



Financial Results for First Quarter Ended March 28, 2021

Pilgrim's Pride Corporation
(NASDAQ: PPC)

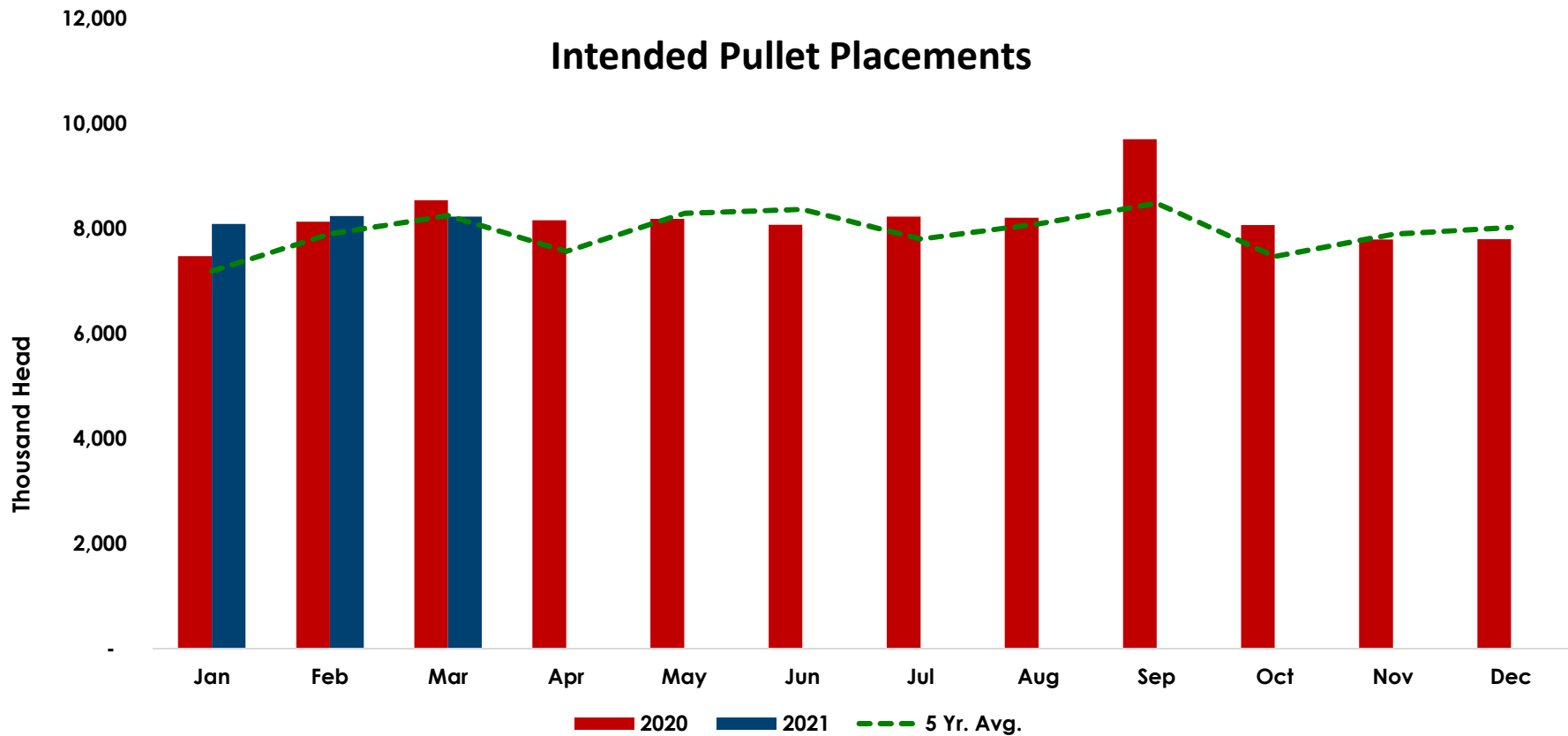
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Cautionary Notes and Forward-Looking Statements

- 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: the impact of the COVID-19 pandemic, efforts to contain the pandemic and resulting economic downturn on our operations and financial condition, including the risk that our health and safety measures at Pilgrim's Pride production facilities will not be effective, the risk that we may be unable to prevent the infection of our employees at these facilities, and the risk that we may need to temporarily close one or more of our production facilities; the risk that we may experience decreased production and sales due to the changing demand for food products; the risk that we may face a significant increase in delayed payments from our customers; and additional risks related to COVID-19 set forth in our Form 10-Q filed with the SEC; 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 channel, including anti-dumping proceedings and countervailing duty proceedings; and the impact of uncertainties of litigation and other legal matters described in our Quarterly Report on 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..



