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

VANCOUVER, B.C., May 13, 2024. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of branded specialty food products, announced today its results for the first quarter of 2024.

FIRST QUARTER HIGHLIGHTS

- Record first quarter revenue of $1.46 billion representing a 2.2%, or $31.3 million, increase as compared to the first quarter of 2023 in a seasonally slow quarter
- Solid progress on Specialty Foods' core U.S. growth initiatives in sandwiches, protein and baked goods, which for the quarter generated an organic volume growth rate of 9.7% and total sales of $580.8 million
- Record first quarter adjusted EBITDA[1] of $121.0 million representing a 9.3%, or $10.3 million, increase as compared to the first quarter of 2023
- An 8.3% adjusted EBITDA margin, up from 7.7% in the first quarter of 2023
- Specialty Foods' adjusted EBITDA margin continues to normalize reaching 9.5% for the quarter, a 90-basis point improvement as compared to the first quarter of 2023
- First quarter adjusted EPS[1] of $0.54 per share representing a 15.6%, or $0.10 per share decrease as compared to the first quarter of 2023
- Sales and adjusted EBITDA guidance for 2024 was reaffirmed
- Declared a dividend of $0.85 per common share for the second quarter of 2024

[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 first quarter 2024 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 (289) 514-5100 or (800) 717-1738 (Conference ID: 94615) 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 12:00 a.m. Toronto time on June 13, 2024 at (888) 660-6264 (passcode: 94615#). 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 Mar 30, 2024	**13 weeks ended Apr 1, 2023**
Revenue	1,461.8	1,430.5
Adjusted EBITDA[1]	121.0	110.7
Earnings	6.3	5.9
EPS	0.14	0.13
Adjusted earnings[1]	24.0	28.6
Adjusted EPS[1]	0.54	0.64

	Trailing Four Quarters Ended	
	Mar 30, 2024	**Apr 1, 2023**
Free cash flow[1]	251.0	273.0
Free cash flow per share	5.65	6.13
Declared dividends	141.1	128.3
Declared dividend per share	3.16	2.87
Payout ratio[1]	56.2%	47.0%

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

“Over the last three years, we have made significant capital investments in building the capacity needed to support our U.S. growth initiatives in protein, sandwiches and artisan baked goods. With many of these projects now coming online, we are starting to see their potential as shown in our record sales and adjusted EBITDA for the quarter, despite facing a challenging macroeconomic backdrop in Canada,” said Mr. Paleologou, President and CEO. “Correspondingly, the key driver of our performance was our U.S. growth initiatives, which generated organic volume growth of almost 10% even though they are still in the early stages of development.

“Looking forward, as we move into our busier second and third quarters, we expect these initiatives to continue building momentum based on the broad range of new customer and product listing opportunities in the works,” added Mr. Paleologou.

“In terms of the Canadian market, despite the difficult economic environment, we did make some progress in stabilizing our specialty foods sales, which generated organic volume growth of 1.1% as compared to a 4.3% contraction in the previous quarter. We are also seeing some positive signs for our lobster businesses with a solid start to the first Canadian fishery of 2024,” said Mr. Paleologou. “Correspondingly, we are reaffirming our previous 2024 sales and adjusted EBITDA guidance.

“On the acquisitions front, we continue to enjoy a robust deal pipeline and while we didn’t complete any transactions during the quarter we are working on several exciting opportunities that we expect to close in the coming quarters,” added Mr. Paleologou.

SECOND QUARTER 2024 DIVIDEND

The Company also announced that its Board of Directors approved a cash dividend of $0.85 per share for the second quarter of 2024, which will be payable on July 15, 2024 to shareholders of record at the close of business on June 28, 2024.

Unless indicated otherwise in writing at or before the time the dividend is paid, each dividend paid by the Company in 2024 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.

Revenue

(in millions of dollars except percentages)	13 weeks ended Mar 30, 2024	% (1)	13 weeks ended Apr 1, 2023	% (1)
Revenue by segment:				
Specialty Foods	987.4	67.5%	948.8	66.3%
Premium Food Distribution	474.4	32.5%	481.7	33.7%
Consolidated	1,461.8	100.0%	1,430.5	100.0%

(1) Expressed as a percentage of consolidated revenue.

