PREMIUM BRANDS HOLDINGS CORPORATION REPORTS RECORD SECOND QUARTER SALES AND ADJUSTED EBITDA AND DECLARES THIRD QUARTER DIVIDEND

VANCOUVER, B.C., August 14, 2023. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of branded specialty food products, announced today its results for the second quarter of 2023.

SECOND QUARTER HIGHLIGHTS

- Record second quarter revenue of $1.63 billion representing a 7.3%, or $111.0 million, increase as compared to the second quarter of 2022
- Record second quarter revenue for the Company's Specialty Foods segment which generated organic volume growth of 8.1% and total growth of 14.2%
- Record second quarter adjusted EBITDA[1] of $152.4 million representing a 16.5%, or $21.6 million, increase as compared to the second quarter of 2022
- A 9.3% adjusted EBITDA margin, up from 8.6% in the second quarter of 2022
- Second quarter adjusted EPS[1] of $1.27 per share representing an 8.0%, or $0.11 per share decrease as compared to the second quarter of 2022
- Declared a dividend of $0.77 per common share for the third quarter of 2023
- Sales and adjusted EBITDA guidance for 2023 reaffirmed
- Announced plans to consolidate three Ontario specialty foods production facilities totaling 65,000 square feet, into a new 109,000 square foot facility in Brampton, Ontario

[1] *The Company reports its financial results in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Adjusted EBITDA and adjusted EPS are non-IFRS financial measures. Reconciliations and explanations for all non-IFRS measures are included in the Non-IFRS Financial Measures section of this press release.*

QUESTIONS AND ANSWERS SESSION

The Company will hold a Q&A session on its second quarter 2023 results today at 10:30 a.m. Vancouver time (1:30 p.m. Toronto time). Management's pre-recorded remarks and an investor presentation that will be referenced on the conference call are available here or by navigating through the Company's website at www.premiumbrandsholdings.com.

Access to the Q&A session may be obtained by calling the operator at (416) 764-8646 or (888) 396-8049 (Conference ID: 57795699) up to ten minutes prior to the scheduled start time. For those who are unable to participate, a recording of the conference call will be available through to 11:59 p.m. Toronto time on September 14, 2023 at (877) 674-7070 (passcode: 795699#). Alternatively, a recording of the conference call will be available at the Company's website at www.premiumbrandsholdings.com.

SUMMARY FINANCIAL INFORMATION

(In millions of dollars except per share amounts and ratios)

	13 weeks ended Jul 1, 2023	13 weeks ended Jun 25, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022
Revenue	1,630.9	1,519.9	3,061.4	2,771.1
Adjusted EBITDA[1]	152.4	130.8	263.1	226.6
Earnings	33.9	63.3	39.8	85.7
EPS	0.76	1.42	0.90	1.92
Adjusted earnings[1]	56.3	61.5	84.8	100.9
Adjusted EPS[1]	1.27	1.38	1.91	2.26

	Trailing Four Quarters Ended	
	Jul 1, 2023	Jun 25, 2022
Free cash flow[1]	266.8	276.3
Free cash flow per share	5.99	6.27
Declared dividends	131.4	118.8
Declared dividend per share	2.94	2.67
Payout ratio[1]	49.3%	43.0%

1 *Reconciliations for all non-IFRS measures are included in the Non-IFRS Financial Measures section of this press release*.

“We are pleased to report another quarter of record sales and adjusted EBITDA as we continue to execute our various growth strategies,” said Mr. George Paleologou, President and CEO. “The key driver of our performance was our Specialty Foods group of companies, which generated organic volume growth of over 8%, despite a difficult year-over-year comparison, while increasing its adjusted EBITDA margin by 80 basis points to 10.1%,” said Mr. Paleologou. “With the chaos of the pandemic quickly fading, we are starting to show the value creation potential of this group, in which we have invested over $1.5 billion in the last five years. Looking forward, we expect the group’s performance to continue to improve, and even accelerate in the latter part of the year as several major capacity expansions come on stream.

