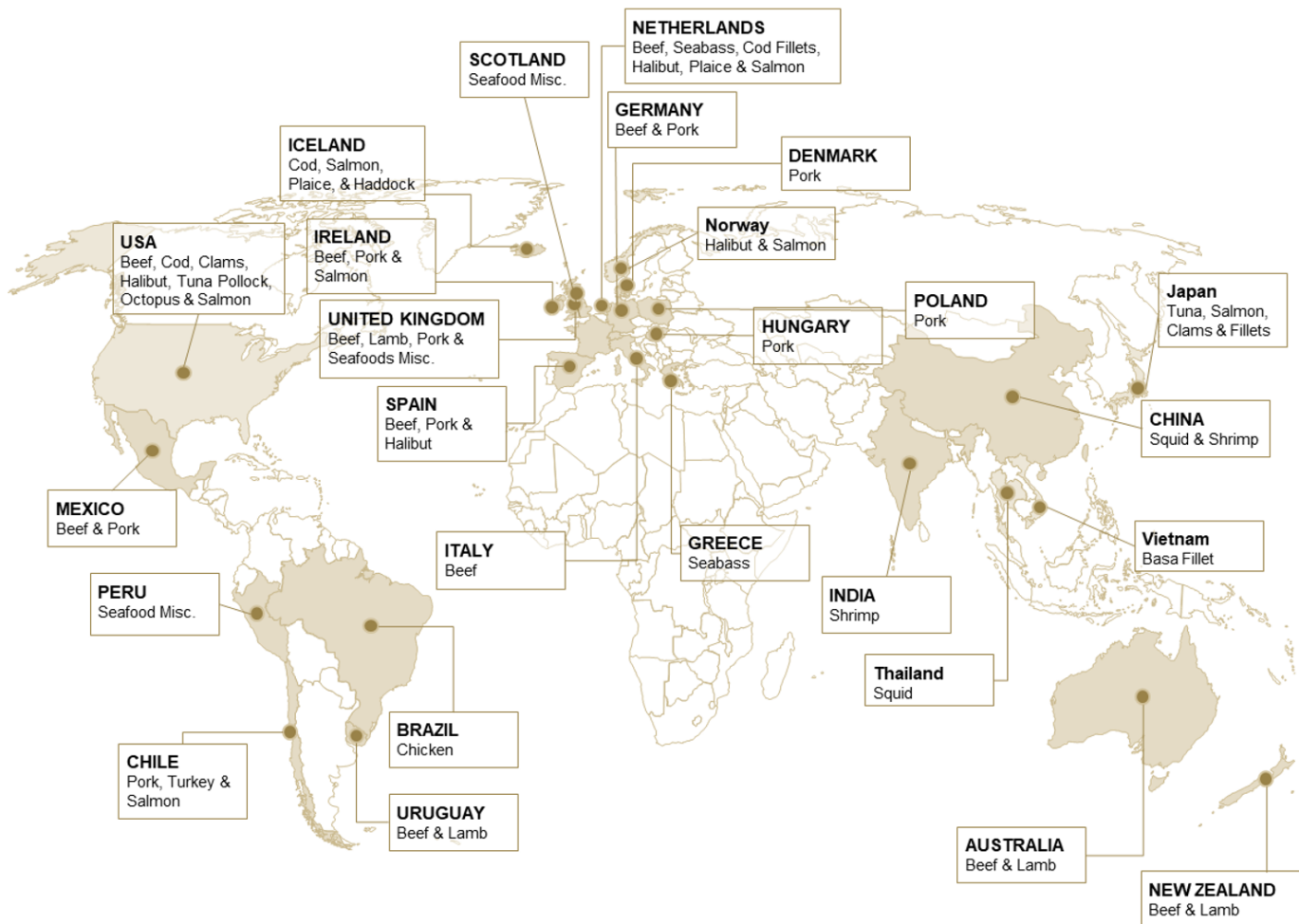


# Diversification – Products and Procured Commodities



Commodity	% Sales
Seafood	19.4%
Beef	14.0%
Pork	9.6%
Poultry	5.9%
Bread	3.7%
Eggs	3.1%
Cheese	2.4%
Turkey	2.0%