Specialty Foods' (SF) revenue for the quarter increased by $38.6 million or 4.1% primarily due to: (i) organic volume growth of $53.0 million representing an organic volume growth rate (OVGR) of 5.6%; and (ii) a $0.3 million increase in the translated value of sales generated by SF's U.S. based businesses due to a slightly weaker Canadian dollar. These factors were partially offset by: (i) selling price deflation of $13.1 million relating primarily to a cost-plus contract with a major foodservice customer; and (ii) the shutdown of SF's Creekside Custom Foods business as its capacity is transitioned to our rapidly growing Global Gourmet kettle business – this resulted in $1.6 million of lost sales, primarily in the fresh sandwich category.

SF's OVGR was driven by its core U.S. sales growth initiatives in sandwiches, protein and baked goods, which generated an OVGR of 9.7% and total sales of $580.8 million for the quarter. This performance was despite experiencing temporarily lower sandwich sales growth while a customer implements a new merchandising strategy – normalizing for this factor the OVGR for SF's core U.S. sales growth initiatives is 12.2%.

SF's OVGR was negatively impacted by: (i) a below normal OVGR in Canada of 1.1% mainly due to general weakness in consumer spending in the retail and foodservice channels; and (ii) reduced beef jerky product sales due to a combination of factors including consumer price sensitivity and high selling prices resulting from high beef commodity input costs. SF expects (see *Forward Looking Statements*) these challenges to be transitory and in the meantime is implementing a variety of strategies to counter them including targeted promotion, product development, and developing new markets.

Premium Food Distribution's (PFD) revenue for the quarter decreased by $7.3 million or 1.5% due to a sales volume contraction of $25.5 million. This was partially offset by: (i) selling price inflation of $15.8 million relating primarily to lobster-based products; and (ii) business acquisitions, which generated $2.4 million in growth.

The contraction in PFD's sales volume was primarily due to lobster supply shortages caused mainly by a decline in the Maine lobster catch of approximately 20% in the third quarter of 2023 and a poor southwest Nova Scotia fishery in the fourth quarter of 2023. The decreases in both fisheries, which were the result of unusually cold waters and poor weather that prevented vessels from harvesting, are expected (see *Forward Looking Statements*) to be transitory. Excluding the impacts of the lobster supply issue, PFD's sales were flat as the success of several retail salmon features, driven by large Atlantic salmon harvests on the east coast of Canada, were offset by lower Canadian premium beef and seafood sales caused by weaker consumer spending.

Gross Profit

(in millions of dollars except percentages)	13 weeks ended Mar 30, 2024	% (1)	13 weeks ended Apr 1, 2023	% (1)
Gross profit by segment:				
Specialty Foods	223.0	22.6%	199.3	21.0%
Premium Food Distribution	74.7	15.7%	70.5	14.6%
Consolidated	297.7	20.4%	269.8	18.9%

(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 160 basis points primarily due to: (i) a combination of lower raw material input costs and selling price increases on certain products; (ii) production efficiency improvements resulting from investments in automation, continuous improvement projects and a more stable labor market; and (iii) sales leveraging benefits associated with SF's organic volume growth. These factors were partially offset by: (i) wage inflation; and (ii) investments in additional plant infrastructure to support SF's current and future growth.

PFD's gross margin for the quarter increased by 110 basis points primarily due to higher margins on lobster-based products resulting from: (i) lower than normal margins in the first quarter of 2023; and (ii) a generally improved pricing environment caused by a shortage of supply.

Selling, General and Administrative Expenses (SG&A)

(in millions of dollars except percentages)	13 weeks ended Mar 30, 2024	% (1)	13 weeks ended Apr 1, 2023	% (1)
SG&A by segment:				
Specialty Foods	129.4	13.1%	117.8	12.4%
Premium Food Distribution	50.7	10.7%	48.1	10.0%
Corporate	9.5		8.3	
Consolidated	189.6	13.0%	174.2	12.2%

(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 increased by 70 basis points primarily due to: (i) wage inflation; and (ii) higher outside storage costs, which were mostly the result of providing a major customer with additional services, the cost of which is recovered through increased selling prices on applicable products. These factors were partially offset by the sales leveraging benefits associated with SF's organic growth.