Pullet Placements Modestly Up 1.7% in Q1



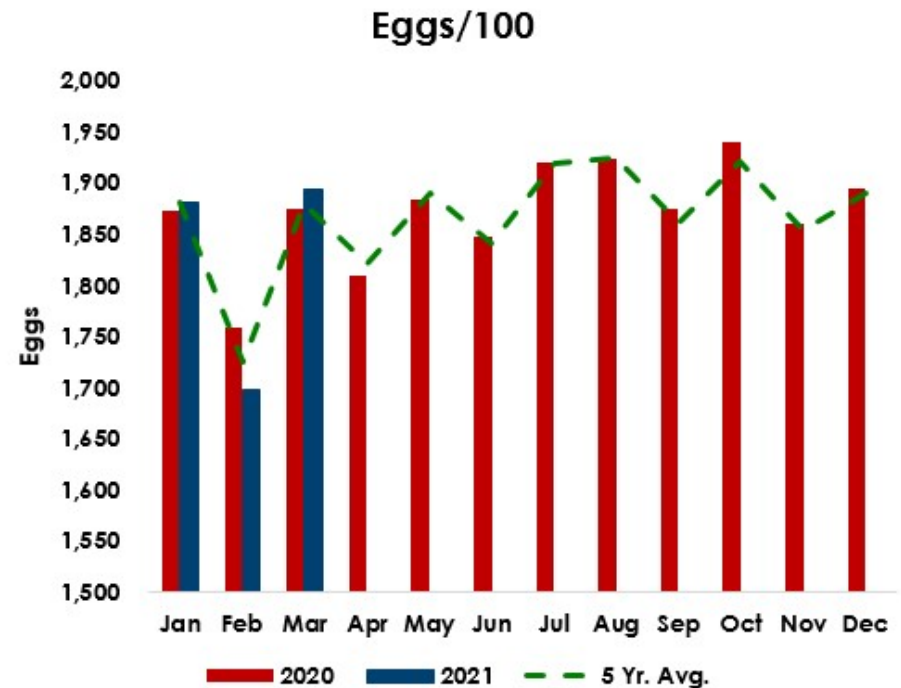
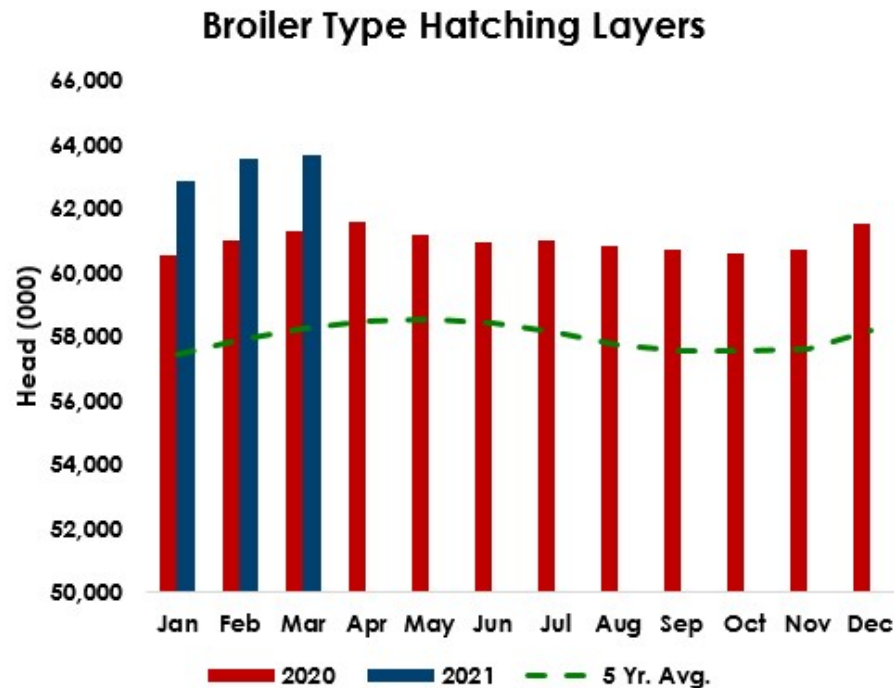
- Trailing 8-Month placements up 1.5% vs. year ago
- Growth in placements will help offset rising pullet mortality and lower flock productivity



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Source: USDA

Hatching Layers Slightly Increasing but Egg Productivity Results are Mixed



- Increased broiler layer flock, improvements in eggs/100, and reduced egg exports are contributing to growth in domestic egg supply.
- Eggs/100 productivity in Q1 down 0.6% due to February weakness, but March values indicate return to trend of improving egg production.