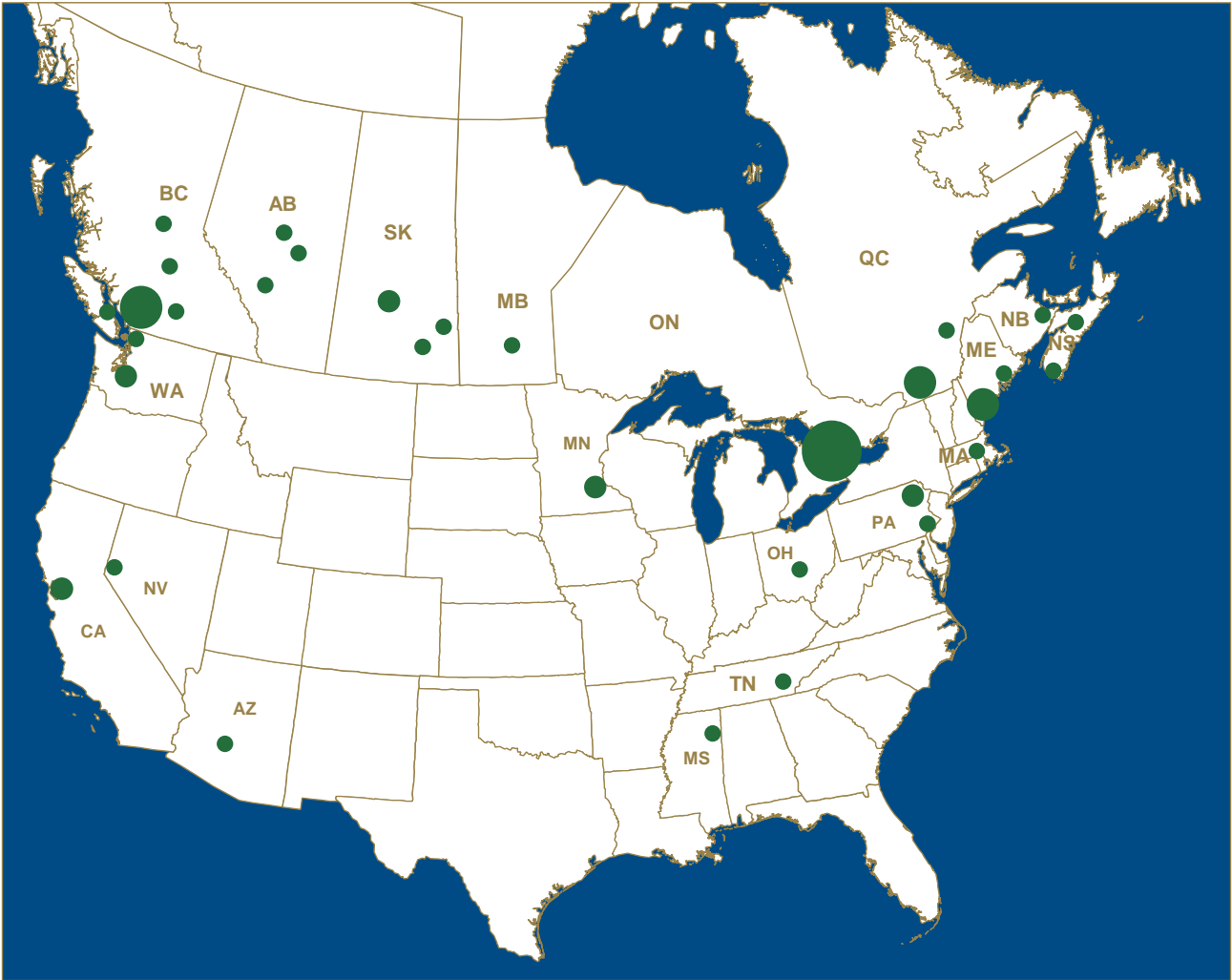
# Diversification – Procurement Sources



## PB GLOBAL PROCUREMENT TEAMS

- Buyers travel the globe searching for new supply opportunities
- Consolidated buying power used to source the highest quality, competitively priced raw materials
- On-site experience with suppliers and their operations
- A source of new selling opportunities

