



Financial Results For The Fourth Quarter Ended December 29th 2024

Pilgrim's Pride Corporation
(NASDAQ: PPC)

Cautionary Notes and Forward-Looking Statements

- Statements contained in this press release that state the intentions, plans, hopes, beliefs, anticipations, expectations or predictions of the future of Pilgrim's Pride Corporation and its management are considered forward-looking statements. Without limiting the foregoing, words such as "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "should," "targets," "will" and the negative thereof and similar words and expressions are intended to identify forward-looking statements. It is important to note that actual results could differ materially from those projected in such forward-looking statements. Factors that could cause actual results to differ materially from those projected in such forward-looking statements include: matters affecting the poultry industry generally; the ability to execute the Company's business plan to achieve desired cost savings and profitability; future pricing for feed ingredients and the Company's products; outbreaks of avian influenza or other diseases, either in Pilgrim's Pride's flocks or elsewhere, affecting its ability to conduct its operations and/or demand for its poultry products; contamination of Pilgrim's Pride's products, which has previously and can in the future lead to product liability claims and product recalls; exposure to risks related to product liability, product recalls, property damage and injuries to persons, for which insurance coverage is expensive, limited and potentially inadequate; management of cash resources; restrictions imposed by, and as a result of, Pilgrim's Pride's leverage; changes in laws or regulations affecting Pilgrim's Pride's operations or the application thereof; new immigration legislation or increased enforcement efforts in connection with existing immigration legislation that cause the costs of doing business to increase, cause Pilgrim's Pride to change the way in which it does business, or otherwise disrupt its operations; competitive factors and pricing pressures or the loss of one or more of Pilgrim's Pride's largest customers; currency exchange rate fluctuations, trade barriers, exchange controls, expropriation and other risks associated with foreign operations; disruptions in international markets and distribution channels, including, but not limited to, the impacts of the Russia-Ukraine conflict; the risk of cyber-attacks, natural disasters, power losses, unauthorized access, telecommunication failures, and other problems on our information systems; and the impact of uncertainties of litigation and other legal matters described in our most recent Form 10-K and Form 10-Q, including the In re Broiler Chicken Antitrust Litigation, as well as other risks described under "Risk Factors" in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and subsequent filings with the Securities and Exchange Commission. The forward looking statements in this release speak only as of the date hereof, and the Company undertakes no obligation to update any such statement after the date of this release, whether as a result of new information, future developments or otherwise, except as may be required by applicable law
- Actual results could differ materially from those projected in these forward-looking statements as a result of these factors, among others, many of which are beyond our control. In making these statements, we are not undertaking, and specifically decline to undertake, any obligation to address or update each or any factor in future filings or communications regarding our business or results, and we are not undertaking to address how any of these factors may have caused changes to information contained in previous filings or communications. Although we have attempted to list comprehensively these important cautionary risk factors, we must caution investors and others that other factors may in the future prove to be important and affecting our business or results of operations
- This presentation may include information that may be considered non-GAAP financial information as contemplated by SEC Regulation G, Rule 100, including EBITDA, Adjusted EBITDA, LTM EBITDA, Net Debt, Free Cash Flow, Adjusted EBITDA Margin and others. Accordingly, we have provided tables in the accompanying appendix and in our previous filings with the SEC that reconcile these measures to their corresponding GAAP-based measures and explain why these measures are useful to investors, which can be obtained from the Consolidated Statements of Income provided with our previous filings with the SEC. Our method of computation may or may not be comparable to other similarly titled measures used in filings with the SEC by other companies. See the consolidated statements of income and consolidated statements of cash flows included in our financial statements.

Fourth Quarter 2024 Financial Review



Main Indicators (\$MM)	Q4 2024	Q4 2023
Net Revenue	4,372.0	4,528.3
Gross Profit	553.3	321.0
SG&A	235.3	131.1
Operating Income	306.7	184.3
Net Interest**	22.8	54.5
Net Income	235.8	134.2
Earnings Per Share (EPS)	0.99	0.57
Adjusted EBITDA*	525.7	309.5
<i>Adjusted EBITDA Margin*</i>	<i>12.0%</i>	<i>6.8%</i>

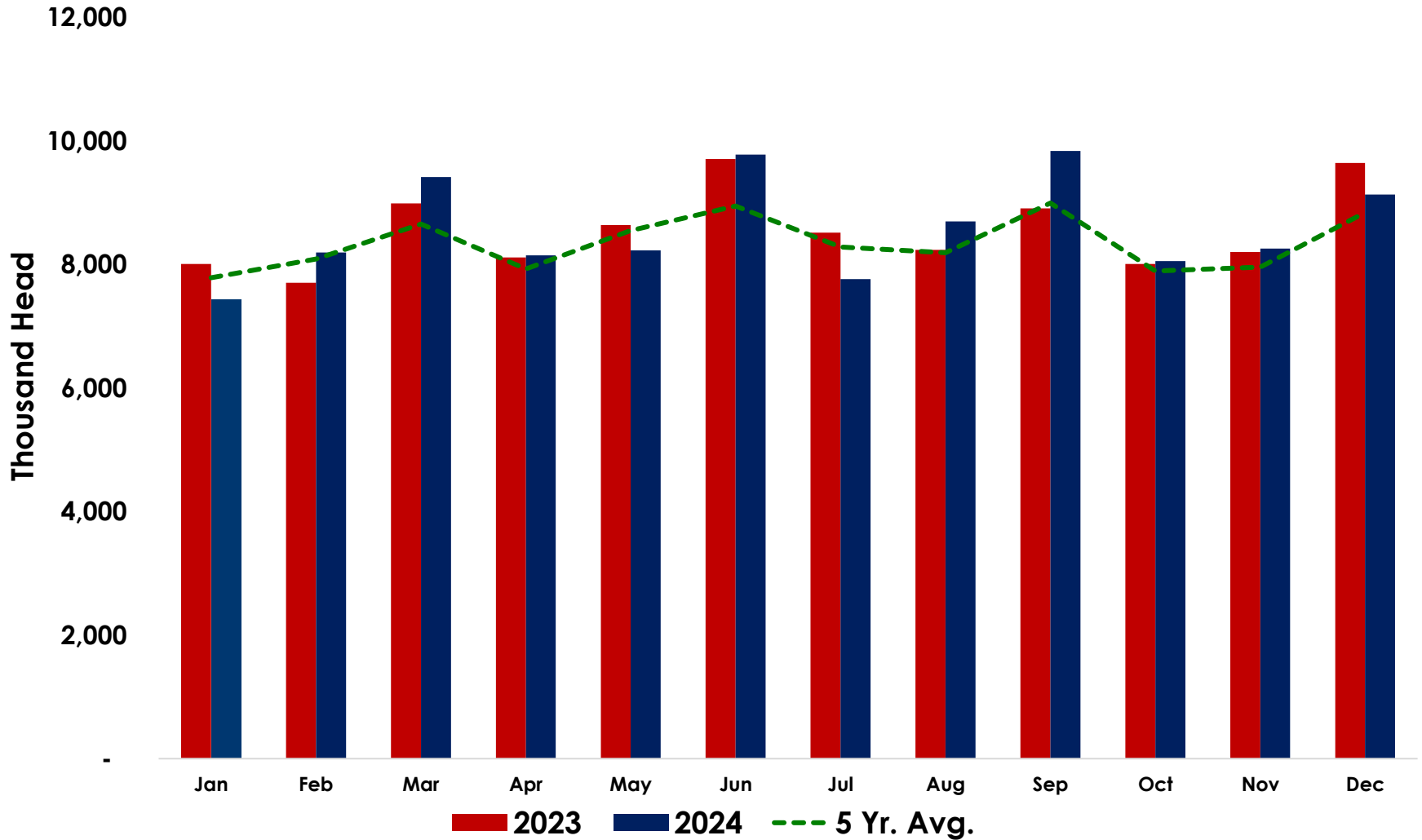
- *This is a non-GAAP measurement considered by management to be useful in understanding our results. Please see the appendix and most recent SEC financial filings for definition of this measurement and reconciliation to US GAAP.
- **Net Interest in 2023 includes a \$20.7 million charge for early extinguishment of debt related to the purchase of Senior Notes due 2027.