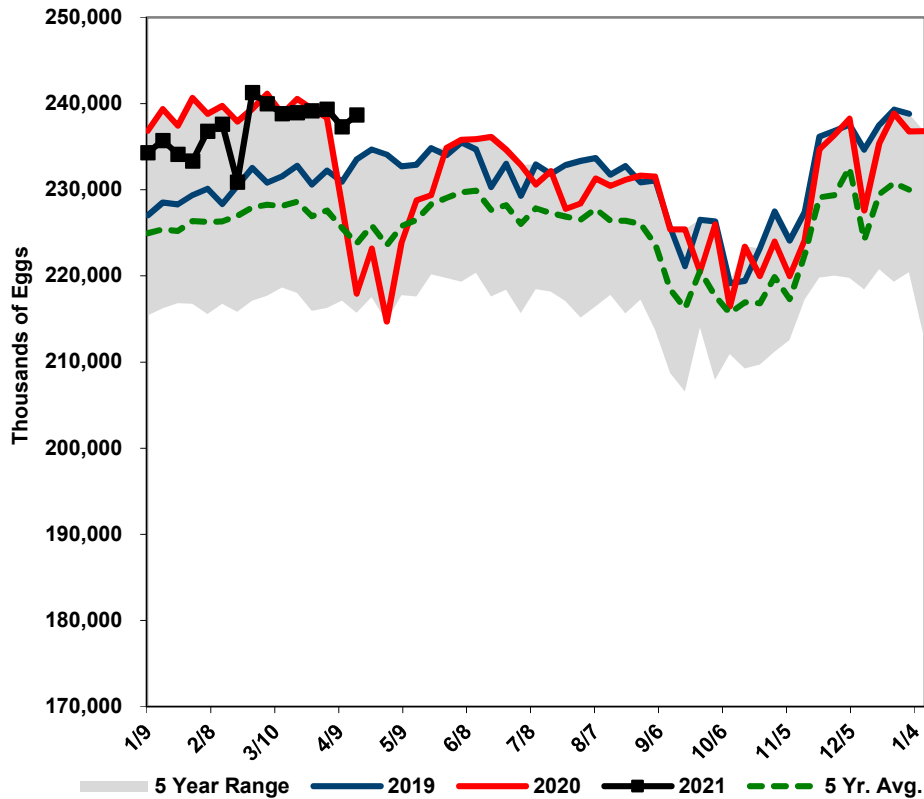


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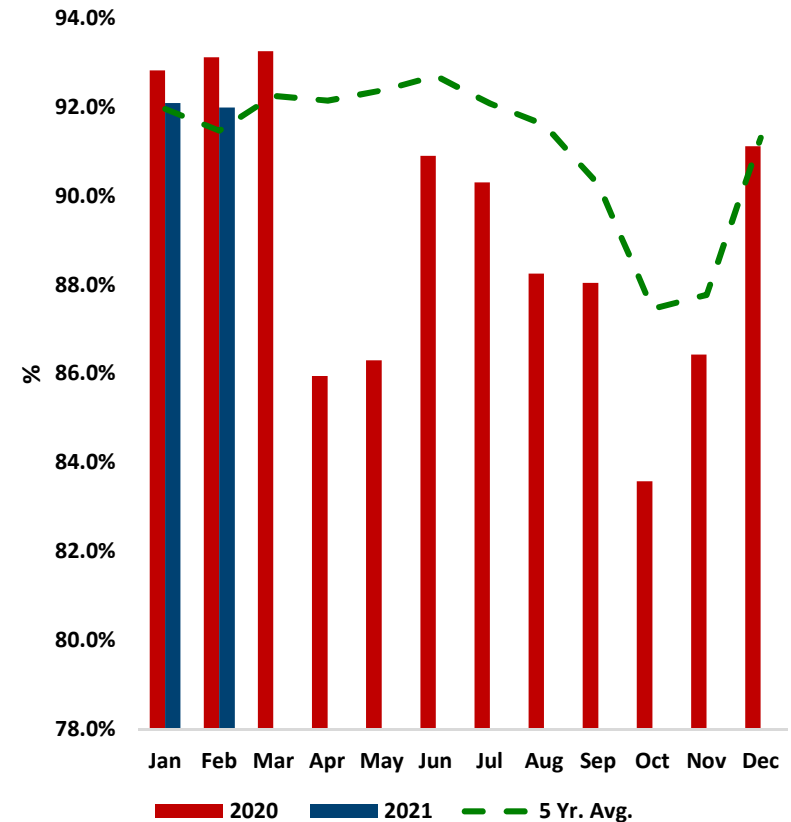
Source: USDA

Egg Sets Down 0.9% in Q1, Impacted by Feb Weather Events; while, Hatchery Utilization Generally In-line With 5-Yr Avg in Q1

Chicken Egg Sets by Week - USDA



Hatchery Utilization by Month - Agristats

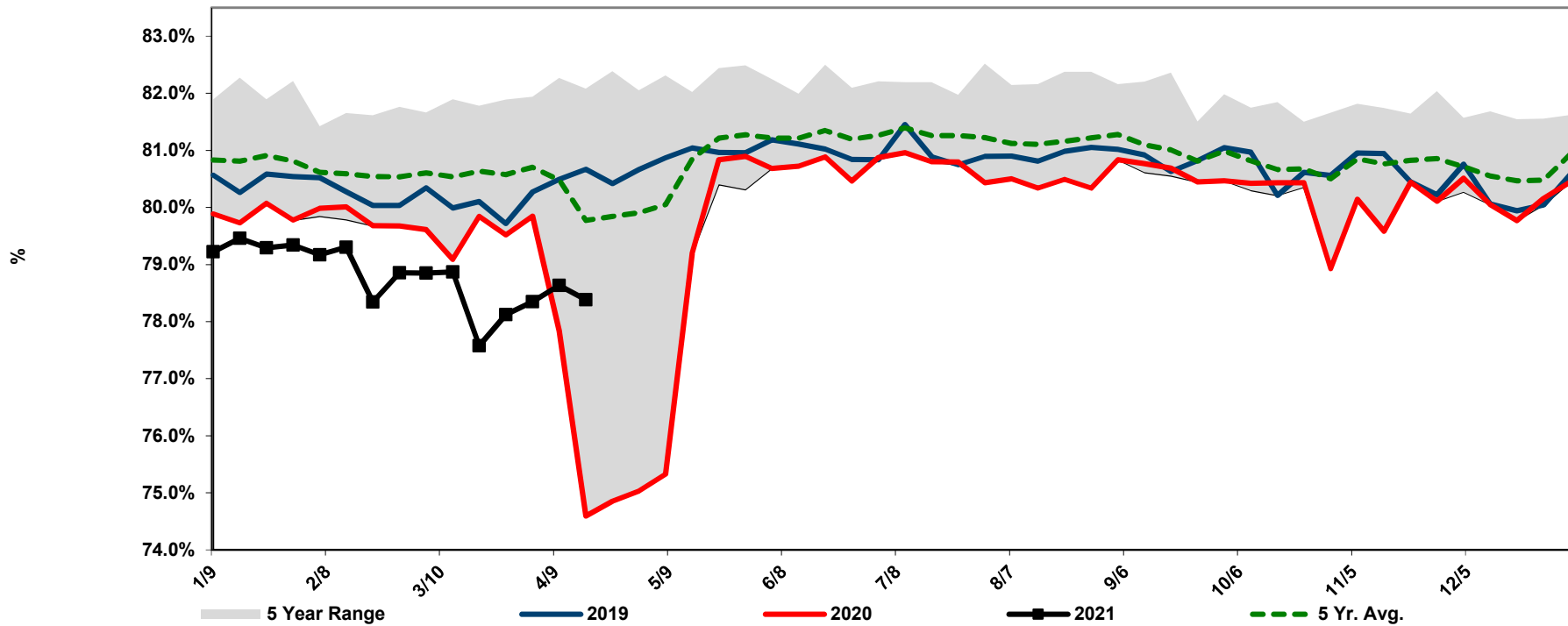


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Source: USDA and Agristats 5