“A particular area of success for our Specialty Foods group of businesses, which produces a variety of premium products in high growth categories such as premium sandwiches, charcuterie, artisan baked goods, cooked protein and meat snacks, has been its U.S. based strategies, which drove approximately two thirds of its organic volume growth in the quarter,” added Mr. Paleologou.

“Our overall results for the quarter were, however, tempered by several challenges faced by our Premium Food Distribution group of businesses,” said Mr. Paleologou. “While some of these challenges will continue into the back half of the year, they are all transitory in nature and we remain confident in the long-term potential of this group.

“Our acquisitions pipeline remains full, and we are close to moving several early-stage conversations involving larger businesses into active and advanced stage discussions. Correspondingly we expect to complete several transactions in the coming quarters,” added Mr. Paleologou.

“I am also pleased to report the publishing of this year’s CEO Letter to Shareholders in which I provide an update on our strategic plans including a discussion of our recently announced new five-year plan. You can find it on our website at www.premiumbrandsholdings.com,” said Mr. Paleologou.

THIRD QUARTER 2023 DIVIDEND

The Company also announced that its Board of Directors approved a cash dividend of $0.77 per share for the third quarter of 2023, which will be payable on October 13, 2023 to shareholders of record at the close of business on September 29, 2023.

Unless indicated otherwise in writing at or before the time the dividend is paid, each dividend paid by the Company in 2023 or a subsequent year is an eligible dividend for the purposes of the Enhanced Dividend Tax Credit System.

ABOUT PREMIUM BRANDS

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations across Canada and the United States. For further information, please contact George Paleologou, President and CEO, or Will Kalutycz, CFO at (604) 656-3100.

www.premiumbrandsholdings.com

RESULTS OF OPERATIONS

The Company reports on two reportable segments, Specialty Foods and Premium Food Distribution, as well as non-segmented investment income and corporate costs (Corporate). The Specialty Foods segment consists of the Company's specialty food manufacturing businesses while the Premium Food Distribution segment consists of the Company's differentiated distribution and wholesale businesses as well as certain seafood processing businesses. Investment income includes interest and management fees generated from the Company's businesses that are accounted for using the equity method.

As part of a realignment of certain businesses and management responsibilities, starting in fiscal 2023 the Company reclassified a business from the Premium Food Distribution segment to the Specialty Foods segment. All comparative information has been retrospectively restated.

Revenue

(in millions of dollars except percentages)	13 weeks ended Jul 1, 2023	% (1)	13 weeks ended Jun 25, 2022	% (1)	26 weeks ended Jul 1, 2023	% (1)	26 weeks ended Jun 25, 2022	% (1)
Revenue by segment:								
Specialty Foods	1,085.0	66.5%	949.8	62.5%	2,033.7	66.4%	1,751.6	63.2%
Premium Food Distribution	545.9	33.5%	570.1	37.5%	1,027.7	33.6%	1,019.5	36.8%
Consolidated	1,630.9	100.0%	1,519.9	100.0%	3,061.4	100.0%	2,771.1	100.0%

(1) Expressed as a percentage of consolidated revenue.

Specialty Foods' (SF) revenue for the quarter increased by $135.2 million or 14.2% primarily due to: (i) organic volume growth of $77.2 million representing an organic volume growth rate (OVGR) of 8.1%; (ii) a $26.0 million increase in the translated value of sales generated by SF's U.S. based businesses due to a weaker Canadian dollar – approximately 53% of SF's revenue for the quarter was generated by these businesses; (iii) business acquisitions, which accounted for $16.9 million of SF's growth; and (iv) selling price inflation of $15.1 million.

SF's OVGR was driven primarily by its cooked protein, fresh skewers, artisan sandwiches, meat snack and charcuterie initiatives in the U.S. Normalizing for a new sandwich that was launched in the second quarter of 2022 then recalled and cancelled in the third quarter of 2022 due to third party supplier quality issues, SF's OVGR is 10.2%.