- U.S.: Year-over-year (YoY) increase in commodity market pricing, moderating input costs and operational improvements positively impacted Big Bird business; along with growth with Key Customers in Case Ready and Small Bird driving operating income improvement for the US business; Europe: Significant year-over-year profit improvement due to operational efficiencies and cost reductions; Mexico: profitability increases due to improved balance in supply / demand environment.
- SG&A higher due to legal settlement expense and higher incentive compensation costs; partially offset by cost efficiencies achieved.
- Q4 2024 Adjusted EBITDA* YoY increase driven by higher US commodity market pricing, along with lower input costs; growth with our Key Customers and operating efficiencies

In \$MM	U.S.	EU	MX
Net Revenue	2,613.2	1,259.2	499.6
Adjusted Operating Income*	300.8	80.3	31.9
<i>Adjusted Operating Income Margin*</i>	<i>11.5%</i>	<i>6.4%</i>	<i>6.4%</i>

Pullet Placements Declined Y/Y in Q4-2024 Given Reduction in December

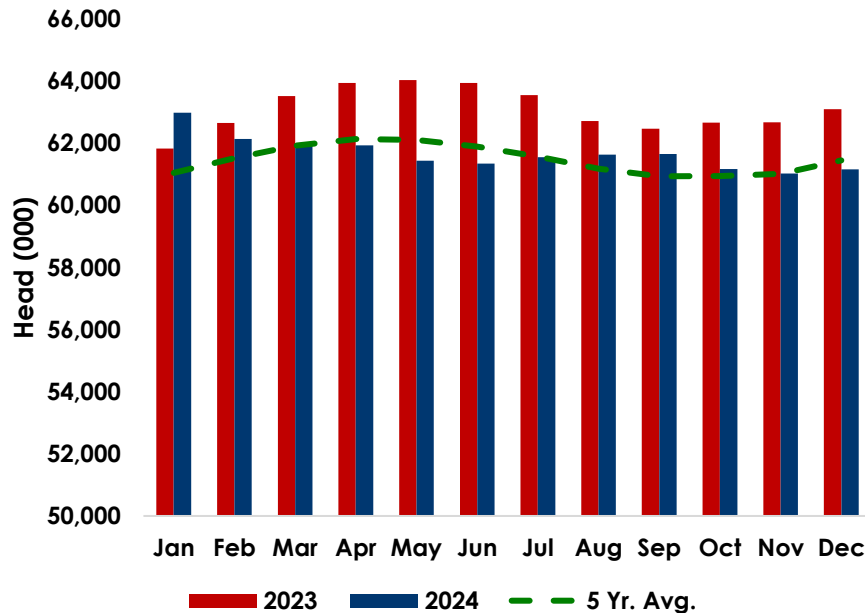
Intended Pullet Placements



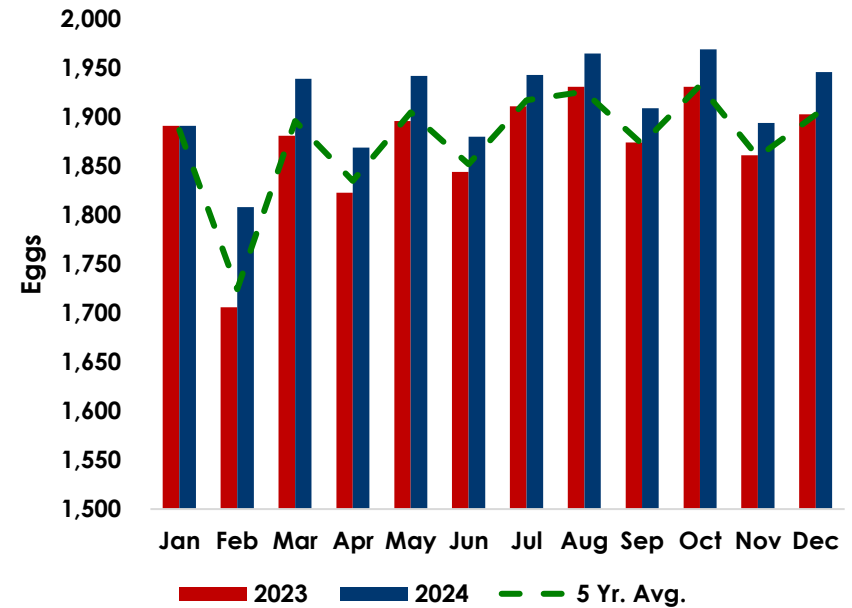
Broiler Layer Flock Decreased Y/Y in Q4-24; Eggs/100 Increased Y/Y in Q4-24



Broiler Type Hatching Layers

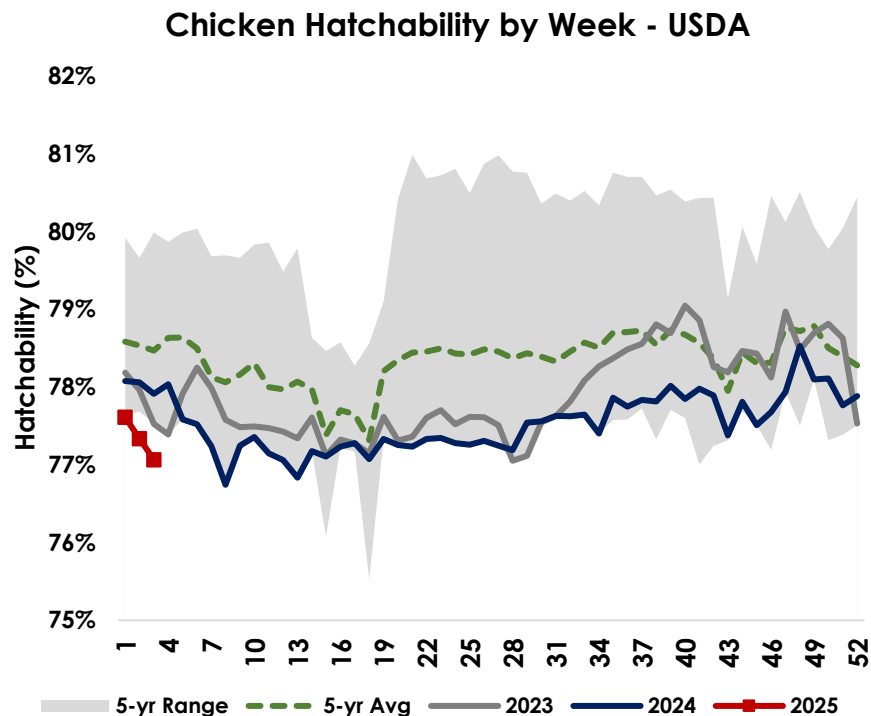
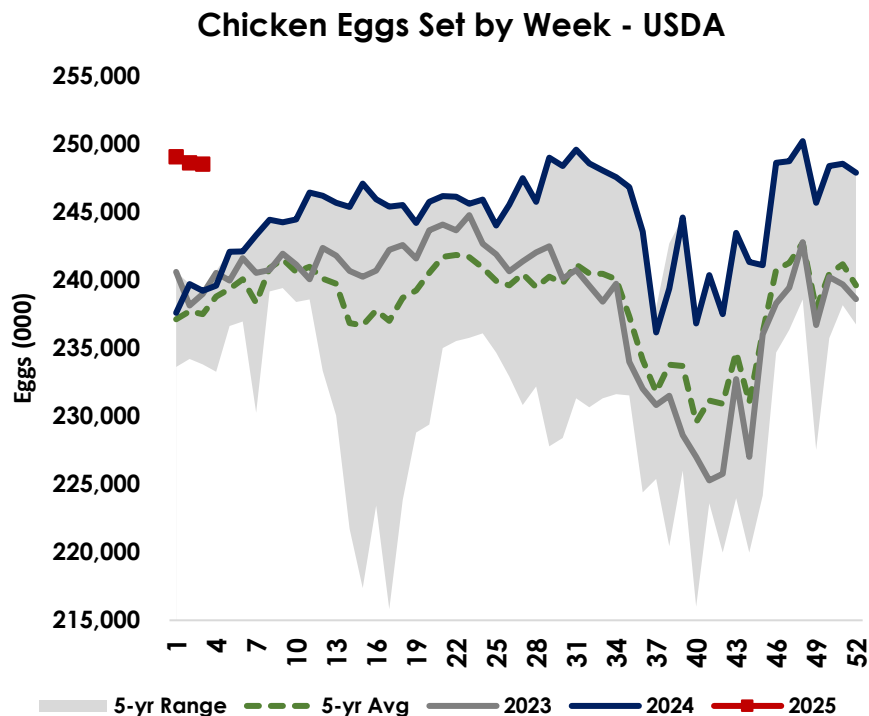


Eggs/100



- Broiler layer flock -3.8% YoY in Q4-24.
- Eggs/100 +2.0% YoY in Q4-24.

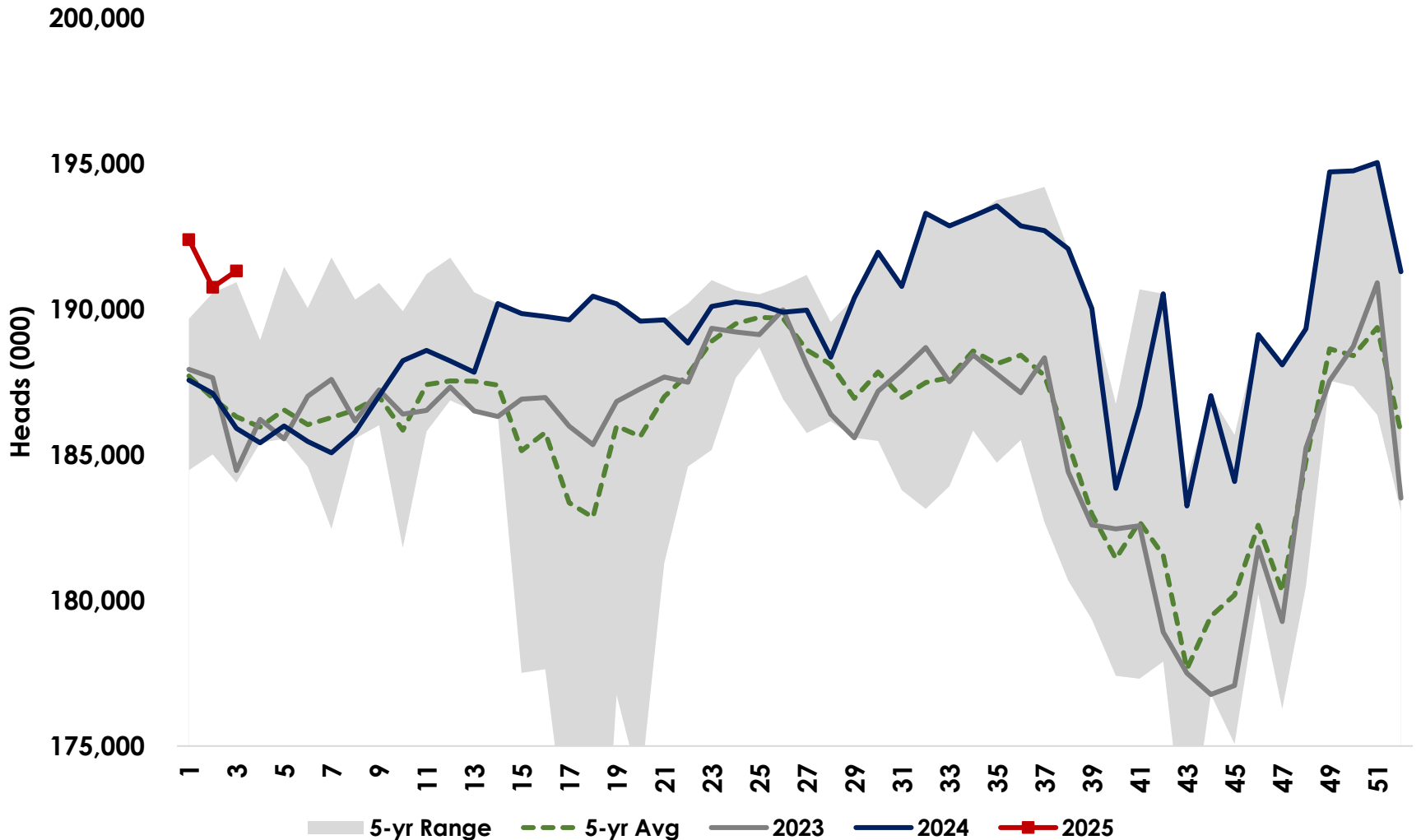
Egg Sets Increased 4.2% YoY in Q4-24; Hatchability -0.6% Below Q4-23 Levels