Significant Decline in 1Q Hatchability vs. 5-Yr Average and Prior Year

Chicken Hatchability
by Week - USDA

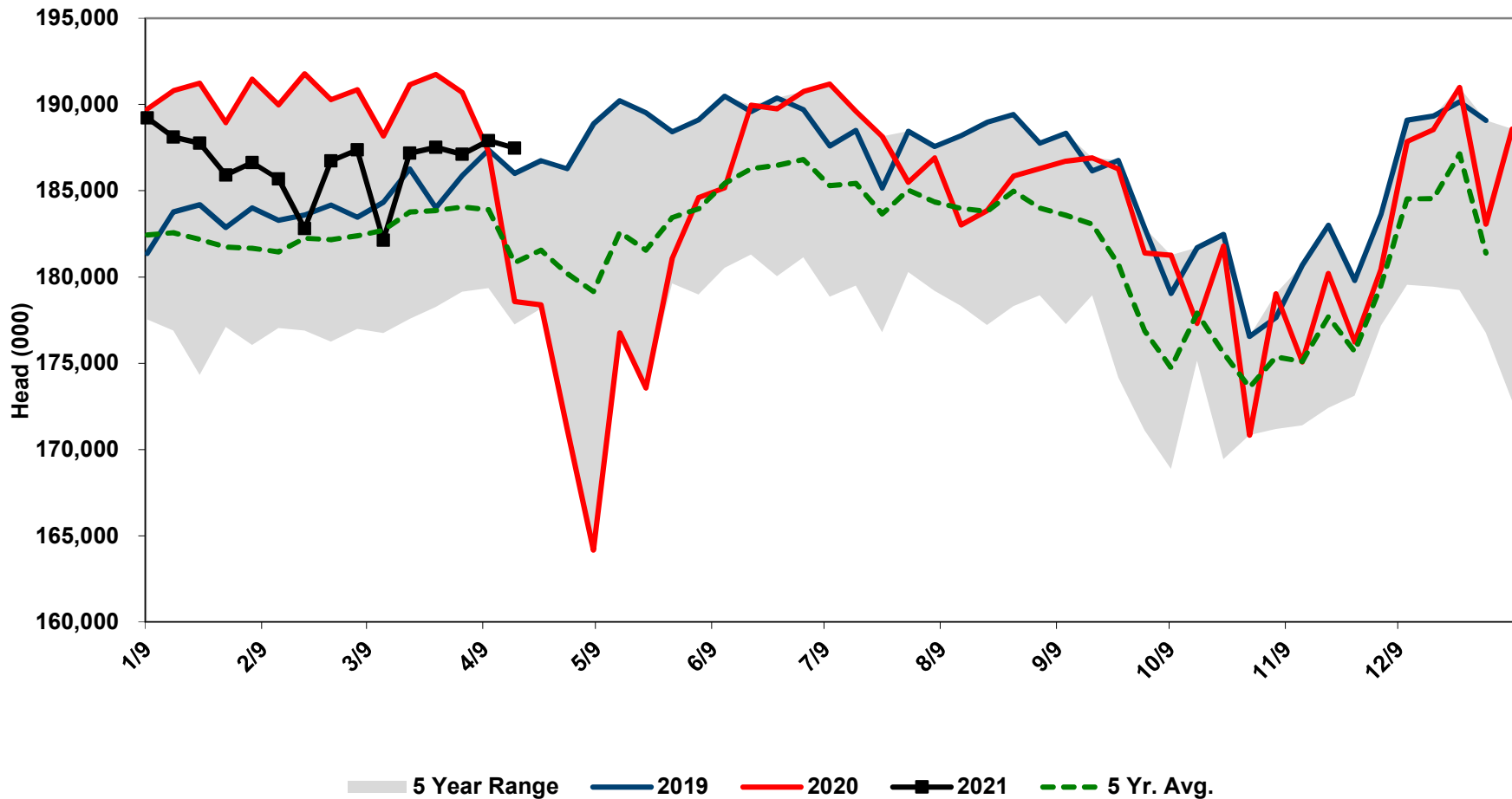


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Source: USDA

Avg Broiler Placements Down 2.1% in Q1 as a Result of Fewer Sets and Lower Hatchability

Chicken Broiler Placed
by Week- USDA

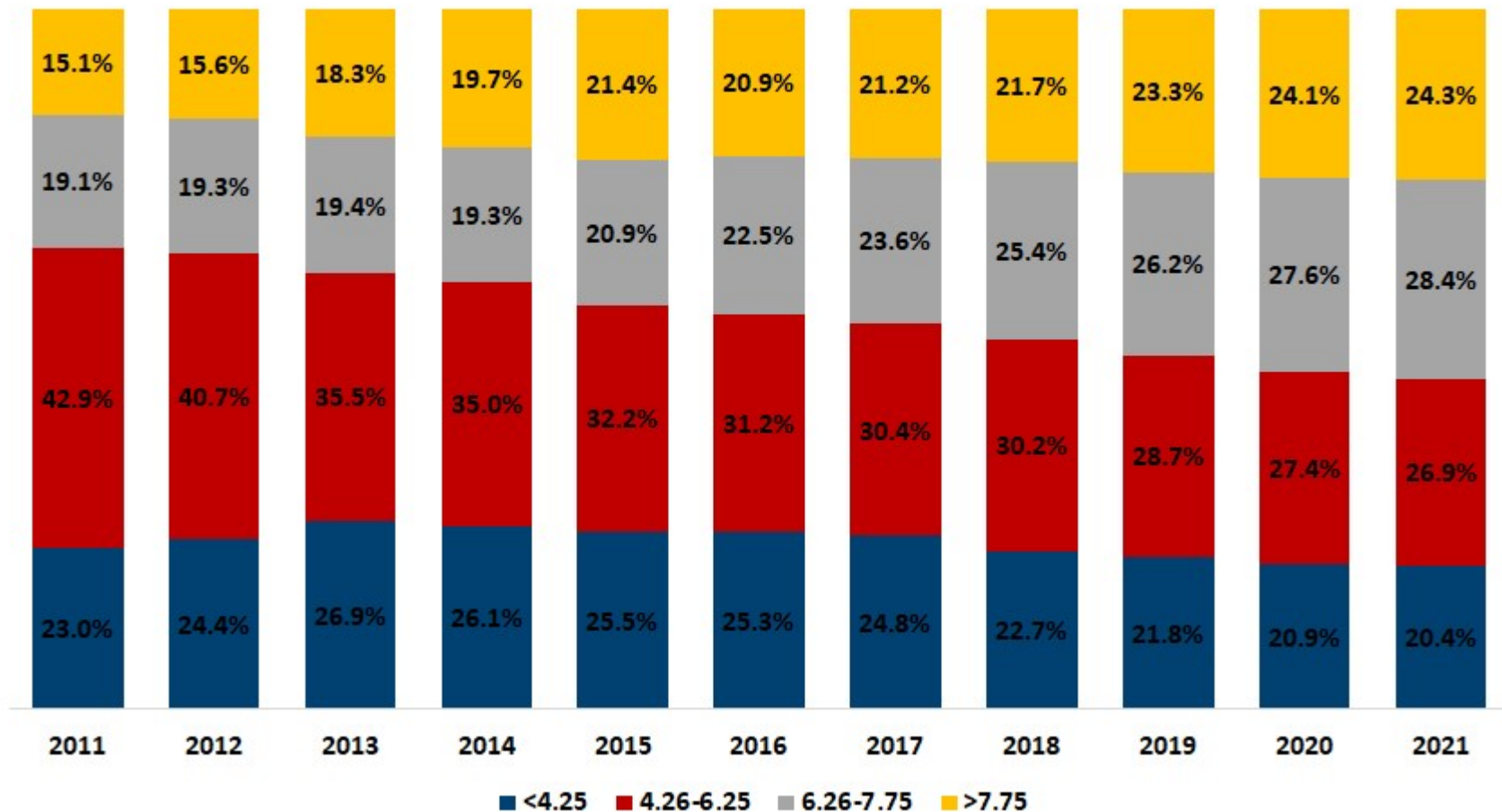


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Source: USDA

Growth Remains Concentrated in 6.26-7.75 LBS Categories and Continuing Reduction in Small Birds