SF's revenue for the first two quarters of 2023 increased by $282.1 million or 16.1% primarily due to: (i) organic volume growth of $106.6 million representing an OVGR of 6.1%; (ii) selling price inflation of $66.6 million; (iii) a $59.6 million increase in the translated value of sales generated by SF's U.S. based businesses due to a weaker Canadian dollar – approximately 55% of SF's revenue for the first two quarters of 2023 was generated by these businesses; and (iv) business acquisitions, which accounted for $49.3 million of SF's growth.

Premium Food Distribution's (PFD) revenue for the quarter decreased by $24.2 million or 4.2% due to: (i) a sales volume contraction of $16.0 million; and (ii) selling price deflation of $11.2 million, which related primarily to lower lobster market prices. These factors were partially offset by a $3.0 million increase in the translated value of sales generated by PFD's U.S. based businesses due to a weaker Canadian dollar.

The contraction in PFD's sales volume was primarily due to: (i) less featuring of premium beef and seafood products by major retail customers as a result of several factors including general timing of promotions and historically high beef prices; (ii) PFD's lobster business choosing to temporarily reduce its participation in a seasonal Canadian fishery due to a run up in purchase prices caused by unusual speculative buying; and (iii) lower sales of fresh premium seafood as consumers increasingly shifted to shopping at discount grocery banners. These factors were partially offset by the continued post pandemic recovery in sales to foodservice customers, albeit at a slower pace than in prior quarters.

PFD's revenue for the first two quarters of 2023 increased by $8.2 million or 0.8% primarily due to: (i) organic volume growth of $21.3 million representing an OVGR of 2.1%; and (ii) a $7.0 million increase in the translated value of sales generated by PFD's U.S. based businesses due to a weaker Canadian dollar. These factors were partially offset by selling price deflation of $20.1 million.

Gross Profit

(in millions of dollars except percentages)	13 weeks ended Jul 1, 2023	% (1)	13 weeks ended Jun 25, 2022	% (1)	26 weeks ended Jul 1, 2023	% (1)	26 weeks ended Jun 25, 2022	% (1)
Gross profit by segment:								
Specialty Foods	236.3	21.8%	196.5	20.7%	435.6	21.4%	362.1	20.7%
Premium Food Distribution	87.1	16.0%	80.6	14.1%	157.6	15.3%	141.8	13.9%
Consolidated	323.4	19.8%	277.1	18.2%	593.2	19.4%	503.9	18.2%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's gross profit as a percentage of its revenue (gross margin) for the quarter increased by 110 basis points primarily due to: (i) the moderation of certain input costs, including some raw materials and freight; and (ii) production efficiencies resulting from investments in automation, continuous improvement projects and a more stable labor market. These factors were partially offset by: (i) wage inflation; (ii) investments in additional plant infrastructure to support SF's current and future growth objectives; (iii) reduced overhead absorption as a result of lower production levels associated with SF's inventory reduction initiatives; and (iv) the write-off of $2.0 million of inventory produced for a customer that filed for bankruptcy. Normalizing for the reduced overhead absorption and inventory write-off factors, SF's gross margin is 22.3%.

SF's gross margin for the first two quarters of 2023 increased by 70 basis points primarily due to the factors impacting the second quarter of 2023, partially offset by higher outside storage costs in the first quarter of 2023 that were the result of increased inventory levels.

PFD's gross margin for the quarter and for first two quarters of 2023 increased by 190 basis points and 140 basis points, respectively, primarily due to: (i) the moderation of certain raw material costs; (ii) sales mix changes including the impact of reduced lower-margin feature product sales; (iii) the reclassification of certain warehouse rental incomes; and (iv) improved operating efficiencies.