Broiler Placements Increased 3.6% Above Year-Ago Levels in Q4-24



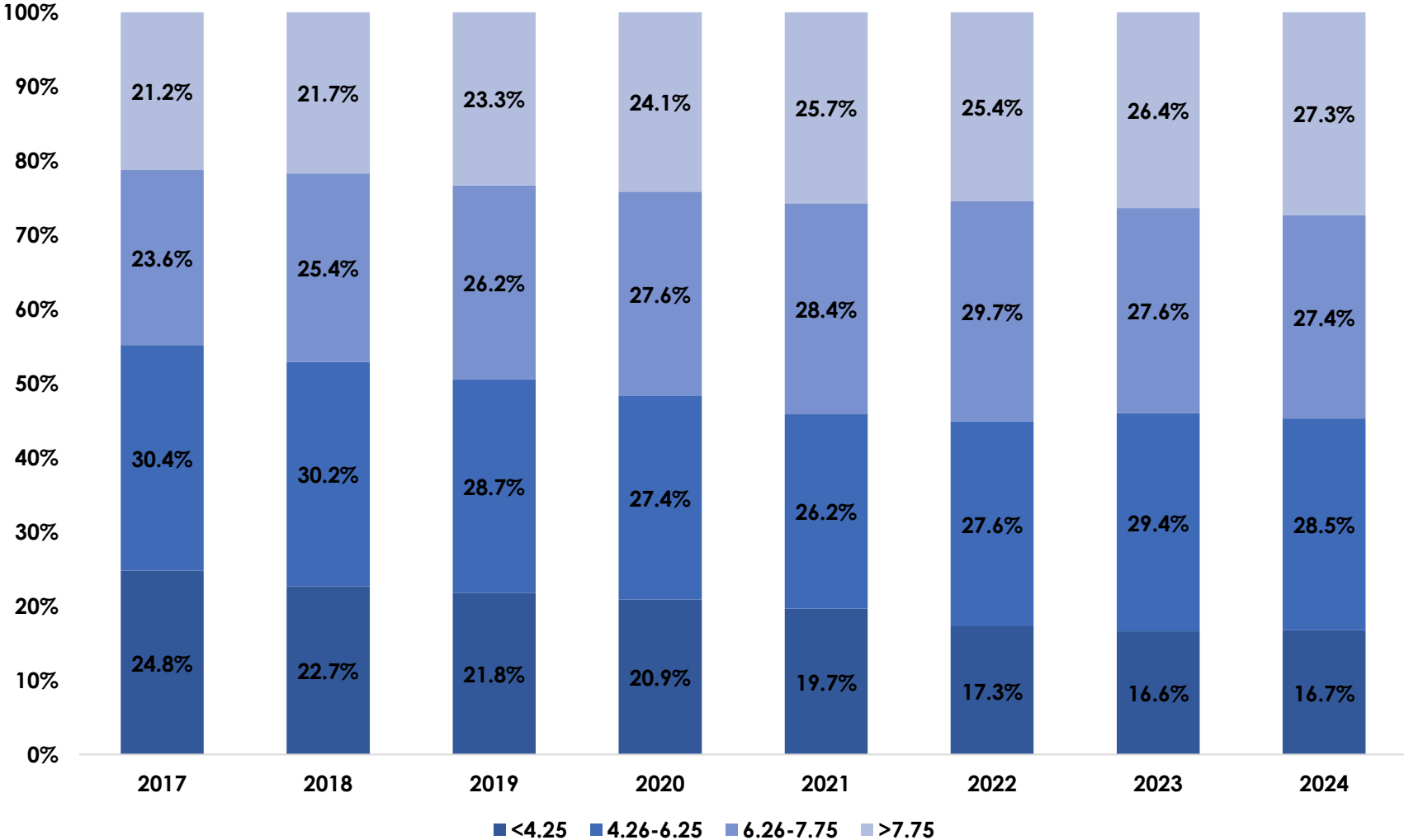
Chicken Placements by Week - USDA



Reduced Head Counts in Small Bird Debone Segment in Q4-24

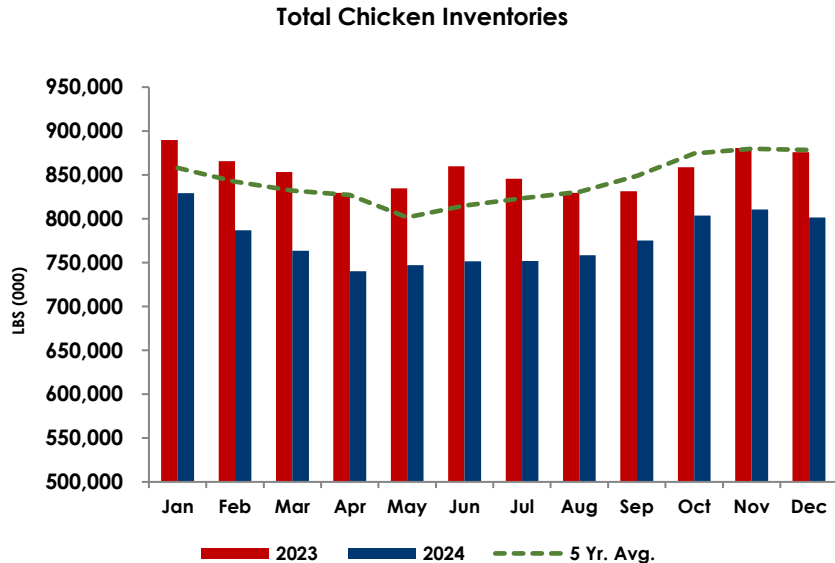


Head Processed by Size



Source: USDA

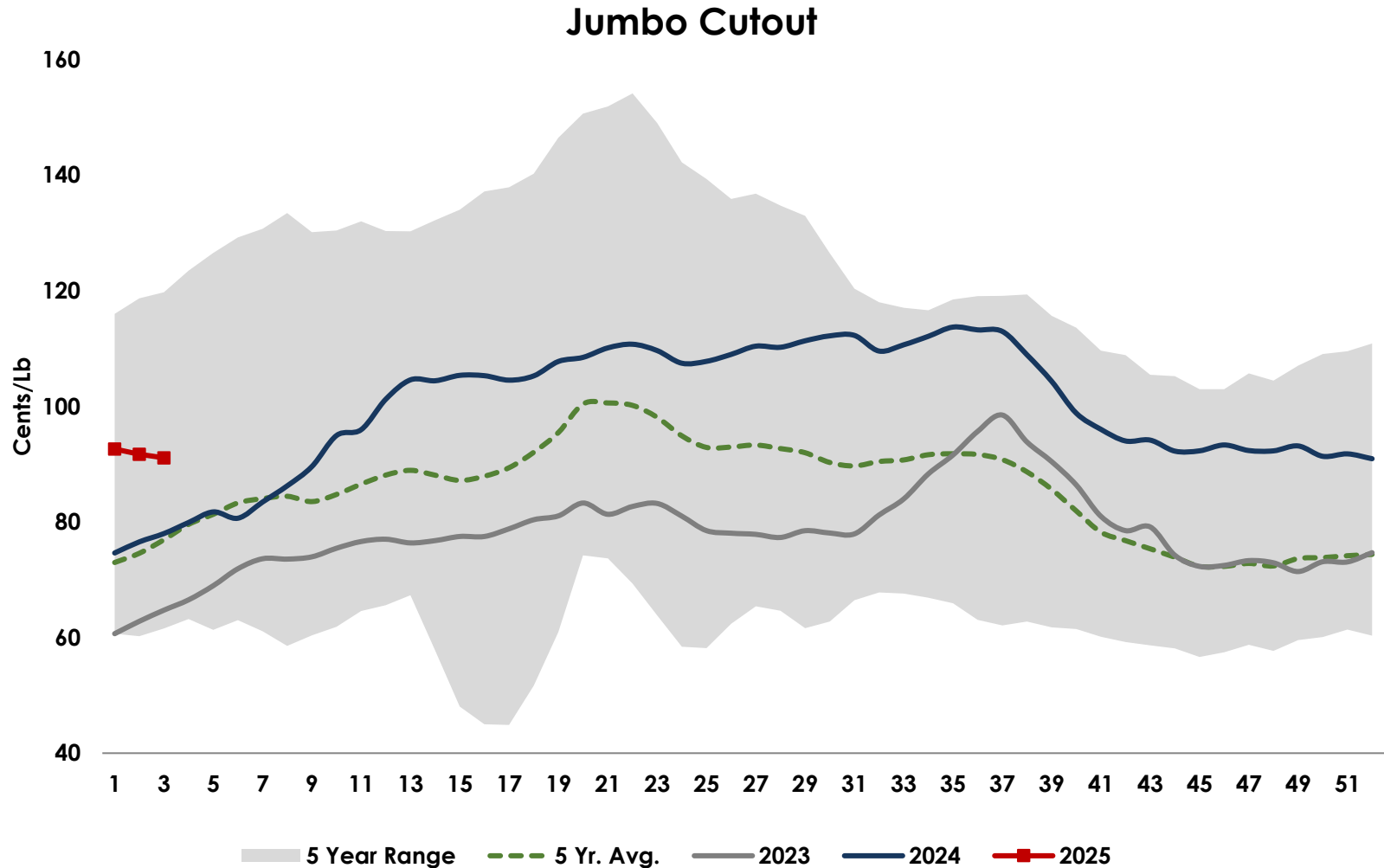
Industry Cold Storage Supplies in Q4-24 Continue Below YA and 5-Year Average