PFD's SG&A ratio for the quarter increased by 70 basis points primarily due to the impact of sales deleveraging associated with the contraction in its sales volumes.

Adjusted EBITDA [(1)]

(in millions of dollars except percentages)	13 weeks ended Mar 30, 2024	% [(2)]	13 weeks ended Apr 1, 2023	% [(2)]
Adjusted EBITDA by segment:				
Specialty Foods	93.6	9.5%	81.5	8.6%
Premium Food Distribution	24.0	5.1%	22.4	4.7%
Corporate	(9.5)		(8.3)	
Interest Income from Investments	12.9		15.1	
Consolidated	121.0	8.3%	110.7	7.7%

(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 quarter of 2024, the Company incurred $10.8 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*):

- Start-up of a new cooked protein capacity in Versailles, Ohio
- Reconfiguration of a cooked protein facility in Scranton, Pennsylvania, including the addition of another cooked products production line
- Start-up of a new 91,000 square foot artisan bakery in San Francisco, California
- Reconfiguration of a meat snack facility in Kent, Washington
- Start-up of new capacity associated with a 107,000 square foot expansion and reconfiguration of a meat snack and processed meats facility in Ferndale, Washington
- Start-up of a new 67,000 square foot sandwich production facility in Edmonton, Alberta
- Construction of a new 165,000 square foot distribution center and the related reconfiguration of a sandwich production facility in Columbus, Ohio
- Reconfiguration of a kettle cooking facility in Richmond, British Columbia
- Reconfiguration of a 27,000 square foot production facility from primarily fresh sandwich production to supporting the Company's Global Gourmet kettle business
- Construction of a new 60,000 square foot value-added seafood processing facility in Auburn, Maine

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 Mar 30, 2024	13 weeks ended Apr 1, 2023
Clearwater:		
Revenue	123.5	124.5
Loss before payments to shareholders	(6.9)	(3.0)
Net loss	(25.9)	(24.1)
The Company:		
Equity loss in Clearwater	(13.0)	(12.0)
Other net equity losses	(0.3)	(0.3)
Equity loss in investment in associates	(13.3)	(12.3)

Clearwater Seafoods Incorporated (Clearwater)

Clearwater's sales for the quarter decreased by $1.0 million primarily due to: (i) the sale of excess snow crab inventories from the prior year in the first quarter of 2023; and (ii) lobster supply shortages (see *Results of Operations – Revenue*). These factors were partially offset by: (i) increased turbot and frozen-at-sea shrimp sales, which were the result of a new harvesting vessel as well as higher opening inventories; and (ii) higher than normal opening inventories for scallops and clams.

Clearwater's earnings before payments to shareholders for the quarter decreased by $3.9 million primarily due to: (i) lower harvesting and production efficiencies resulting from reduced catch rates, caused by challenging weather conditions, and normal gradings relative to favorable gradings in the first quarter of 2023; (ii) challenging consumer environments in several markets, and in particular Europe, that impacted margins generated on certain premium seafood products; (iii) increased depreciation, primarily related to a new shrimp and turbot harvesting vessel; (iv) restructuring costs associated with several corporate initiatives; and (v) higher interest due mainly to general market rate increases. These factors were partially offset by lower SG&A costs that were the result of the timing of certain expenditures.

Revenue and Adjusted EBITDA Outlook

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

<u>2024 Outlook</u>

(in millions of dollars)	Bottom of Range	Top of Range
Revenue guidance range	6,650	6,850
Adjusted EBITDA guidance range	630	650

The Company's 2024 guidance for sales of \$6.65 billion to \$6.85 billion and adjusted EBITDA of \$630 million to \$650 million remains unchanged. 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 and interest rates moderating over the course of the year; (ii) stable raw material costs; and (iii) a stable Canadian dollar relative to the U.S. dollar.

The Company's sales and adjusted EBITDA outlook for 2024 do not incorporate any provisions for potential future acquisitions, however, it remains active on this front and is pursuing several opportunities (see *Forward Looking Statements*).

<u>5 Year Plan</u>

(in millions of dollars)	5-Year Target (2027)
Revenue	10,000
Adjusted EBITDA	1,000

The Company remains on track (see *Forward Looking Statements*) to meet or exceed the five-year targets it set at the beginning of 2023.