# Strategically Located Manufacturing Network



# Acquisitions Activity

2005 to 2009	2010 to 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$147.5m	\$260.9m	\$51.9m	\$244.0m	\$246.2m	\$753.0m	\$118.6m	\$168.2m	\$858.0m	\$125.0m	\$9.5m
Harlan Fairbanks	Maximum Seafood	Expresco	C&C Packing / Premier Meats	Raybern	Oberto	Mavros	Inform Brokerage	Clearwater Seafoods	Beech-grove	McLean's majority interest
Hygaard Fine Foods	SK Food Group	Isernio's	Belmont	Buddy's Kitchen	Concord	VSM	La Felinese	Distribution Cote-Nord	Leonetti's	Menu-Mer
Hempler's	Duso's	SJ Fine Foods	Island City / Conte	Leadbetter	Country Prime Meats	Hancock	Bavarian Meats	Starboard Seafood	Rocky Mountain Flatbread	
Bread Garden	Hub City Fisheries		Fletcher's	Skilcor	TMF	North Delta Seafood	Global Gourmet	Confederation Freezers	Shaw Bakers	
Gloria's Fresh	Wescadia		Larosa	Inter-provincial Meat Sales	Frandon Seafood	Maine Coast Shellfish	Allseas Fisheries	C.H. Rich	Golden Valley Farms	
Centennial Food-service	Piller's		Diana's Seafood	Shaw Bakers	Penguin			Mermax	King's Command	
Stuyver's Bake Studio	Deli Chef			Partners	McLean's	Multi-Task		Maid-Rite		
B&C Foods	SJ Fine Foods			Ravens-bergen	Select Foods			Westmor-land		
Noble House	Freybe				Yorkshire Valley Farms					
Mrs. Willman's	McLean's				Ready Seafood					
SJ Fine Foods	Made-Rite				L. Walker					
Multi-National Foods	Ocean Miracle									
	Reddi Foods									
<b>\$3.0 billion invested across 80 transactions since 2005</b>										



# Acquisition Opportunities *(millions of dollars except transactions)*

Platform	<i>Agreed to terms and in due diligence</i>		<i>In negotiations</i>		<i>In discussions</i>		<i>Identified future opportunity</i>		<i>Past discussions and currently on hold</i>		Total	
	#	Sales	#	Sales	#	Sales	#	Sales	#	Sales	#	Sales
Seafood	-	-	1	300	3	192	-	-	9	1,545	13	2,037
Distribution	-	-	-	-	7	1,618	1	945	2	180	10	2,743
Protein	1	108	-	-	6	464	4	504	14	1,355	25	2,431
Sandwich	-	-	-	-	1	439	3	661	1	1,350	5	2,450
Bakery	-	-	-	-	2	148	2	81	4	203	8	432
Culinary	-	-	1	50	-	-	5	1,732	1	75	7	1,857
	<b>1</b>	<b>108</b>	<b>2</b>	<b>350</b>	<b>19</b>	<b>2,861</b>	<b>15</b>	<b>3,923</b>	<b>31</b>	<b>4,708</b>	<b>68</b>	<b>11,950</b>
Q4-2023	1	108	2	367	21	3,542	17	3,932	28	4,014	69	11,963
Q3-2023	-	-	12	910	19	3,686	18	4,020	30	3,868	79	12,484
Q2-2023	1	30	10	701	24	3,965	14	3,367	28	3,809	77	11,872
Q1-2023	1	40	8	699	31	3,869	14	3,384	26	3,709	80	11,701

## Platform Progress *(in millions except percentages)*

	Business group	Overview	2004 Revenue	2023 Revenue	2023 Revenue %	2023 Revenue Including Clearwater
SF	Protein	Formed in 1997 / 1998 with the acquisitions of Grimm's Fine Foods, McSweeney's and Harvest Meats	125.5	2,477.0	39.6%	2,477.0
	Sandwich	Formed in 1999 with the acquisition of Quality Fast Foods	14.7	1,383.8	22.1%	1,383.8
	Bakery & Culinary	Formed in 2007 with the acquisition of Stuyver's Bakery	-	236.2	3.8%	236.2
PFD	Distribution	Formed in 2005 with the acquisition of Harlan Fairbanks	-	1,050.9	16.8%	1,050.9
	Seafood	Formed in 2010 with the acquisition of Maximum Seafood	-	1,113.1	17.8%	1,693.2