Frozen Chicken Inventory (000 LBS)					
Part	Dec-23	Nov-24	Dec-24	Y/Y Change	M/M Change
Broilers	12,842	10,801	9,454	▼ -26.4%	▼ -12.5%
Hens	6,625	4,295	4,502	▼ -32.0%	▲ 4.8%
Breast Meat	248,625	234,650	243,106	▼ -2.2%	▲ 3.6%
Wings	66,388	59,113	56,223	▼ -15.3%	▼ -4.9%
LQ	64,475	66,243	63,151	▼ -2.1%	▼ -4.7%
Legs	17,608	12,751	14,620	▼ -17.0%	▲ 14.7%
Drums	31,123	30,975	29,382	▼ -5.6%	▼ -5.1%
Thighs	9,683	8,733	7,942	▼ -18.0%	▼ -9.1%
Thigh Meat	17,620	16,484	16,100	▼ -8.6%	▼ -2.3%
Paws and Feet	28,396	31,951	34,103	▲ 20.1%	▲ 6.7%
Others	366,648	334,404	322,892	▼ -11.9%	▼ -3.4%
Total Chicken	870,033	810,400	801,475	▼ -7.9%	▼ -1.1%

- Total Inventories ended Q4 down 7.9% Y/Y and 8.2% below 5-year average.
- Breast meat inventories decreased 2.2% Y/Y.
- Wing inventories declined 15.3% below year ago.
- Dark Meat inventories decreased 6.6% Y/Y.
- Others category experienced 11.9% decline from the previous year.

Jumbo Cutout Pricing Trended Above Year Ago and 5-year Average in Q4-24

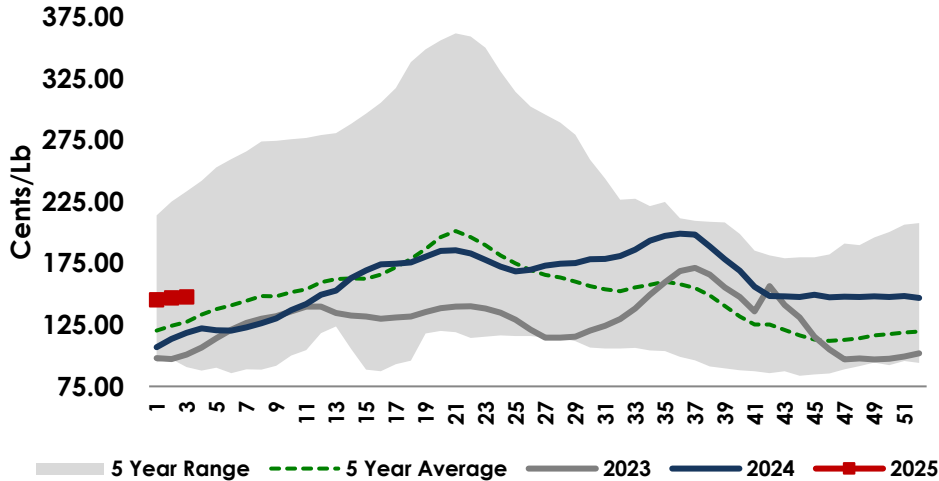


Source: PPC, EMI

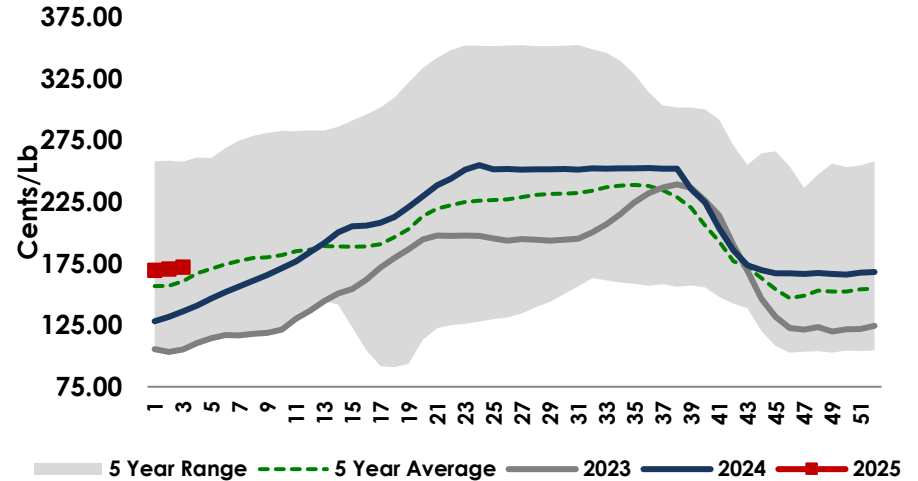
BSB and Tenders Improved Seasonally, Wings outperformed previous year, LQ exceeded in Q4-24