Selling, General and Administrative Expenses (SG&A)

(in millions of dollars except percentages)	13 weeks ended Jul 1, 2023	% (1)	13 weeks ended Jun 25, 2022	% (1)	26 weeks ended Jul 1, 2023	% (1)	26 weeks ended Jun 25, 2022	% (1)
SG&A by segment:								
Specialty Foods	126.8	11.7%	108.3	11.4%	244.6	12.0%	205.8	11.7%
Premium Food Distribution	51.5	9.4%	47.0	8.2%	99.6	9.7%	89.4	8.8%
Corporate	7.8		6.1		16.1		12.0	
Consolidated	186.1	11.4%	161.4	10.6%	360.3	11.8%	307.2	11.1%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's SG&A as a percentage of sales (SG&A ratio) for the quarter and for the first two quarters of 2023 increased by 30 basis points primarily due to: (i) increased promotional activities; and (ii) higher incentive-based compensation accruals. These factors were partially offset by sales leveraging associated with SF's organic sales growth.

PFD's SG&A ratio for the quarter increased by 120 basis points primarily due to: (i) wage, freight, and general cost inflation; and (ii) the impact of lower sales relative to a relatively fixed cost base.

PFD's SG&A ratio for the first two quarters of 2023 increased by 90 basis points primarily due to wage, freight, and general cost inflation.

Adjusted EBITDA (1)

(in millions of dollars except percentages)	13 weeks ended Jul 1, 2023	% (2)	13 weeks ended Jun 25, 2022	% (2)	26 weeks ended Jul 1, 2023	% (2)	26 weeks ended Jun 25, 2022	% (2)
Adjusted EBITDA by segment:								
Specialty Foods	109.5	10.1%	88.2	9.3%	191.0	9.4%	156.3	8.9%
Premium Food Distribution	35.6	6.5%	33.6	5.9%	58.0	5.6%	52.4	5.1%
Corporate	(7.8)		(6.1)		(16.1)		(12.0)	
Interest Income from Investments	15.1		15.1		30.2		29.9	
Consolidated	152.4	9.3%	130.8	8.6%	263.1	8.6%	226.6	8.2%

(1) Adjusted EBITDA is a non-IFRS financial measure. Reconciliation and explanations are included in the Non-IFRS Financial Measures section of this press release.
(2) Expressed as a percentage of the corresponding segment's revenue.

Plant Start-up and Restructuring Costs

Plant start-up and restructuring costs consist of expenses associated with: (i) the start-up of new production capacity; (ii) the reconfiguration of existing capacity to gain efficiencies and/or additional capacity; and/or (iii) the restructuring of a business to improve its profitability. The Company expects (see *Forward Looking Statements*) these investments to result in improvements in its future earnings and cash flows.

During the first two quarters of 2023, the Company incurred $15.6 million in plant start-up and restructuring costs relating primarily to the following projects, all of which are expected to expand its capacity and/or generate improved operating efficiencies (see *Forward Looking Statements*):

- Reconfiguration and 8,000 square foot expansion of its cooked protein facility in Versailles, Ohio
- Reconfiguration of its cooked protein facility in Scranton, Pennsylvania, including the addition of another cooked products production line
- 107,000 square foot expansion and reconfiguration of its meat snack and processed meats facility in Ferndale, Washington
- Reconfiguration of its meat snack facility in Kent, Washington
- Construction of a new 165,000 square foot distribution center and the related reconfiguration of its sandwich production facility in Columbus, Ohio
- Construction of a new 91,000 square foot artisan bakery in San Francisco, California
- Reconfiguration of its kettle cooking facility in Richmond, British Columbia
- Construction of a new 67,000 square foot sandwich production facility in Edmonton, Alberta

Equity Earnings (Loss) in Investment in Associates

Equity earnings (loss) in investment in associates includes the Company's proportionate share of the earnings and losses of its investments in associates.