## Shaw Bakers – San Francisco



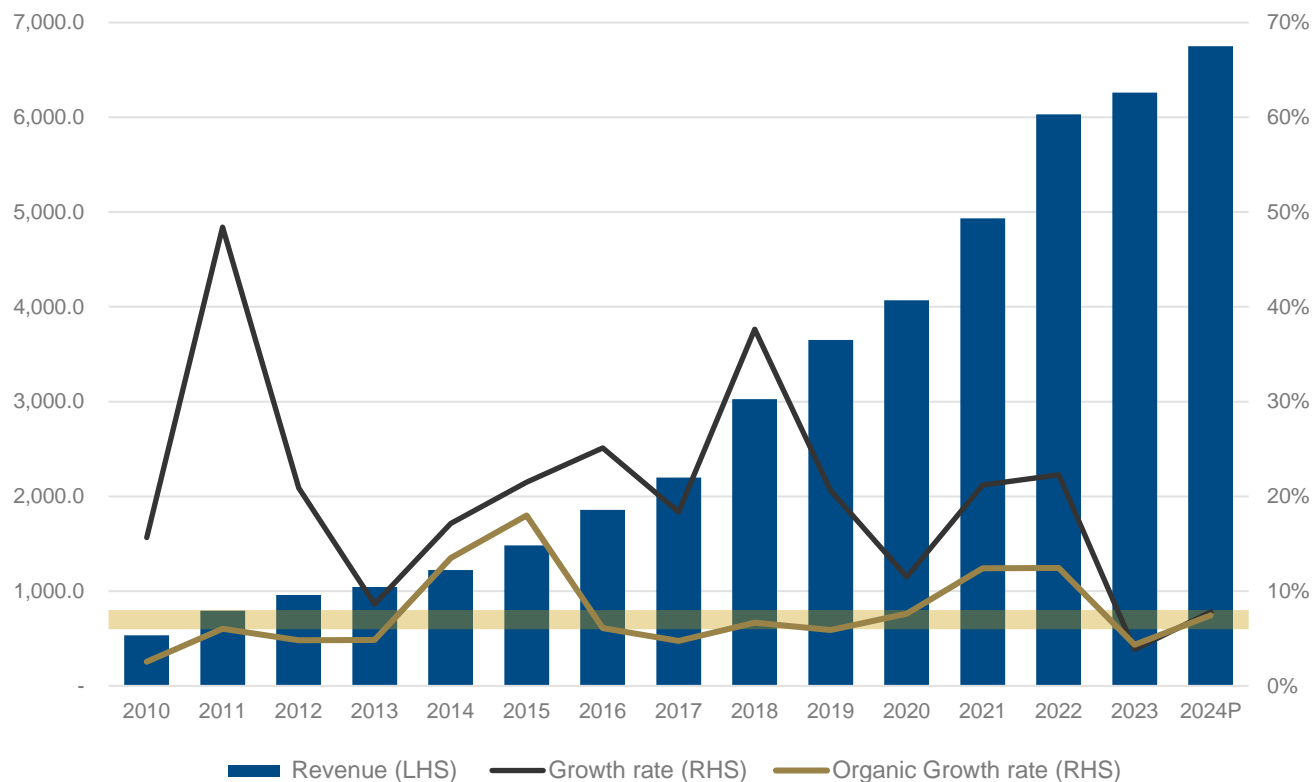
## Stuyver's Bakery - Vancouver



# Financial Update

## Revenue Trend *(millions of dollars except percentages)*

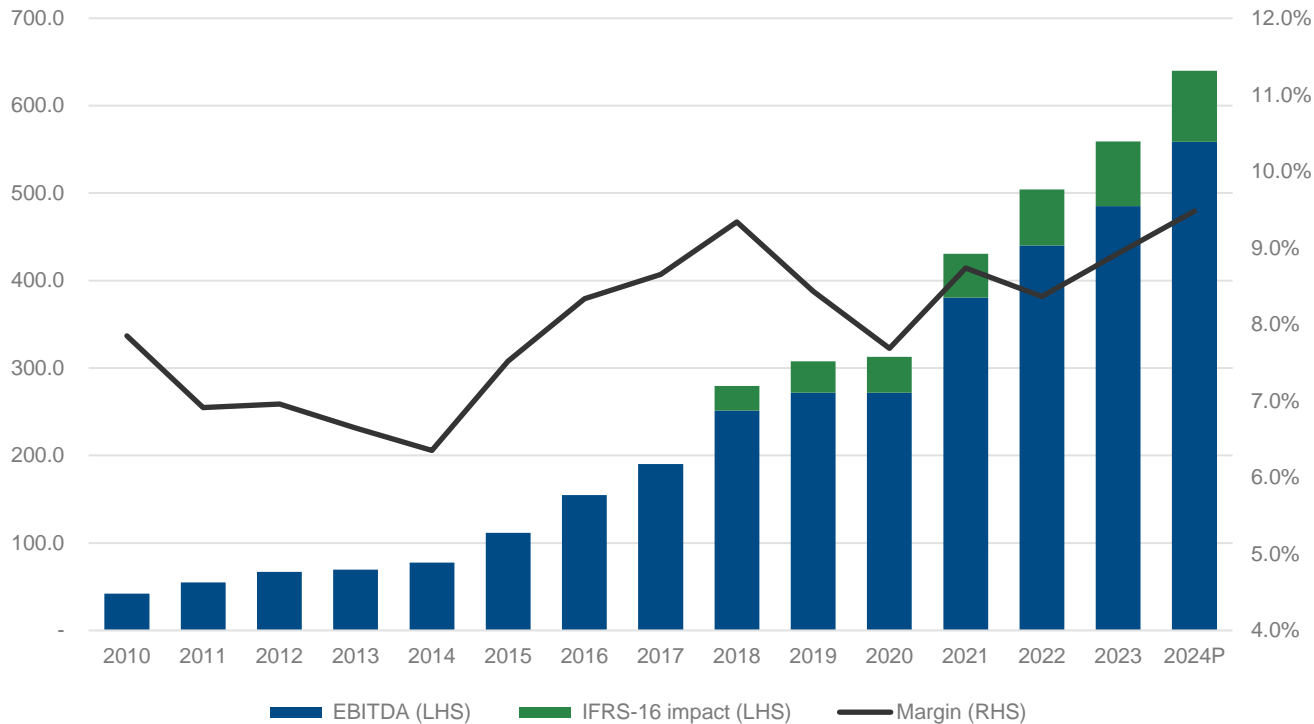
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024P
Revenue	535.2	794.3	960.1	1,043.0	1,221.8	1,484.5	1,857.5	2,198.3	3,025.8	3,649.4	4,068.9	4,931.7	6,029.8	6,261.0	6,750.0
OGR	2.6%	6.0%	4.8%	4.9%	13.5%	18.0%	6.1%	4.7%	6.7%	5.9%	7.6%	12.4%	12.4%	4.3%	7.5%
OVGR					13.5%	8.1%	5.0%	6.8%	7.1%	5.1%	5.9%	8.0%	2.5%	2.1%	7.3%



- 2024P represents mid-point of 2024 guidance of **\$6.65 billion** to **\$6.85 billion**
- 2010 to 2023 CAGR – **20.8%**
- Targeted long-term annual organic growth rate range is **6% to 8%**
- Targeted long-term annual organic **volume** growth rate range is **4% to 6%**