Head Processed by Size

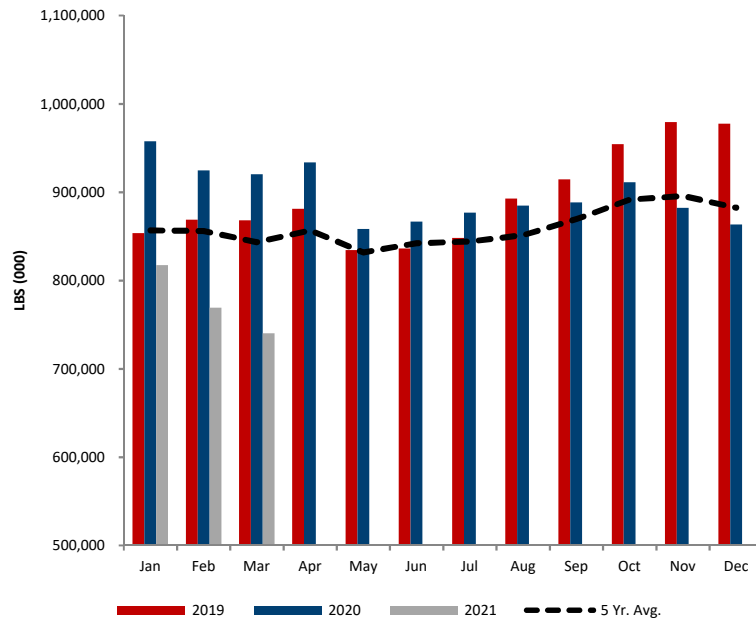


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Source: USDA

Inventories Have Continued to Decline and Well Below vs. Year Ago Levels

Total Chicken Inventories



Frozen Chicken Inventory (000 LBS)					
Part	Mar-20	Feb-21	Mar-21	YOY Change	MOM Change
Broilers	20,186	12,117	13,067	▼ -35.3%	▲ 7.8%
Hens	6,157	5,749	5,674	▼ -7.8%	▼ -1.3%
Breast Meat	226,521	222,697	203,852	▼ -10.0%	▼ -8.5%
Drumsticks	38,012	34,814	34,526	▼ -9.2%	▼ -0.8%
LQ	81,021	52,293	57,790	▼ -28.7%	▲ 10.5%
Legs	22,087	17,604	16,301	▼ -26.2%	▼ -7.4%
Thighs	12,929	17,947	14,679	▲ 13.5%	▼ -18.2%
Thigh Meat	35,770	21,337	19,219	▼ -46.3%	▼ -9.9%
Wings	53,678	39,613	36,851	▼ -31.3%	▼ -7.0%
Paws and Feet	33,881	33,670	34,530	▲ 1.9%	▲ 2.6%
Other	389,958	311,429	303,836	▼ -22.1%	▼ -2.4%
Total Chicken	920,200	769,270	740,325	▼ -19.5%	▼ -3.8%

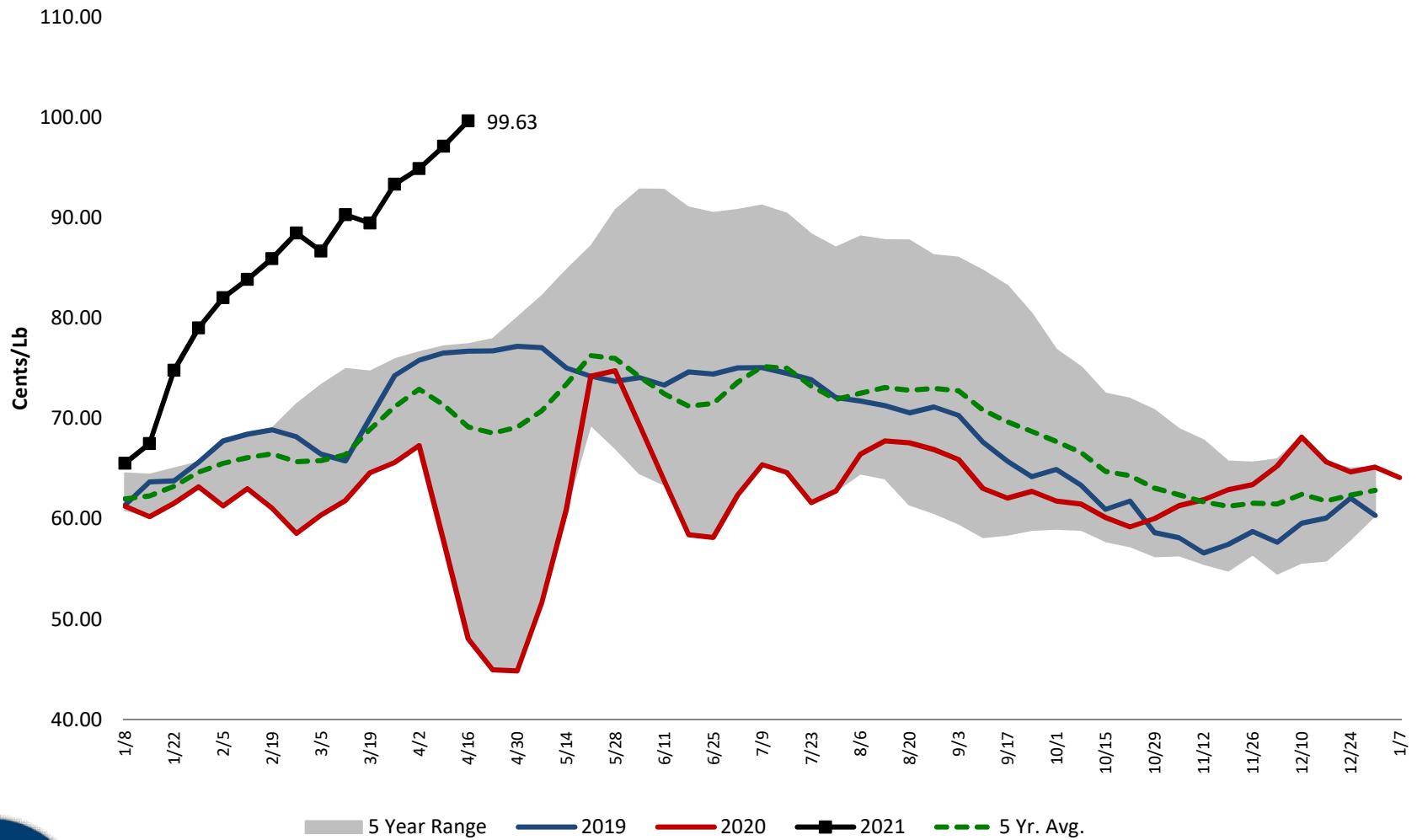
- Total inventories decline another 4% M/M in March and are now down almost 20% Y/Y.
- Breast meat inventories fell 10% M/M.
- LQ inventories also remain extremely low, down 29% Y/Y.
- Wings inventories maintain low levels.