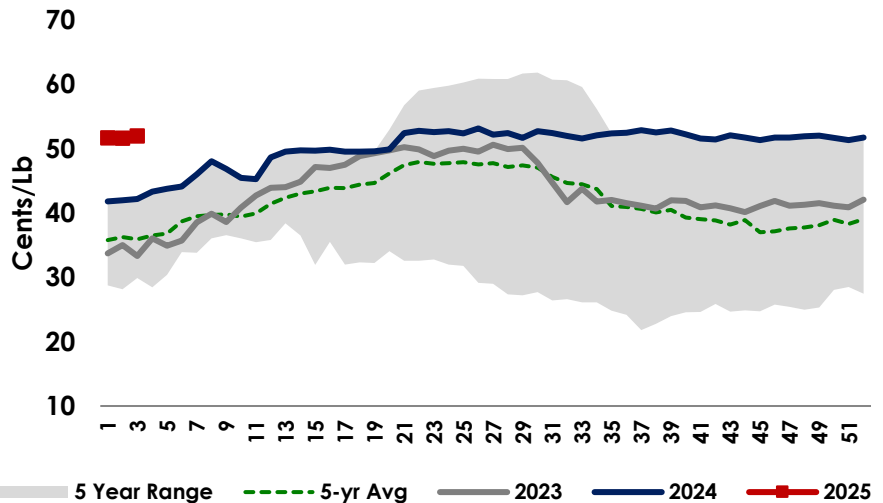
USDA Boneless/Skinless Breast



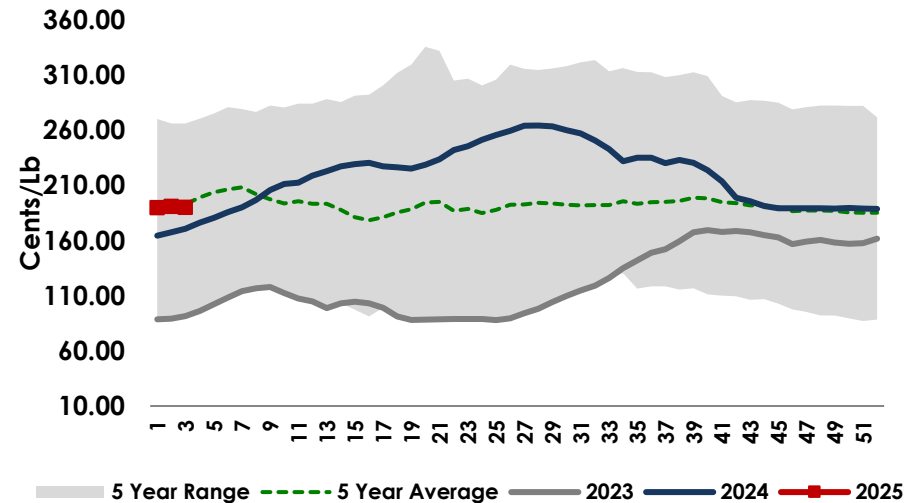
USDA Tenders



USDA Leg Quarters



USDA Whole Wings

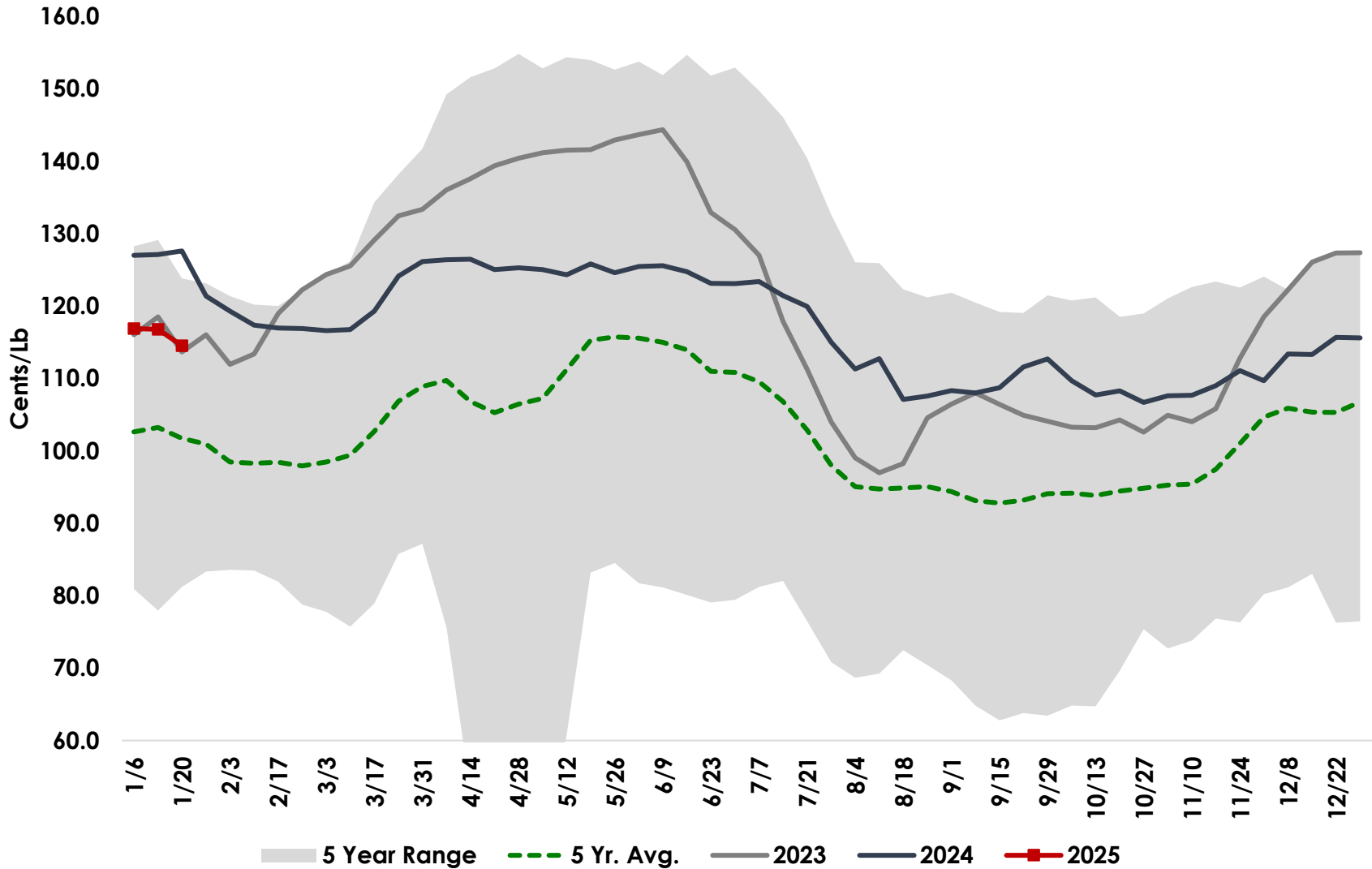


Note: On the week of September 2, 2022, USDA revised their reporting of chicken prices from regional prices to one national metric. The old USDA NE Broiler prices previously used provided the largest sample size and the most accurate reflection of the chicken market. The above pricing indicates the new national price reflected by the USDA reporting from 9/2/22 on.

WOG Pricing Steady Throughout Q4-24, above 5-YA

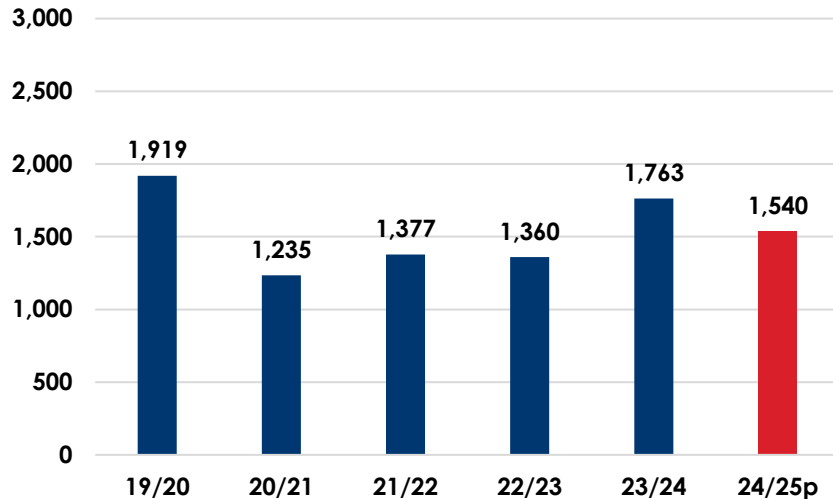


EMI WOG 2.5-4.0 LBS

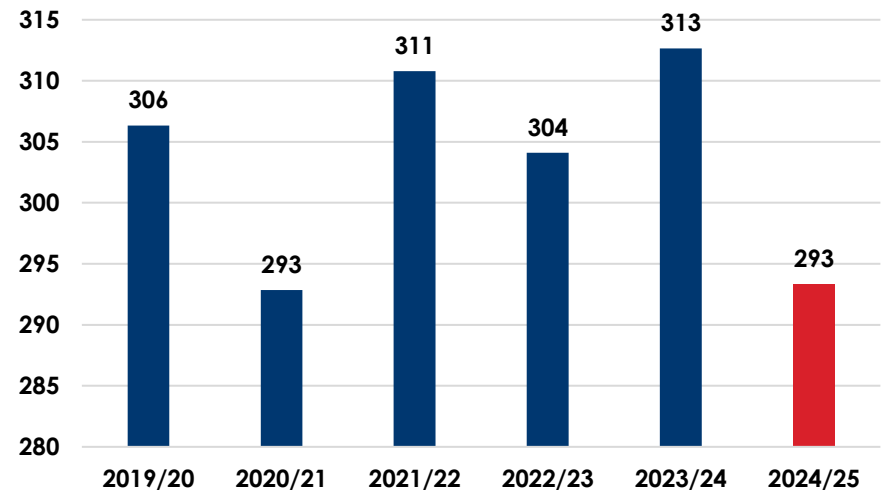


Corn Dynamics

US Corn Ending Stocks (MBUs)



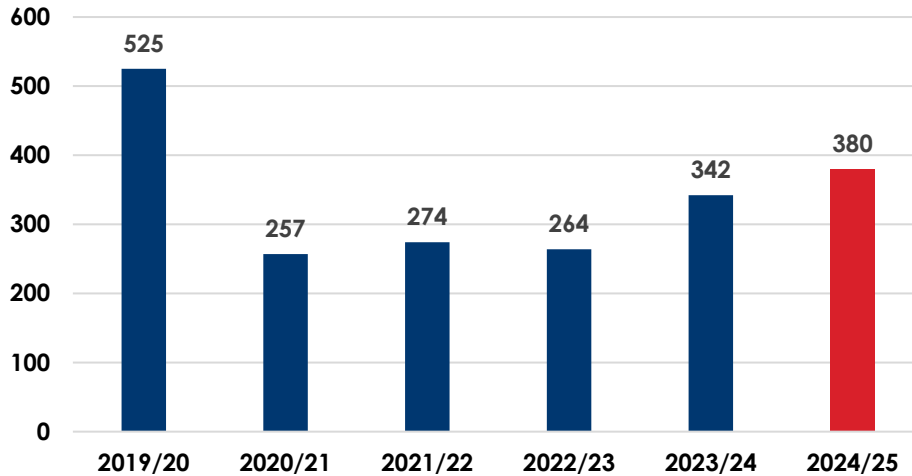
World Corn Endings Stocks (MMT)