## EBITDA Trend *(millions of dollars except percentages)*

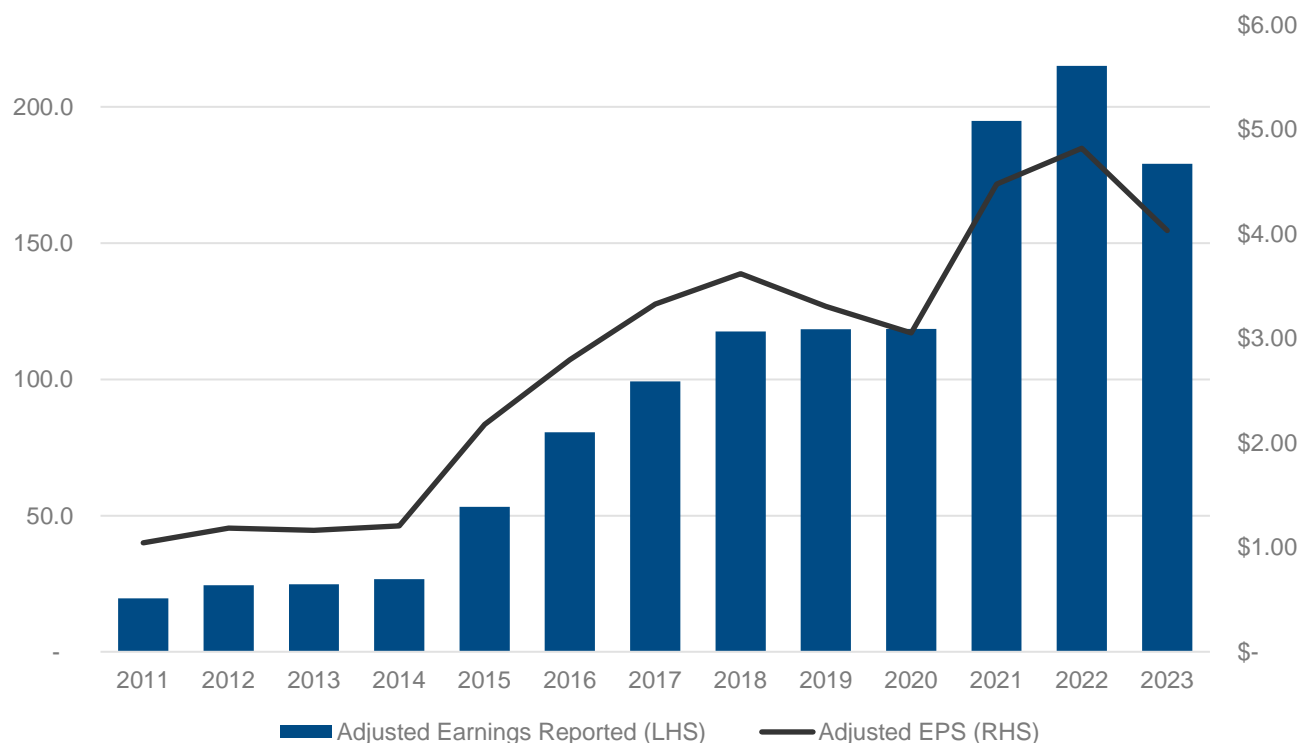
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024P
EBITDA	42.0	54.9	66.8	69.3	77.6	111.6	154.8	190.2	280.2	307.7	312.6	430.7	504.2	559.1	640.0
Margin	7.8%	6.9%	7.0%	6.6%	6.4%	7.5%	8.3%	8.7%	9.3%	8.4%	7.7%	8.7%	8.4%	8.9%	9.5%



- 2024P represents mid-point of 2024 guidance of **\$630 million** to **\$650 million**
- 2010 to 2023 CAGR – **22.0%**
- 2010 to 2023 pre IFRS-16 CAGR – **20.7%**
- Fiscal years starting in 2018 and forward reflect IFRS-16
- Targeted mid-term annual adjusted EBITDA margin – **10%**

## Adjusted Earnings and EPS *(millions of dollars except per share amounts)*

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Adj earnings	19.6	24.5	24.9	26.6	53.2	80.5	99.2	117.6	118.4	118.5	194.8	215.0	179.1
Adj EPS	1.04	1.19	1.16	1.21	2.18	2.80	3.33	3.62	3.31	3.05	4.48	4.82	4.03



- 2010 to 2023 CAGR – **20.2%**
- Fiscal years starting in 2018 and forward reflect IFRS-16 – net impact is nominal