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Source: USDA

Strength in All Cuts Driving Total Cutout to Track Well Above Seasonal 5-Yr Range Throughout Q1

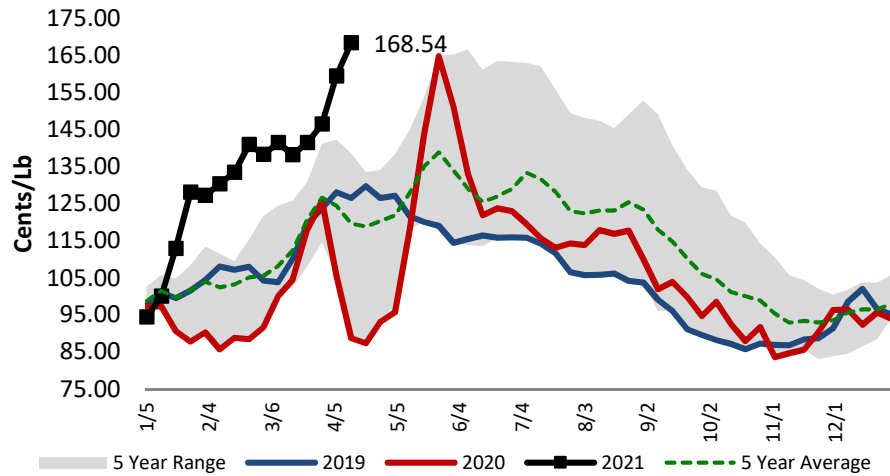


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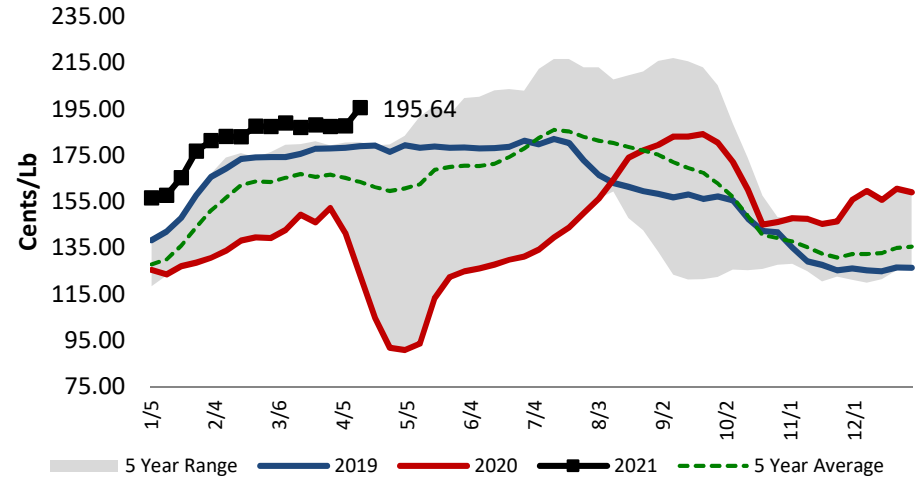
Source: PPC, EMI