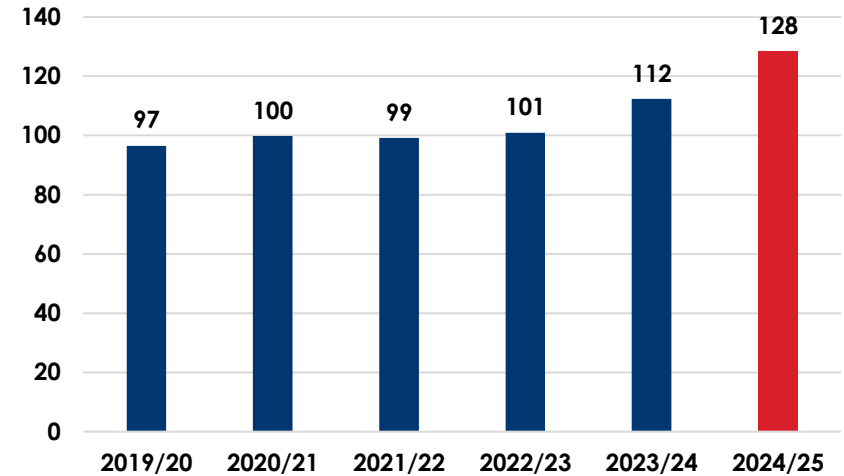
- US global corn stocks contract vs prior year with reduced yield in US and strong global import demand
- Market will be sensitive to weather for Argentina and Brazilian corn crops, US planting intentions and US weather
- Expectation of rebound in US corn acreage for 2025 crop has limited upside thus far

Soybean Dynamics

US Soybean Ending Stocks (MBU)

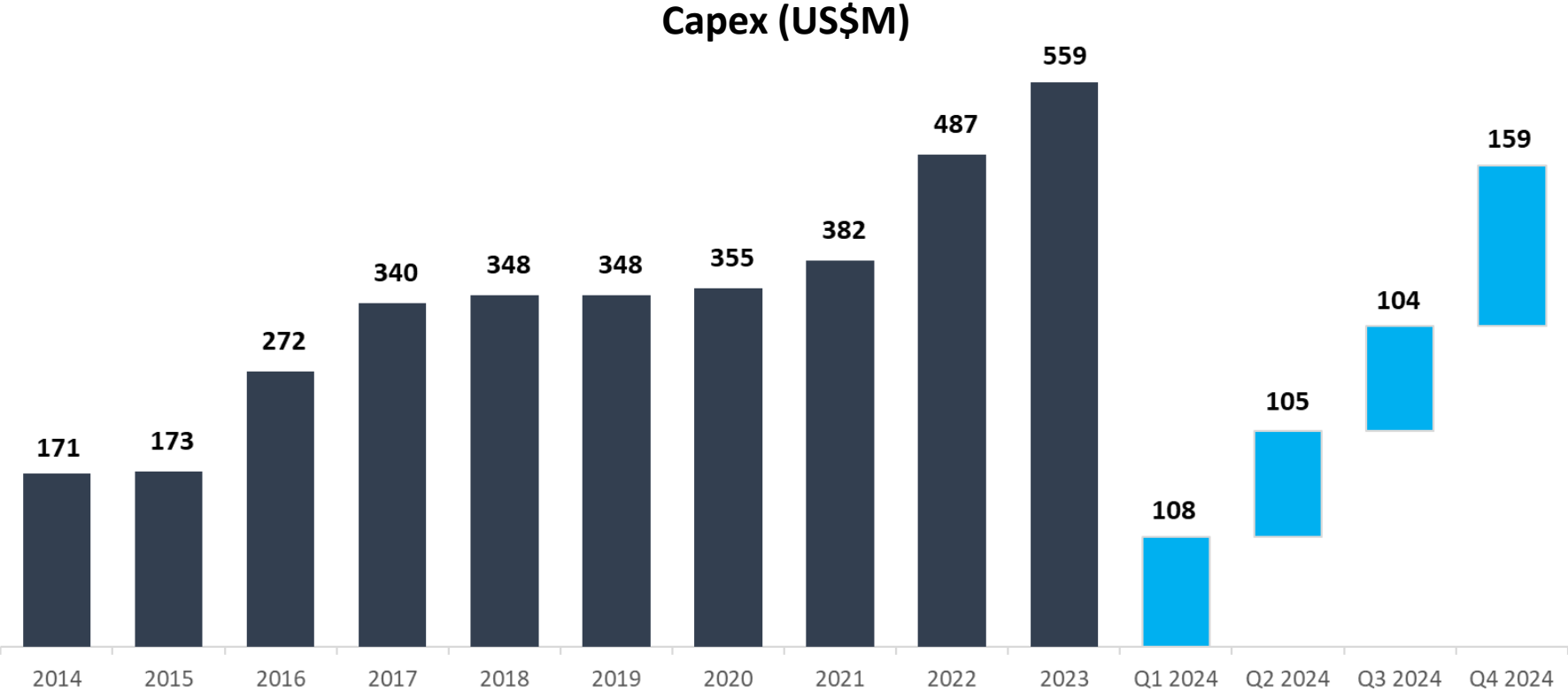


World Soy Ending Stocks (MMT)



- US ending stocks still grow even after final US soybean yield reduced
- Expanded soybean plantings and generally favorable weather in South America increases expected soybean crop by roughly 20 mmt vs prior year
- Increased soybean crushing capacity in US and globally has limited upside in soybean meal prices

Fiscal Year 2024 Capital Spending



- Continued investment in strategic projects will support Key Customers' growth and emphasize our focus on further diversification of our portfolio and operational improvements



APPENDIX



Appendix: Reconciliation of Adjusted EBITDA



“EBITDA” is defined as the sum of net income (loss) plus interest, taxes, depreciation and amortization. “Adjusted EBITDA” is calculated by adding to EBITDA certain items of expense and deducting from EBITDA certain items of income that we believe are not indicative of our ongoing operating performance consisting of: (1) foreign currency transaction losses (gains), (2) costs related to litigation settlements, (3) restructuring activities losses, (4) loss on settlement of pension from plan termination, (5) inventory write-down as a result of hurricane, and (6) net income attributable to noncontrolling interest. EBITDA is presented because it is used by management and we believe it is frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of results prepared in conformity with accounting principles generally accepted in the U.S. (“U.S. GAAP”), to compare the performance of companies. We believe investors would be interested in our Adjusted EBITDA because this is how our management analyzes EBITDA applicable to continuing operations. The Company also believes that Adjusted EBITDA, in combination with the Company’s financial results calculated in accordance with U.S. GAAP, provides investors with additional perspective regarding the impact of certain significant items on EBITDA and facilitates a more direct comparison of its performance with its competitors. EBITDA and Adjusted EBITDA are not measurements of financial performance under U.S. GAAP. EBITDA and Adjusted EBITDA have limitations as analytical tools and should not be considered in isolation or as substitutes for an analysis of our results as reported under U.S. GAAP. In addition, other companies in our industry may calculate these measures differently limiting their usefulness as a comparative measure. Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as an alternative to net income as indicators of our operating performance or any other measures of performance derived in accordance with U.S. GAAP. These limitations should be compensated for by relying primarily on our U.S. GAAP results and using EBITDA and Adjusted EBITDA only on a supplemental basis.

Appendix: Reconciliation of Adjusted EBITDA



PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted EBITDA
(Unaudited)

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
	(In thousands)			
Net income	\$ 235,772	\$ 134,211	\$ 1,087,223	\$ 322,317
Add:				
Interest expense, net ^(a)	22,776	54,505	88,509	166,621
Income tax expense	40,725	22,417	325,046	42,905
Depreciation and amortization	111,854	112,486	433,622	419,900
EBITDA	411,127	323,619	1,934,400	951,743
Add:				
Foreign currency transaction losses (gains) ^(b)	(2,785)	(22,892)	(10,025)	20,570
Litigation settlements ^(c)	95,038	4,700	167,228	39,400
Restructuring activities losses ^(d)	11,318	5,661	93,388	44,345
Loss on settlement of pension from plan termination ^(e)	10,940	—	21,649	—
Inventory write-down as a result of hurricane ^(f)	—	—	8,075	—
Minus:				
Property insurance recoveries ^(g)	—	2,038	—	21,124
Net income (loss) attributable to noncontrolling interest	(82)	(442)	785	743
Adjusted EBITDA	<u>\$ 525,720</u>	<u>\$ 309,492</u>	<u>\$ 2,213,930</u>	<u>\$ 1,034,191</u>

Appendix: Reconciliation of Adjusted EBITDA



- a. Interest expense, net, consists of interest expense less interest income.
- b. Prior to April 1, 2024, the Company measures the financial statements of its Mexico reportable segment as if the U.S. dollar were the functional currency. Accordingly, we remeasure assets and liabilities, other than nonmonetary assets, of the Mexico reportable segment at current exchange rates. We remeasure nonmonetary assets using the historical exchange rate in effect on the date of each asset's acquisition. Currency exchange gains or losses resulting from these remeasurements were previously recognized in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income. Effective April 1, 2024, the Company changed the functional currency of its Mexico reportable segment from U.S. dollar to Mexican peso, which means all translation gains/losses on outstanding balances are now recognized in accumulated other comprehensive income. Transactional functional currency gains/losses are included in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income.
- c. This represents expenses recognized in anticipation of probable settlements in ongoing litigation.
- d. Restructuring activities losses are related to costs incurred, such as severance, asset impairment, contract termination, and others, as part of multiple ongoing restructuring initiatives throughout our Europe reportable segment.
- e. This represents a loss recognized on the settlement of pension plan obligations related to an ongoing plan termination of our two U.S. defined benefit plans.
- f. This primarily represents broiler losses incurred as a result of Hurricane Helene in late September 2024.
- g. This represents property insurance recoveries primarily for the property damage losses incurred as a result of the tornado in Mayfield, KY in December 2021.

Appendix: Reconciliation of LTM Adjusted EBITDA



The summary unaudited consolidated income statement data for the 12 months ended December 29, 2024 (the LTM Period) have been calculated by summing each of the unaudited three month periods within the audited year ended December 29, 2024.