(in millions of dollars)	13 weeks ended Jul 1, 2023	13 weeks ended Jun 25, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022
Clearwater:				
Revenue	137.9	133.3	262.4	254.2
Earnings before payments to shareholders	9.1	8.2	6.1	19.6
Net loss	(12.3)	(12.8)	(36.4)	(21.4)
The Company:				
Equity loss in Clearwater	(6.2)	(6.4)	(18.2)	(10.7)
Other net equity gains (losses)	0.3	(0.4)	-	(1.0)
Equity loss in investment in associates	(5.9)	(6.8)	(18.2)	(11.7)

Clearwater Seafoods Incorporated (Clearwater)

Clearwater's sales for the quarter increased by $4.6 million primarily due to: (i) selling price inflation, mainly driven by a weaker Canadian dollar; (ii) the sale of its remaining excess snow crab inventory carried over from 2022; and (iii) continued strong global demand for its Canadian self-harvested sea scallops and clams. These factors were partially offset by: (i) further delays in the delivery of a replacement Canadian shrimp / turbot harvesting vessel, which is now expected (see *Forward Looking Statements*) to arrive towards the end of the third quarter of 2023 – a legacy vessel was sold early in the first quarter of 2023; and (ii) lower European sales of premium Argentine scallops due to consumers focusing more on managing their grocery spend.

Clearwater's earnings before payments to shareholders for the quarter increased by $0.9 million primarily due to: (i) the adoption of hedge accounting which resulted in unrealized foreign exchange losses being recorded in other comprehensive income rather than earnings; (ii) a higher tax recovery; and (iii) a $2.3 million gain on the translation of USD to Argentine Pesos resulting from an Argentine government export grant program. These factors were partially offset by: (i) higher realized losses on foreign exchange contracts; (ii) sales mix changes with unprofitable snow crab sales replacing higher margin shrimp and premium Argentine scallop sales; (iii) higher senior debt interest expense resulting from general market rate increases; (iv) lower Canadian self-harvested clam margins due to natural size and grade variability; and (v) general cost inflation.

Revenue and Adjusted EBITDA Outlook

See *Forward Looking Statements* for a discussion of the risks and assumptions associated with forward looking statements.

2023 Outlook

(in millions of dollars)	Bottom of Range	Top of Range
Revenue guidance range	6,400	6,600
Adjusted EBITDA guidance range	590	610

The Company is maintaining its 2023 guidance for sales of between $6.4 billion and $6.6 billion and adjusted EBITDA of between $590 million and $610 million. These estimates are based on a range of assumptions (see *Forward Looking Statements*) including: (i) reasonably stable economic environments in Canada and the U.S. with inflation rates in both countries continuing to moderate; (ii) stable raw material costs; and (iii) modest appreciation in the Canadian dollar relative to the U.S. dollar.

The Company's sales and adjusted EBITDA outlooks for 2023 do not incorporate any provisions for potential future acquisitions, however, it remains very active on this front and expects (see *Forward Looking Statements*) to complete several transactions during the year.

Premium Brands Holdings Corporation

Consolidated Balance Sheets

(in millions of Canadian dollars)

	Jul 1, 2023	Dec 31, 2022	Jun 25, 2022
Current assets:			
Cash and cash equivalents	27.4	11.4	13.8
Accounts receivable	623.2	590.8	617.5
Inventories	760.9	786.1	836.2
Prepaid expenses and other assets	32.6	38.0	29.9
	1,444.1	1,426.3	1,497.4
Capital assets	985.2	862.2	772.7
Right of use assets	561.2	576.0	471.6
Intangible assets	544.2	558.5	558.7
Goodwill	1,083.2	1,093.0	1,033.3
Investments in and advances to associates	544.6	538.9	555.9
Other assets	23.3	23.7	21.8
	5,185.8	5,078.6	4,911.4
Current liabilities:			
Cheques outstanding	18.6	19.3	19.1
Bank indebtedness	14.4	18.0	14.1
Dividends payable	34.3	31.3	31.4
Accounts payable and accrued liabilities	424.6	419.4	448.9
Current portion of puttable interest in subsidiaries	22.6	23.1	26.4
Current portion of long-term debt	0.8	6.5	4.3
Current portion of lease obligations	48.7	45.4	38.3
Current portion of provisions	28.3	1.8	9.6
	592.3	564.8	592.1
Long-term debt	1,586.2	1,421.4	1,374.6
Lease obligations	578.0	589.3	484.5
Puttable interest in subsidiaries	46.0	43.9	11.4
Deferred revenue	2.8	2.8	2.8
Provisions	16.0	44.2	62.4
Deferred income taxes	111.6	120.6	114.9
	2,932.9	2,787.0	2,642.7
Convertible unsecured subordinated debentures	481.4	478.6	475.8
Equity attributable to shareholders:			
Retained earnings	34.2	63.8	58.6
Share capital	1,703.9	1,702.6	1,712.4
Reserves	33.4	46.6	21.9
	1,771.5	1,813.0	1,792.9
	5,185.8	5,078.6	4,911.4