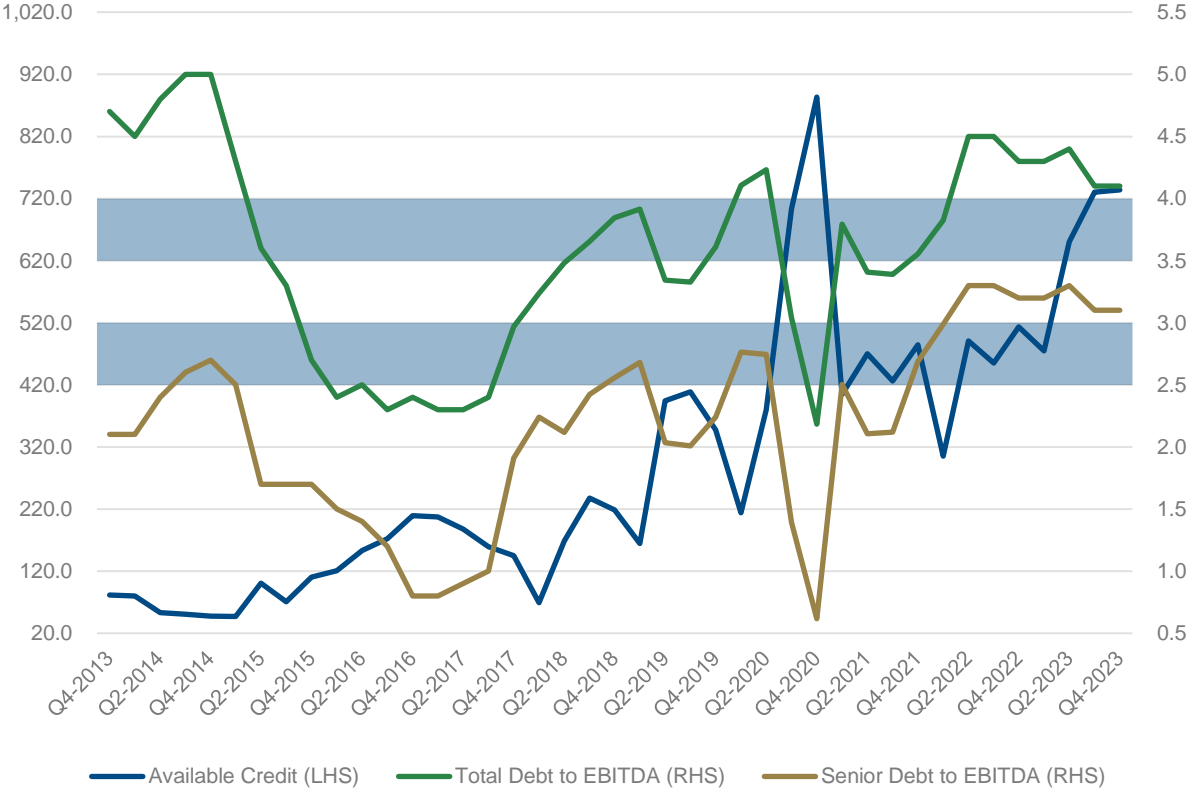


## Capital Expenditures *(millions of dollars except percentages)*

	2023
Major project capex	289.2
Other project capex	64.5
Project capex	353.7
Maintenance capex	46.0
	399.7

- An unlevered, after-tax IRR of **15%** or greater is expected on project capex
- Expect to spend an additional **\$366 million** on approved major project capex over the next six quarters
- All major project capex initiatives are expected to generate additional production capacity and, in many cases, improved operating efficiencies
- Sale & leasebacks of the real estate associated with at least two major projects is expected to partially offset project capex spend in 2024