PILGRIM'S PRIDE CORPORATION Reconciliation of LTM Adjusted EBITDA (Unaudited)

	Three Months Ended				LTM Ended December 29, 2024
	March 31, 2024	June 30, 2024	September 29, 2024	December 29, 2024	
	(In thousands)				
Net income	\$ 174,938	\$ 326,523	\$ 349,990	\$ 235,772	\$ 1,087,223
Add:					
Interest expense, net	30,897	15,338	19,498	22,776	88,509
Income tax expense	52,062	100,650	131,609	40,725	325,046
Depreciation and amortization	103,350	107,948	110,470	111,854	433,622
EBITDA	361,247	550,459	611,567	411,127	1,934,400
Add:					
Foreign currency transaction gains	(4,337)	(2,225)	(678)	(2,785)	(10,025)
Litigation settlements	940	71,250	—	95,038	167,228
Restructuring activities losses	14,559	36,675	30,836	11,318	93,388
Loss on settlement of pension from plan termination	—	—	10,709	10,940	21,649
Inventory write-down as a result of hurricane	—	—	8,075	—	8,075
Minus:					
Net income (loss) attributable to noncontrolling interest	517	220	130	(82)	785
Adjusted EBITDA	\$ 371,892	\$ 655,939	\$ 660,379	\$ 525,720	\$ 2,213,930

Appendix: Reconciliation of EBITDA Margin



EBITDA margins have been calculated by taking the relevant unaudited EBITDA figures, then dividing by net sales for the applicable period. EBITDA margins are presented because they are used by management and we believe it is frequently used by securities analysts, investors and other interested parties, as a supplement to our results prepared in accordance with U.S. GAAP, to compare the performance of companies.

PILGRIM'S PRIDE CORPORATION Reconciliation of EBITDA Margin (Unaudited)

	Three Months Ended		Year Ended		Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
(In thousands)								
Net income	\$ 235,772	\$ 134,211	\$ 1,087,223	\$ 322,317	5.39 %	2.96 %	6.08 %	1.86 %
Add:								
Interest expense, net	22,776	54,505	88,509	166,621	0.52 %	1.20 %	0.50 %	0.96 %
Income tax expense	40,725	22,417	325,046	42,905	0.93 %	0.50 %	1.82 %	0.25 %
Depreciation and amortization	111,854	112,486	433,622	419,900	2.56 %	2.48 %	2.43 %	2.42 %
EBITDA	411,127	323,619	1,934,400	951,743	9.40 %	7.14 %	10.82 %	5.48 %
Add:								
Foreign currency transaction losses (gains)	(2,785)	(22,892)	(10,025)	20,570	(0.05)%	(0.50)%	(0.06)%	0.13 %
Litigation settlements	95,038	4,700	167,228	39,400	2.17 %	0.10 %	0.92 %	0.21 %
Restructuring activities losses	11,318	5,661	93,388	44,345	0.26 %	0.13 %	0.52 %	0.26 %
Loss on settlement of pension from plan termination	10,940	—	21,649	—	0.25 %	— %	0.12 %	— %
Inventory write-down as a result of hurricane	—	—	8,075	—	— %	— %	0.05 %	— %
Minus:								
Property insurance recoveries	—	2,038	—	21,124	— %	0.05 %	— %	0.12 %
Net income (loss) attributable to noncontrolling interest	(82)	(442)	785	743	— %	(0.01)%	— %	— %
Adjusted EBITDA	\$ 525,720	\$ 309,492	\$ 2,213,930	\$ 1,034,191	12.03 %	6.83 %	12.37 %	5.96 %
Net sales	\$ 4,372,064	\$ 4,528,302	\$ 17,878,291	\$ 17,362,217				

Appendix: Reconciliation of Adjusted EBITDA by Segment



Adjusted EBITDA by segment figures are presented because they are used by management and we believe they are frequently used by securities analysts, investors and other interested parties, as a supplement to our results prepared in accordance with U.S. GAAP, to compare the performance of companies.

PILGRIM'S PRIDE CORPORATION Reconciliation of Adjusted EBITDA (Unaudited)

	Three Months Ended				Three Months Ended			
	December 29, 2024				December 31, 2023			
	U.S.	Europe	Mexico	Total	U.S.	Europe	Mexico	Total
	(In thousands)				(In thousands)			
Net income	\$ 139,647	\$ 74,189	\$ 21,936	\$ 235,772	\$ 76,321	\$ 46,181	\$ 11,709	\$ 134,211
Add:								
Interest expense, net ^(a)	33,518	(5,262)	(5,480)	22,776	66,779	(1,458)	(10,816)	54,505
Income tax expense (benefit)	21,895	1,367	17,463	40,725	4,047	18,635	(265)	22,417
Depreciation and amortization	70,612	36,141	5,101	111,854	68,004	38,707	5,775	112,486
EBITDA	265,672	106,435	39,020	411,127	215,151	102,065	6,403	323,619
Add:								
Foreign currency transaction losses (gains) ^(b)	(1)	(612)	(2,172)	(2,785)	(19,594)	(3,355)	57	(22,892)
Litigation settlements ^(c)	95,038	—	—	95,038	4,700	—	—	4,700
Restructuring activities losses ^(d)	—	11,318	—	11,318	—	5,661	—	5,661
Loss on settlement of pension from plan termination ^(e)	10,940	—	—	10,940	—	—	—	—
Inventory write-down as a result of hurricane ^(f)	—	—	—	—	—	—	—	—
Minus:								
Property insurance recoveries ^(g)	—	—	—	—	—	1,921	117	2,038
Net income attributable to noncontrolling interest	—	—	(82)	(82)	—	—	(442)	(442)
Adjusted EBITDA	<u>\$ 371,649</u>	<u>\$ 117,141</u>	<u>\$ 36,930</u>	<u>\$ 525,720</u>	<u>\$ 200,257</u>	<u>\$ 102,450</u>	<u>\$ 6,785</u>	<u>\$ 309,492</u>

Appendix: Reconciliation of Adjusted EBITDA by Segment



PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted EBITDA
(Unaudited)

	Year Ended				Year Ended			
	December 29, 2024				December 31, 2023			
	U.S.	Europe	Mexico	Total	U.S.	Europe	Mexico	Total
	(In thousands)				(In thousands)			
Net income	\$ 719,595	\$ 176,421	\$ 191,207	\$ 1,087,223	\$ 32,520	\$ 114,666	\$ 175,131	\$ 322,317
Add:								
Interest expense, net ^(a)	133,784	(13,996)	(31,279)	88,509	194,013	(2,928)	(24,464)	166,621
Income tax expense (benefit)	237,550	10,750	76,746	325,046	(5,848)	23,378	25,375	42,905
Depreciation and amortization	270,618	140,993	22,011	433,622	255,052	142,190	22,658	419,900
EBITDA	1,361,547	314,168	258,685	1,934,400	475,737	277,306	198,700	951,743
Add:								
Foreign currency transaction losses (gains) ^(b)	(1)	(665)	(9,359)	(10,025)	35,433	(2,520)	(12,343)	20,570
Litigation settlements ^(c)	167,228	—	—	167,228	39,400	—	—	39,400
Restructuring activities losses ^(d)	—	93,388	—	93,388	—	44,345	—	44,345
Loss on settlement of pension from plan termination ^(e)	21,649	—	—	21,649	—	—	—	—
Inventory write-down as a result of hurricane ^(f)	8,075	—	—	8,075	—	—	—	—
Minus:								
Property insurance recoveries ^(g)	—	—	—	—	19,086	1,921	117	21,124
Net income attributable to noncontrolling interest	—	—	785	785	—	—	743	743
Adjusted EBITDA	<u>\$1,558,498</u>	<u>\$ 406,891</u>	<u>\$ 248,541</u>	<u>\$2,213,930</u>	<u>\$ 531,484</u>	<u>\$ 317,210</u>	<u>\$ 185,497</u>	<u>\$1,034,191</u>

Appendix: Reconciliation of Adjusted EBITDA



- a. Interest expense, net, consists of interest expense less interest income.
- b. Prior to April 1, 2024, the Company measures the financial statements of its Mexico reportable segment as if the U.S. dollar were the functional currency. Accordingly, we remeasure assets and liabilities, other than nonmonetary assets, of the Mexico reportable segment at current exchange rates. We remeasure nonmonetary assets using the historical exchange rate in effect on the date of each asset's acquisition. Currency exchange gains or losses resulting from these remeasurements were previously recognized in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income. Effective April 1, 2024, the Company changed the functional currency of its Mexico reportable segment from U.S. dollar to Mexican peso, which means all translation gains/losses on outstanding balances are now recognized in accumulated other comprehensive income. Transactional functional currency gains/losses are included in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income.
- c. This represents expenses recognized in anticipation of probable settlements in ongoing litigation.
- d. Restructuring activities losses are related to costs incurred, such as severance, asset impairment, contract termination, and others, as part of multiple ongoing restructuring initiatives throughout our Europe reportable segment.
- e. This represents a loss recognized on the settlement of pension plan obligations related to an ongoing plan termination of our two U.S. defined benefit plans.
- f. This primarily represents broiler losses incurred as a result of Hurricane Helene in late September 2024.
- g. This represents property insurance recoveries primarily for the property damage losses incurred as a result of the tornado in Mayfield, KY in December 2021.