Premium Brands Holdings Corporation

Consolidated Statements of Operations

(in millions of Canadian dollars except per share amounts)

	13 weeks ended Jul 1, 2023	13 weeks ended Jun 25, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022
Revenue	1,630.9	1,519.9	3,061.4	2,771.1
Cost of goods sold	1,307.5	1,242.8	2,468.2	2,267.2
Gross profit before depreciation, amortization and plant start-up and restructuring costs	323.4	277.1	593.2	503.9
Interest income from investments in associates	15.1	15.1	30.2	29.9
Selling, general and administrative expenses	186.1	161.4	360.3	307.2
	152.4	130.8	263.1	226.6
Depreciation of capital assets	19.1	18.2	41.3	35.7
Amortization of intangible assets	4.0	7.7	8.0	15.2
Amortization of right of use assets	14.9	11.2	29.7	22.0
Accretion of lease obligations	6.6	5.5	13.2	10.8
Plant start-up and restructuring costs	9.8	1.8	15.6	5.3
Interest and other financing costs	37.6	15.7	71.0	27.1
Acquisition transaction costs	1.2	2.5	2.2	3.7
Change in value of puttable interest in subsidiaries	4.6	-	6.2	-
Accretion of provisions	0.4	1.7	0.9	4.5
Equity loss in investments in associates	5.9	6.8	18.2	11.7
Fair value gains on investments in associates	-	(19.8)	-	(19.8)
Earnings before income taxes	48.3	79.5	56.8	110.4
Provision for income taxes (recovery)				
Current	16.7	18.3	24.9	26.9
Deferred	(2.3)	(2.1)	(7.9)	(2.2)
	14.4	16.2	17.0	24.7
Earnings	33.9	63.3	39.8	85.7
Earnings per share:				
Basic	0.76	1.42	0.90	1.92
Diluted	0.76	1.41	0.89	1.91
Weighted average shares outstanding (in millions):				
Basic	44.4	44.6	44.4	44.6
Diluted	44.6	44.8	44.6	44.8

Premium Brands Holdings Corporation

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

	13 weeks ended Jul 1, 2023	13 weeks ended Jun 25, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022
Cash flows from (used in) operating activities:				
Earnings	33.9	63.3	39.8	85.7
Items not involving cash:				
Depreciation of capital assets	19.1	18.2	41.3	35.7
Amortization of intangible assets	4.0	7.7	8.0	15.2
Amortization of right of use assets	14.9	11.2	29.7	22.0
Accretion of lease obligations	6.6	5.5	13.2	10.8
Change in value of puttable interest in subsidiaries	4.6	-	6.2	-
Accretion of provisions	0.4	1.7	0.9	4.5
Equity loss in investments in associates	5.9	6.8	18.2	11.7
Non-cash financing costs	2.0	1.5	3.9	2.8
Deferred income tax recovery	(2.3)	(2.1)	(7.9)	(2.2)
Fair value gains on investment in associates	-	(19.8)	-	(19.8)
	89.1	94.0	153.3	166.4
Change in non-cash working capital	(54.9)	(165.1)	(33.3)	(288.5)
	34.2	(71.1)	120.0	(122.1)
Cash flows from (used in) financing activities:				
Long-term debt, net	108.1	93.6	182.3	290.1
Payments for lease obligations	(18.4)	(14.2)	(35.8)	(27.6)
Bank indebtedness and cheques outstanding	11.9	(5.0)	(4.3)	(1.8)
Common shares purchased for cancellation	-	-	(1.4)	-
Dividends paid to shareholders	(34.4)	(31.4)	(65.8)	(59.8)
Proceeds from issuance of convertible debentures – net of issuance costs	-	143.0	-	143.0
	67.2	186.0	75.0	343.9
Cash flows from (used in) investing activities:				
Capital asset additions	(100.9)	(57.1)	(175.2)	(100.4)
Business and asset acquisitions	-	(81.8)	-	(117.5)
Payment of provisions	(0.7)	(4.3)	(2.1)	(6.3)
Net change in share purchase loans and notes receivable	0.1	0.1	(0.2)	(3.1)
Investment in and advances to associates – net of distributions	0.4	14.1	2.0	3.4
Payment for settlement of puttable interest of non-wholly owned subsidiary	(2.3)	-	(2.3)	-
Payments to shareholders of non-wholly owned subsidiaries	(1.2)	(0.6)	(1.2)	(0.6)
	(104.6)	(129.6)	(179.0)	(224.5)
Change in cash and cash equivalents	(3.2)	(14.7)	16.0	(2.7)
Cash and cash equivalents – beginning of period	30.6	28.5	11.4	16.5
Cash and cash equivalents – end of period	27.4	13.8	27.4	13.8
Interest and other financing costs paid	34.2	18.0	69.7	24.0
Income taxes paid	13.5	18.6	30.0	56.6