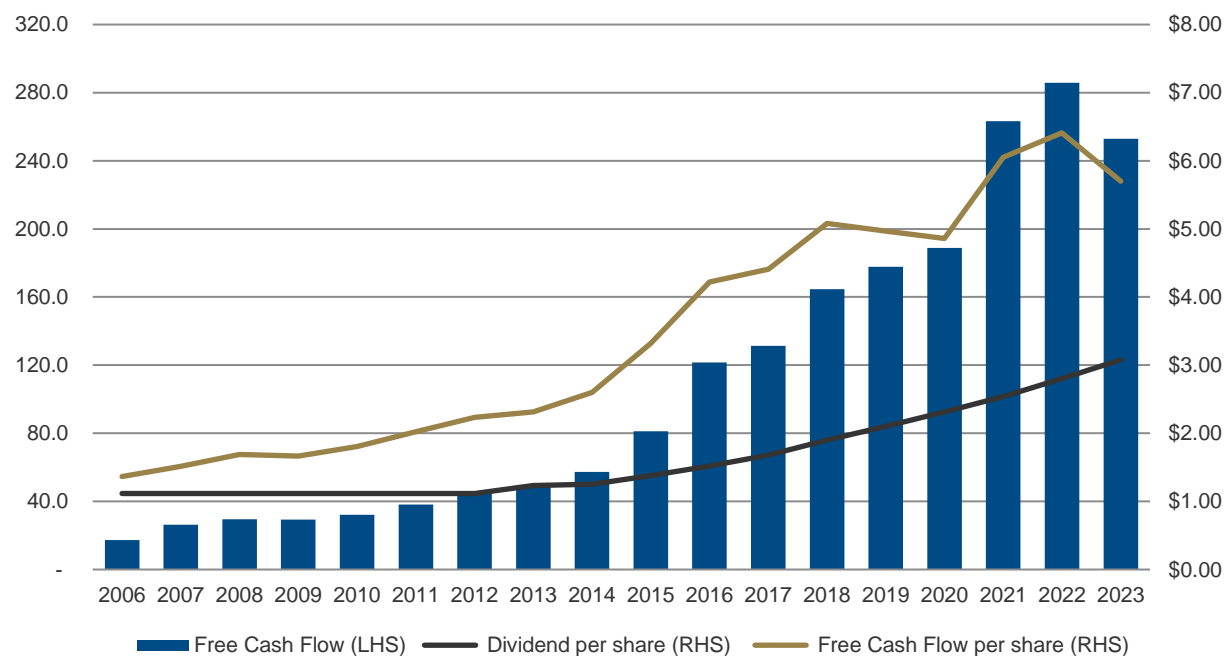
# Liquidity *(millions of dollars except ratios)*



- Long-term targeted senior debt to EBITDA ratio – **2.5:1 to 3.0:1**
- Long-term targeted total debt to EBITDA ratio – **3.5:1 to 4.0:1**
- Convertible debentures make up the difference between the two ratios

## Free Cash Flow *(millions of dollars except per share amounts and percentages)*

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024P
Payout ratio	106.4%	77.7%	69.6%	70.6%	65.2%	59.4%	53.0%	53.9%	48.4%	43.2%	36.6%	38.5%	38.1%	43.1%	48.7%	42.3%	43.8%	54.3%	
Dividend per share	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.23	\$1.25	\$1.38	\$1.52	\$1.68	\$1.90	\$2.10	\$2.31	\$2.54	\$2.80	\$3.08	\$3.40
Dividend increase	-	-	-	-	-	-	-	4.2%	1.6%	10.4%	10.1%	10.5%	13.1%	10.5%	10.0%	10.0%	10.2%	10.0%	10.4%
Free cash / share	1.37	1.56	1.71	1.62	1.81	2.02	2.23	2.32	2.60	3.32	4.22	4.41	5.08	4.97	4.87	6.05	6.41	5.70	



- Declared dividends since July 2005 – **\$982.9m**
- Expected growth in adjusted EBITDA and stabilization of interest rates expected to result in record FCF / share in 2024
- 2006 to 2023 FCF CAGR is **17.1%**
- 2006 to 2023 FCF / share is **8.8%**

## 5-Year Plan *(millions of dollars)*

Base Year	5 Year Target Year	Base Year Sales	Base Year EBITDA	5 Year Targeted Sales	5 Year Targeted EBITDA
2010	2015	535	42	1,000	
2014	2019	1,222	78	2,000	
2018	2023	3,026	251	6,000	600
2022	2027	6,030	504	10,000	1,000
2023		6,261	559		
2024P – midpoint of 2024 guidance		6,750	640		



# Questions