Premium Brands Holdings Corporation

Consolidated Balance Sheets

(in millions of Canadian dollars)

	Mar 30, 2024	Dec 30, 2023	Apr 1, 2023
Current assets:			
Cash and cash equivalents	10.2	27.6	30.6
Accounts receivable	491.2	509.9	538.7
Inventories	801.5	746.7	829.7
Prepaid expenses and other assets	41.5	43.8	33.3
	1,344.4	1,328.0	1,432.3
Capital assets	1,252.4	1,163.9	914.1
Right of use assets	575.0	565.3	578.0
Intangible assets	541.9	540.6	554.3
Goodwill	1,094.9	1,084.1	1,092.9
Investments in and advances to associates	450.1	453.5	538.2
Other assets	21.1	22.7	23.7
	5,279.8	5,158.1	5,133.5
Current liabilities:			
Cheques outstanding	18.9	16.4	18.8
Bank indebtedness	14.9	-	2.3
Dividends payable	37.9	34.4	34.4
Accounts payable and accrued liabilities	476.9	470.9	440.8
Current portion of puttable interest in subsidiaries	29.2	30.4	23.1
Current portion of long-term debt	2.4	2.0	4.4
Current portion of lease obligations	54.3	53.9	48.4
Current portion of provisions	29.7	29.9	1.9
	664.2	637.9	574.1
Long-term debt	1,633.6	1,510.4	1,496.5
Lease obligations	597.8	583.4	592.3
Puttable interest in subsidiaries	42.6	42.4	45.4
Deferred revenue	2.7	2.8	2.8
Provisions	17.5	14.5	43.2
Deferred income taxes	115.8	115.7	115.0
	3,074.2	2,907.1	2,869.3
Convertible unsecured subordinated debentures	466.1	484.5	480.0
Equity attributable to shareholders:			
Retained earnings (deficit)	(12.8)	18.8	34.6
Share capital	1,703.9	1,703.9	1,714.0
Reserves	48.4	43.8	35.6
	1,739.5	1,766.5	1,784.2
	5,279.8	5,158.1	5,133.5

Premium Brands Holdings Corporation

Consolidated Statements of Operations

(in millions of Canadian dollars except per share amounts)

	13 weeks ended Mar 30, 2024	13 weeks ended Apr 1, 2023
Revenue	1,461.8	1,430.5
Cost of goods sold	1,164.1	1,160.7
Gross profit before depreciation, amortization, and plant start-up and restructuring costs	297.7	269.8
Interest income from investment in associates	12.9	15.1
Selling, general and administrative expenses before depreciation and amortization	189.6	174.2
Operating profit before depreciation, amortization, and plant start-up and restructuring costs	121.0	110.7
Depreciation of capital assets	24.4	22.2
Amortization of intangible assets	5.5	4.0
Amortization of right of use assets	16.8	14.8
Accretion of lease obligations	7.4	6.6
Plant start-up and restructuring costs	10.8	5.8
Interest and other financing costs	40.4	33.4
Acquisition transaction costs	1.1	1.0
Change in value of puttable interest in subsidiaries	2.6	1.6
Change in value and accretion of provisions	3.3	0.5
Equity losses in investments in associates	13.3	12.3
Change in fair value of option liabilities	(20.0)	-
Earnings before income taxes	15.4	8.5
Provision for income taxes (recovery)		
Current	10.2	8.2
Deferred	(1.1)	(5.6)
	9.1	2.6
Earnings	6.3	5.9
Earnings per share:		
Basic	0.14	0.13
Diluted	0.14	0.13
Weighted average shares outstanding (in millions):		
Basic	44.4	44.4
Diluted	44.6	44.5