NON-IFRS FINANCIAL MEASURES

The Company uses certain non-IFRS financial measures including adjusted EBITDA, free cash flow, adjusted earnings and adjusted earnings per share, which are not defined under IFRS and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities, nor should they be construed as an alternative to other earnings measures determined in accordance with IFRS. These non-IFRS measures are calculated as follows:

Adjusted EBITDA

(in millions of dollars)	13 weeks ended Jul 1, 2023	13 weeks ended Jun 25, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022
Earnings before income taxes	48.3	79.5	56.8	110.4
Plant start-up and restructuring costs	9.8	1.8	15.6	5.3
Depreciation of capital assets	19.1	18.2	41.3	35.7
Amortization of intangible assets	4.0	7.7	8.0	15.2
Amortization of right of use assets	14.9	11.2	29.7	22.0
Accretion of lease obligations	6.6	5.5	13.2	10.8
Interest and other financing costs	37.6	15.7	71.0	27.1
Acquisition transaction costs	1.2	2.5	2.2	3.7
Change in value of puttable interest in subsidiaries	4.6	-	6.2	-
Accretion of provisions	0.4	1.7	0.9	4.5
Equity loss in investments in associates	5.9	6.8	18.2	11.7
Fair value gains on investments in associates	-	(19.8)	-	(19.8)
Adjusted EBITDA	152.4	130.8	263.1	226.6

Free Cash Flow

(in millions of dollars)	53 weeks ended Dec 31, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022	Rolling Four Quarters
Cash flow from operating activities	96.5	120.0	(122.1)	338.6
Changes in non-cash working capital	263.3	33.3	288.5	8.1
Lease obligation payments	(64.2)	(35.8)	(27.6)	(72.4)
Business acquisition transaction costs	6.2	2.2	3.7	4.7
Plant start-up and restructuring costs	27.2	15.6	5.3	37.5
Maintenance capital expenditures	(43.2)	(25.6)	(19.1)	(49.7)
Free cash flow	285.8	109.7	128.7	266.8

Adjusted Earnings and Adjusted Earnings per Share

(in millions of dollars except per share amounts)	13 weeks ended Jul 1, 2023	13 weeks ended Jun 25, 2022	26 weeks ended Jul 1, 2023	26 weeks ended Jun 25, 2022
Earnings	33.9	63.3	39.8	85.7
Plant start-up and restructuring costs	9.8	1.8	15.6	5.3
Business acquisition transaction costs	1.2	2.5	2.2	3.7
Accretion of provisions	0.4	1.7	0.9	4.5
Equity loss from associates in start-up	5.9	6.8	18.2	11.7
Change in value of puttable interest in subsidiaries	4.6	-	6.2	-
Amortization of intangibles associated with acquisitions	4.0	7.7	8.0	15.2
Fair value gains on investments in associates	-	(19.8)	-	(19.8)
	59.8	64.0	90.9	106.3
Current and deferred income tax effect of above items, and unusual tax recovery	(3.5)	(2.5)	(6.1)	(5.4)
Adjusted earnings	56.3	61.5	84.8	100.9
Weighted average shares outstanding	44.4	44.6	44.4	44.6
Adjusted earnings per share	1.27	1.38	1.91	2.26