Appendix: Reconciliation of Adjusted Operating Income



Adjusted Operating Income is calculated by adding to Operating Income certain items of expense and deducting from Operating Income certain items of income. Management believes that presentation of Adjusted Operating Income provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of GAAP operating income to adjusted operating income as follows:

PILGRIM'S PRIDE CORPORATION Reconciliation of Adjusted Operating Income (Unaudited)

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
(In thousands)				
GAAP operating income, U.S. operations	\$ 205,752	\$ 128,353	\$ 1,113,001	\$ 238,894
Litigation settlements	95,038	4,700	167,228	39,400
Inventory write-down as a result of hurricane	—	—	8,075	—
Adjusted operating income, U.S. operations	<u>\$ 300,790</u>	<u>\$ 133,053</u>	<u>\$ 1,288,304</u>	<u>\$ 278,294</u>
Adjusted operating income margin, U.S. operations	11.5 %	5.0 %	12.1 %	2.8 %

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
(In thousands)				
GAAP operating income, Europe operations	\$ 68,983	\$ 57,568	\$ 169,693	\$ 128,151
Restructuring activities losses	11,318	5,661	93,388	44,345
Adjusted operating income, Europe operations	<u>\$ 80,301</u>	<u>\$ 63,229</u>	<u>\$ 263,081</u>	<u>\$ 172,496</u>
Adjusted operating income margin, Europe operations	6.4 %	4.7 %	5.1 %	3.3 %

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
(In thousands)				
GAAP operating income, Mexico operations	\$ 31,916	\$ (1,621)	\$ 223,375	\$ 155,455
No adjustments	—	—	—	—
Adjusted operating income, Mexico operations	<u>\$ 31,916</u>	<u>\$ (1,621)</u>	<u>\$ 223,375</u>	<u>\$ 155,455</u>
Adjusted operating income margin, Mexico operations	6.4 %	(0.3)%	10.6 %	7.3 %

Appendix: Reconciliation of GAAP Operating Income Margin to Adjusted Operating Income Margin



Adjusted Operating Income Margin for each of our reportable segments is calculated by dividing Adjusted operating income by Net Sales. Management believes that presentation of Adjusted Operating Income Margin provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of GAAP operating income margin for each of our reportable segments to adjusted operating income margin for each of our reportable segments is as follows:

PILGRIM'S PRIDE CORPORATION Reconciliation of GAAP Operating Income Margin to Adjusted Operating Income Margin (Unaudited)

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
	(In percent)			
GAAP operating income margin, U.S. operations	7.9 %	4.8 %	10.5 %	2.4 %
Litigation settlements	3.6 %	0.2 %	1.5 %	0.4 %
Inventory write-down as a result of hurricane	— %	— %	0.1 %	— %
Adjusted operating income margin, U.S. operations	<u>11.5 %</u>	<u>5.0 %</u>	<u>12.1 %</u>	<u>2.8 %</u>
	(In percent)			
	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
GAAP operating income margin, Europe operations	5.5 %	4.3 %	3.3 %	2.5 %
Restructuring activities losses	0.9 %	0.4 %	1.8 %	0.8 %
Adjusted operating income margin, Europe operations	<u>6.4 %</u>	<u>4.7 %</u>	<u>5.1 %</u>	<u>3.3 %</u>
	(In percent)			
	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
GAAP operating income margin, Mexico operations	6.4 %	(0.3) %	10.6 %	7.3 %
No adjustments	— %	— %	— %	— %
Adjusted operating income margin, Mexico operations	<u>6.4 %</u>	<u>(0.3) %</u>	<u>10.6 %</u>	<u>7.3 %</u>

Appendix: Reconciliation of Adjusted Net Income



Adjusted net income attributable to Pilgrim's Pride Corporation ("Pilgrim's") is calculated by adding to Net income attributable to Pilgrim's certain items of expense and deducting from Net income attributable to Pilgrim's certain items of income, as shown below in the table. Adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is presented because it is used by management, and we believe it is frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of results prepared in conformity with U.S. GAAP, to compare the performance of companies. Management also believe that this non-U.S. GAAP financial measure, in combination with our financial results calculated in accordance with U.S. GAAP, provides investors with additional perspective regarding the impact of such charges on net income attributable to Pilgrim's Pride Corporation per common diluted share. Adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is not a measurement of financial performance under U.S. GAAP, has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under U.S. GAAP. Management believes that presentation of adjusted net income attributable to Pilgrim's provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of net income (loss) attributable to Pilgrim's Pride Corporation per common diluted share to adjusted net income attributable to Pilgrim's Pride Co

PILGRIM'S PRIDE CORPORATION Reconciliation of Adjusted Net Income (Unaudited)

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
	(In thousands, except per share data)			
Net income attributable to Pilgrim's	\$ 235,854	\$ 134,653	\$ 1,086,438	\$ 321,574
Add:				
Foreign currency transaction losses (gains)	(2,785)	(22,892)	(10,025)	20,570
Litigation settlements	95,038	4,700	167,228	39,400
Restructuring activities losses	11,318	5,661	93,388	44,345
Loss on settlement of pension from plan termination	10,940	—	21,649	—
Inventory write-down as a result of hurricane	—	—	8,075	—
Loss (gain) on early extinguishment of debt recognized as a component of interest expense ^(a)	—	20,694	(11,211)	20,694
Minus:				
Property insurance recoveries	—	2,038	—	21,124
Adjusted net income attributable to Pilgrim's before tax impact	350,365	140,778	1,355,542	425,459
Net tax impact of adjustments ^(b)	(28,620)	(1,482)	(66,057)	(25,140)
Adjusted net income attributable to Pilgrim's	321,745	139,296	1,289,485	400,319
Weighted average diluted shares of common stock outstanding	238,070	237,465	237,800	237,297
Adjusted net income attributable to Pilgrim's per common diluted share	\$ 1.35	\$ 0.59	\$ 5.42	\$ 1.69

- a. The gain on early extinguishment of debt recognized as a component of interest expense in 2024 was due to the bond repurchases. The loss on early extinguishment of debt recognized as a component of interest expense in 2023 was due to the repurchase of the Senior Notes due 2027.
- b. Net tax impact of adjustments represents the tax impact of all adjustments shown above.

Appendix: Reconciliation of GAAP EPS to Adjusted EPS



Adjusted EPS is calculated by dividing the adjusted net income attributable to Pilgrim's stockholders by the weighted average number of diluted shares. Management believes that Adjusted EPS provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of U.S. GAAP to non-U.S. GAAP financial measures is as follows:

PILGRIM'S PRIDE CORPORATION Reconciliation of GAAP EPS to Adjusted EPS (Unaudited)

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
	(In thousands, except per share data)			
U.S. GAAP EPS	\$ 0.99	\$ 0.57	\$ 4.57	\$ 1.36
Add:				
Foreign currency transaction losses (gains)	(0.01)	(0.10)	(0.04)	0.09
Litigation settlements	0.40	0.02	0.70	0.16
Restructuring activities losses	0.05	0.02	0.39	0.19
Loss on settlement of pension from plan termination	0.05	—	0.09	—
Inventory write-down as a result of hurricane	—	—	0.03	—
Loss (gain) on early extinguishment of debt recognized as a component of interest expense	—	0.09	(0.05)	0.08
Minus:				
Property insurance recoveries	—	0.01	—	0.09
Adjusted EPS before tax impact	1.48	0.59	5.69	1.79
Net tax impact of adjustments ^(a)	(0.13)	—	(0.27)	(0.10)
Adjusted EPS	<u>\$ 1.35</u>	<u>\$ 0.59</u>	<u>\$ 5.42</u>	<u>\$ 1.69</u>
Weighted average diluted shares of common stock outstanding	238,070	237,465	237,800	237,297

a. Net tax impact of adjustments represents the tax impact of all adjustments shown above.

Appendix: Supplementary Selected Segment and Geographic Data



PILGRIM'S PRIDE CORPORATION Supplementary Selected Segment and Geographic Data (Unaudited)

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
(In thousands)				
Sources of net sales by geographic region of origin:				
U.S.	\$ 2,613,241	\$ 2,660,649	\$ 10,629,929	\$ 10,027,742
Europe	1,259,176	1,341,103	5,136,747	5,203,322
Mexico	499,647	526,550	2,111,615	2,131,153
Total net sales	<u>\$ 4,372,064</u>	<u>\$ 4,528,302</u>	<u>\$ 17,878,291</u>	<u>\$ 17,362,217</u>
Sources of cost of sales by geographic region of origin:				
U.S.	\$ 2,231,746	\$ 2,461,255	9,065,837	\$ 9,505
Europe	1,135,385	1,233,572	4,675,080	4,829
Mexico	451,671	512,427	1,824,607	1,910
Elimination	—	1	—	—
Total cost of sales	<u>\$ 3,818,802</u>	<u>\$ 4,207,255</u>	<u>\$ 15,565,524</u>	<u>\$ 16,243,816</u>
Sources of gross profit by geographic region of origin:				
U.S.	\$ 381,495	\$ 199,394	\$ 1,564,092	\$ 522,484
Europe	123,791	107,531	461,667	374,699
Mexico	47,976	14,123	287,008	221,432
Elimination	—	(1)	—	(0,214)
Total gross profit	<u>\$ 553,262</u>	<u>\$ 321,047</u>	<u>\$ 2,312,767</u>	<u>\$ 1,118,401</u>
Sources of operating income by geographic region of origin:				
U.S.	\$ 205,752	\$ 128,353	\$ 1,113,001	\$ 238,894
Europe	68,983	57,568	169,693	128,151
Mexico	31,916	(1,621)	223,375	155,455
Elimination	—	(1)	—	(214)
Total operating income	<u>\$ 306,651</u>	<u>\$ 184,299</u>	<u>\$ 1,506,069</u>	<u>\$ 522,286</u>