Premium Brands Holdings Corporation

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

	13 weeks ended Mar 30, 2024	13 weeks ended Apr 1, 2023
Cash flows from (used in) operating activities:		
Earnings	6.3	5.9
Items not involving cash:		
Depreciation of capital assets	24.4	22.2
Amortization of intangible assets	5.5	4.0
Amortization of right of use assets	16.8	14.8
Accretion of lease obligations	7.4	6.6
Change in value of puttable interest in subsidiaries	2.6	1.6
Equity losses in investments in associates	13.3	12.3
Non-cash financing costs	1.9	1.9
Change in value and accretion of provisions	3.3	0.5
Change in fair value of option liabilities	(20.0)	-
Deferred income taxes recovery	(1.1)	(5.6)
	60.4	64.2
Change in non-cash working capital	(32.3)	21.6
	28.1	85.8
Cash flows from (used in) financing activities:		
Long-term debt, net	90.9	74.2
Payments for lease obligations	(19.6)	(17.4)
Bank indebtedness and cheques outstanding	17.4	(16.2)
Common shares purchased for cancellation	-	(1.4)
Dividends paid to shareholders	(34.4)	(31.4)
	54.3	7.8
Cash flows from (used in) investing activities:		
Capital asset additions	(98.0)	(74.3)
Payment of provisions	(1.4)	(1.4)
Payment to shareholders of non-wholly owned subsidiaries	(3.0)	-
Net change in share purchase loans and notes receivable	0.8	(0.3)
Investment in and advances to associates – net of distributions	1.8	1.6
	(99.8)	(74.4)
Change in cash and cash equivalents	(17.4)	19.2
Cash and cash equivalents – beginning of period	27.6	11.4
Cash and cash equivalents – end of period	10.2	30.6
Interest and other financing costs paid	40.2	35.5
Income taxes paid	14.4	16.5

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 Mar 30, 2024	13 weeks ended Apr 1, 2023
Earnings before income taxes	15.4	8.5
Plant start-up and restructuring costs	10.8	5.8
Depreciation of capital assets	24.4	22.2
Amortization of intangible assets	5.5	4.0
Amortization of right of use assets	16.8	14.8
Accretion of lease obligations	7.4	6.6
Interest and other financing costs	40.4	33.4
Acquisition transaction costs	1.1	1.0
Change in value of puttable interest in subsidiaries	2.6	1.6
Accretion of provisions	3.3	0.5
Equity loss in investments in associates	13.3	12.3
Change in fair value of option liabilities	(20.0)	-
Adjusted EBITDA	121.0	110.7

Free Cash Flow

(in millions of dollars)	52 weeks ended Dec 30, 2023	13 weeks ended Mar 30, 2024	13 weeks ended Apr 1, 2023	Rolling Four Quarters
Cash flow from operating activities	433.9	28.1	85.8	376.2
Changes in non-cash working capital	(110.6)	32.3	(21.6)	(56.7)
Lease obligation payments	(74.0)	(19.6)	(17.4)	(76.2)
Business acquisition transaction costs	4.4	1.1	1.0	4.5
Plant start-up and restructuring costs	45.3	10.8	5.8	50.3
Maintenance capital expenditures	(46.0)	(13.3)	(12.2)	(47.1)
Free cash flow	253.0	39.4	41.4	251.0

Adjusted Earnings and Adjusted Earnings per Share

(in millions of dollars except per share amounts)	13 weeks ended Mar 30, 2024	13 weeks ended Apr 1, 2023
Earnings	6.3	5.9
Plant start-up and restructuring costs	10.8	5.8
Amortization of intangible assets associated with acquisitions	5.5	4.0
Acquisition transaction costs	1.1	1.0
Change in value of puttable interest in subsidiaries	2.6	1.6
Accretion of provisions	3.3	0.5
Equity loss in investments in associates	13.3	12.3
Change in fair value of option liabilities	(20.0)	-
	22.9	31.1
Current and deferred income tax effect of above items, and unusual tax recovery	1.1	(2.5)
Adjusted earnings	24.0	28.6
Weighted average shares outstanding	44.4	44.4
Adjusted earnings per share	0.54	0.64

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 May 13, 2024, 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: revenue; adjusted EBITDA; plant start-up and restructuring costs; income tax rates; dividends and dividend policy; capital expenditures and business acquisitions; convertible debentures; net working capital; liquidity outlook; provisions; financial leverage ratios; value of puttable interests; and 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 below under *Risks and Uncertainties* section in the Company's MD&A for the 13 Weeks ended March 30, 2024.

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 the United States will remain relatively stable and in Canada will improve in the later part of 2024.

- 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.
- The Company will be able to access sufficient skilled and unskilled labor at reasonable wage levels.
- The value of the Canadian dollar relative to the U.S. dollar will 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 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.
- 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 May 13, 2024 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.