FORWARD LOOKING STATEMENTS

This press release contains forward looking statements with respect to the Company, including, without limitation, statements regarding its business operations, strategy and financial performance and condition, cash distributions, proposed acquisitions, budgets, projected costs and plans 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 August 14, 2023, 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 press release include statements with respect to the Company's expectations and/or projections on its: (i) revenue; (ii) adjusted EBITDA; (iii) plant start-up and restructuring costs; (iv) income tax rates; (v) dividends and dividend policy; (vi) capital expenditures and business acquisitions; (vii) convertible debentures; (viii) net working capital; (ix) liquidity outlook; (x) provisions; (xi) financial leverage ratios; (xii) value of puttable interests; and (xiii) sale and leaseback and lease renewal transactions.

Some of the factors that could cause actual results to differ materially from the Company's expectations are outlined in the Risks and Uncertainties section in the Company's MD&A for the 13 and 26 Weeks Ended July 1, 2023.

Assumptions used by the Company to develop forward looking statements contained or incorporated by reference in this press release are based on information currently available to it and include those outlined below as well as those outlined elsewhere in this document. Readers are cautioned that this information is not exhaustive.

- Economic conditions in Canada and the United States will remain relatively stable.
- The average cost of the basket of procured products and raw materials purchased by the Company will remain relatively stable.
- The Company will be able to access sufficient goods and services for its manufacturing and distribution operations.
- Labor availability will continue to improve in Canada and the U.S, enabling the Company to access sufficient skilled and unskilled labor at reasonable wage levels.
- The value of the Canadian dollar relative to the U.S. dollar will continue to fluctuate in line with the levels seen over the last several months.
- The Company's major capital projects, plant start-up and restructuring, and business acquisition initiatives will progress in line with its expectations.
- The Company will be able to achieve its projected operating efficiency improvements.
- There will not be any material changes in the competitive environment of the markets in which the Company's various businesses compete.
- There will not be any material changes in the long-term food trends that have been driving growth in many of the Company's businesses. These include: (i) growing demand for higher quality foods made with simpler, more wholesome ingredients and/or with differentiated attributes such as antibiotic free, no added hormones or use of organic ingredients; (ii) increased reliance on healthier and less processed convenience-oriented foods both for on-the-go snacking as well as easy meal preparation, both at home and in foodservice; (iii) healthier eating, including reduced sugar consumption and an increased emphasis on animal protein and seafood; (iv) increased snacking in between and in place of meals; (v) increased interest in understanding the provenance of individual food products; and (vi) increased social awareness of issues such as reconciliation with Indigenous Peoples, sustainability, and ethical supply chain practices.

- Weather conditions in the Company's core markets will not have a significant impact on any of its businesses.
- There will not be any material changes in the Company's relationships with its larger customers including the loss of a major product listing and/or being forced to give significant product pricing concessions.
- There will not be any material changes in the trade relationship between Canada and the U.S., particularly with respect to certain protein commodities such as beef, pork and chicken.
- The Company will be able to negotiate new collective agreements with no labor disruptions.
- The Company will be able to access reasonably priced debt and equity capital.
- Contractual counterparties will continue to fulfill their obligations to the Company.
- There will be no material changes to the tax and other regulatory requirements governing the Company.

Management has set out the above summary of assumptions related to forward looking statements included in this press release to provide a more complete perspective on the Company's future operations. Readers are cautioned that these statements may not be appropriate for other purposes.

Unless otherwise indicated, the forward looking statements in this press release are made as of August 14, 2023 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 press release.