BSB, Tenders, and Wings Strong and Trending at High Levels During Q1

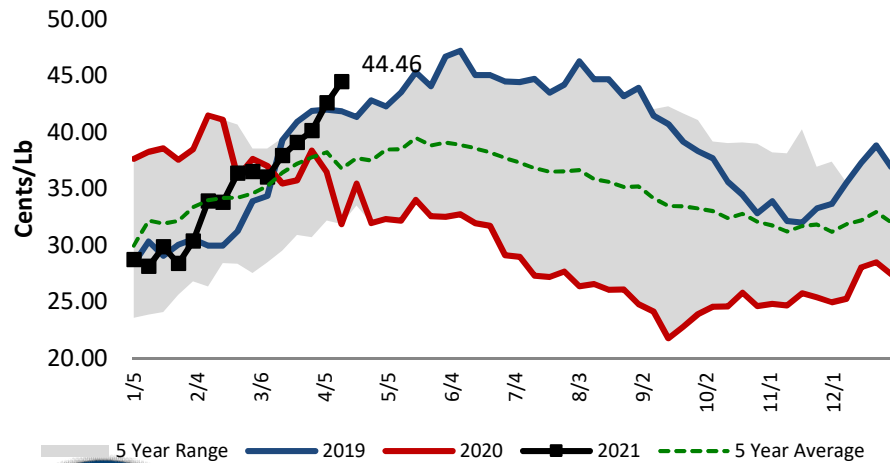
USDA Boneless/Skinless Breast NE



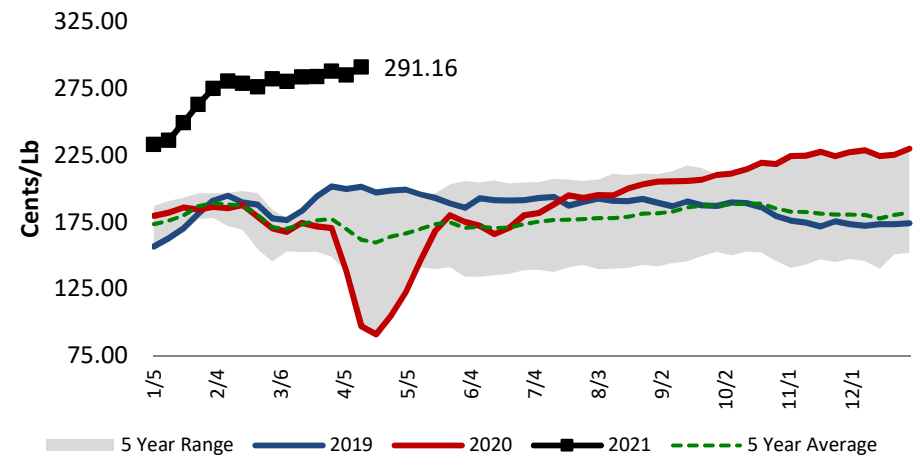
USDA Tenders NE



USDA Leg Quarters NE



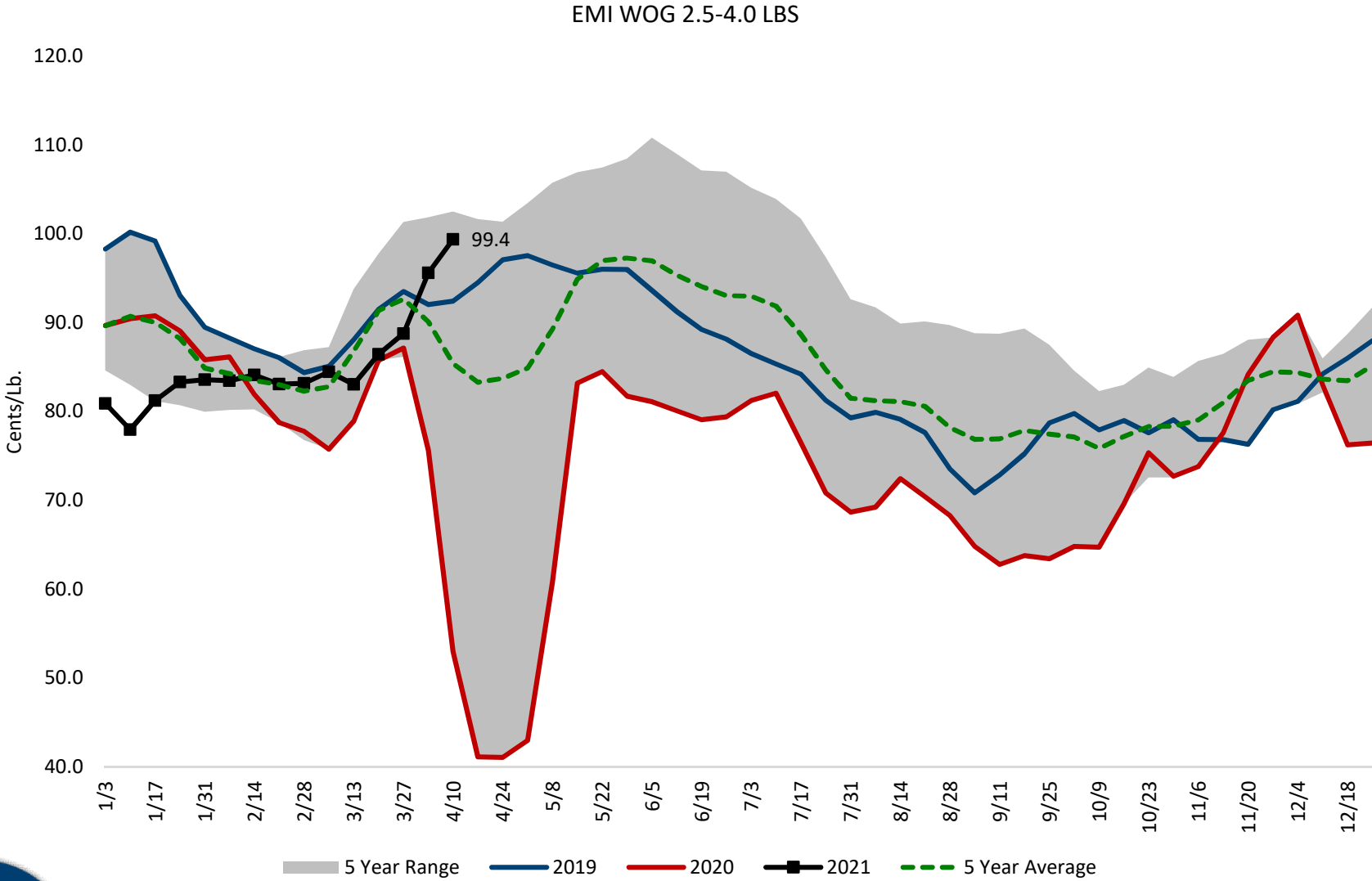
USDA Whole Wings NE



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Source: USDA

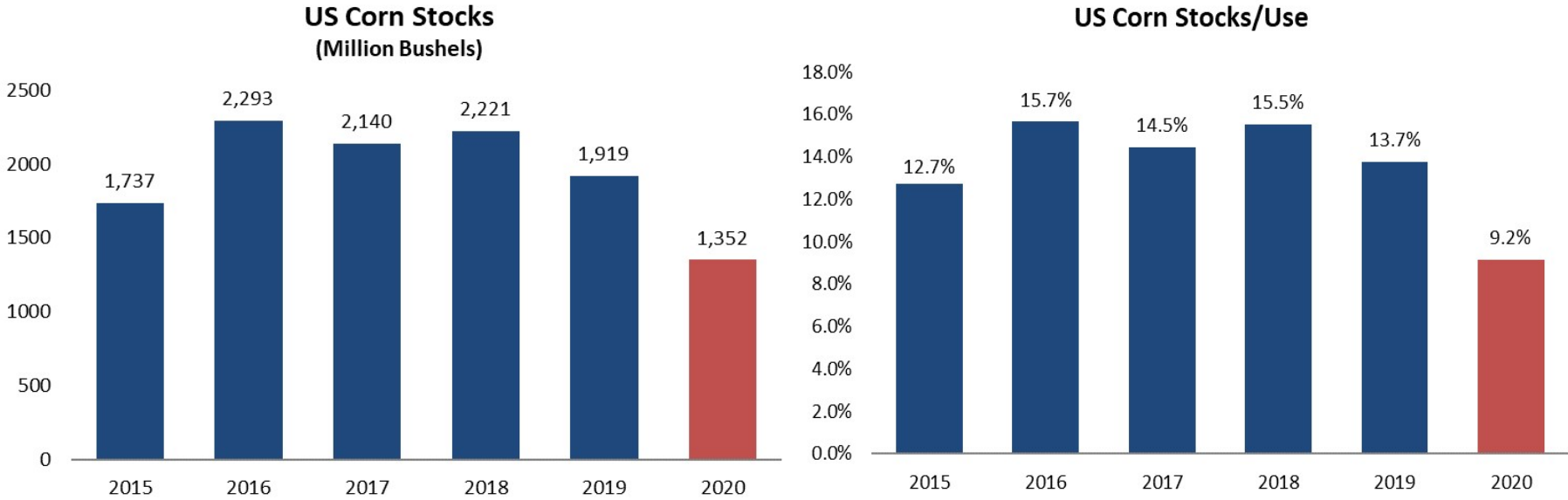
WOG Pricing In Q1 Trended Near 5-Yr Avg; Strong Start in Early Q2



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Source: EMI

Corn Stocks Tighten



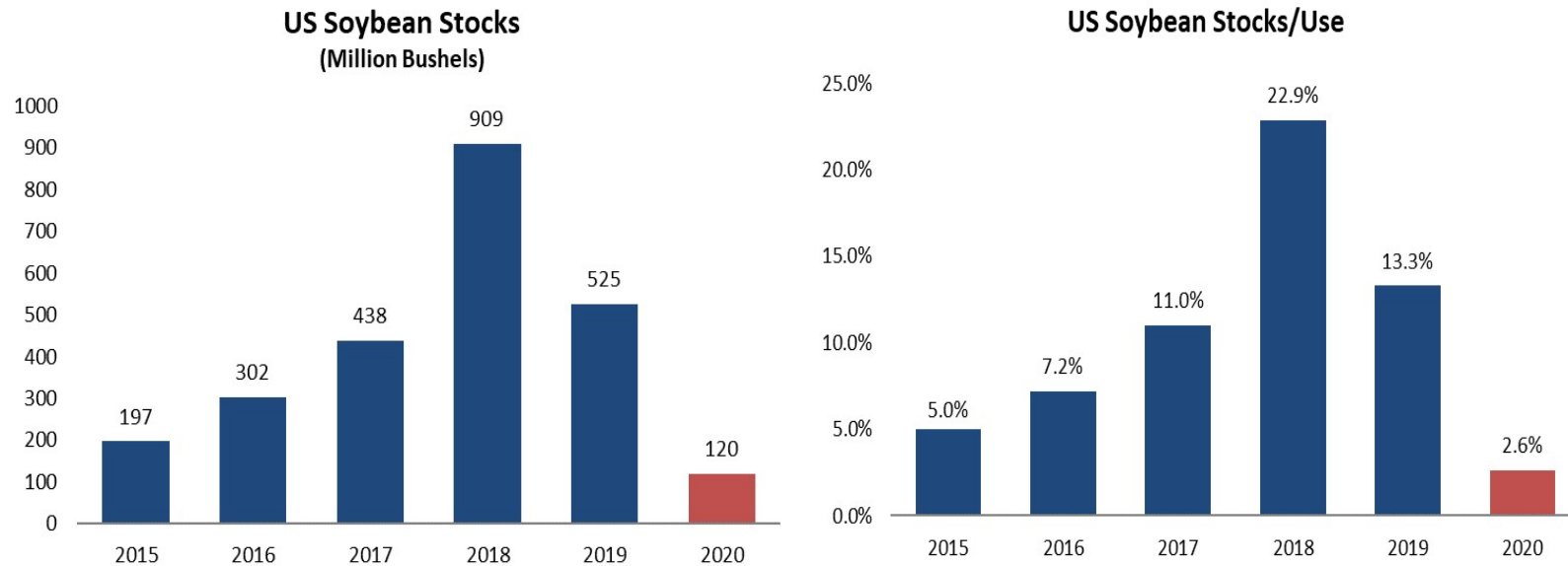
- US corn stocks continues to be lowered by USDA, tightening to stocks similar to levels last seen in 2013
- The market continues to watch the corn export pace and domestic use with tighter stocks/use



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Source: USDA

Soybean Stocks Tighten



- USDA decreased soybean ending stocks in 2020 to levels previously seen before the trade war
- U.S. exports of soybeans and U.S. demand both continues to be a driving factor for tightening stocks



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Source: USDA

First Quarter 2021 Financial Review

Main Indicators (\$M)	Q1-21	Q1-20
Net Revenue	3,273.4	3,074.9
Gross Profit	261.2	177.1
SG&A	102.8	92.7
Operating Income	158.5	84.4
Net Interest	28.0	31.0
Net Income	100.2	67.3
Earnings Per Share (EPS)	0.41	0.27
Adjusted EBITDA*	253.8	165.5
<i>Adjusted EBITDA Margin*</i>	7.8%	5.4%

* 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 GAAP.

- U.S.: QSR and retail maintaining strength while commodity much improved due to better foodservice demand, operationally weather events and labor tightness impacting MIX; Mexico: Strength continues on balanced supply/demand conditions, improving macro; UK/Europe: Higher feed, lower volume on foodservice, COVID-19 mitigation costs, and China export constraints; partially offset by innovation and operational improvements.
- SG&A higher due to legal costs and increased brand investments in U.S. and MX.
- Adjusted Q1-21 EBITDA reflects portfolio balance, Key Customer strategy, and geographical diversification.

In \$M	U.S.	EU	MX
Net Revenue	1,999.6	854.7	419.1
Operating Income	68.1	10.5	79.8
<i>Operating Income Margin</i>	3.4%	1.2%	19.0%

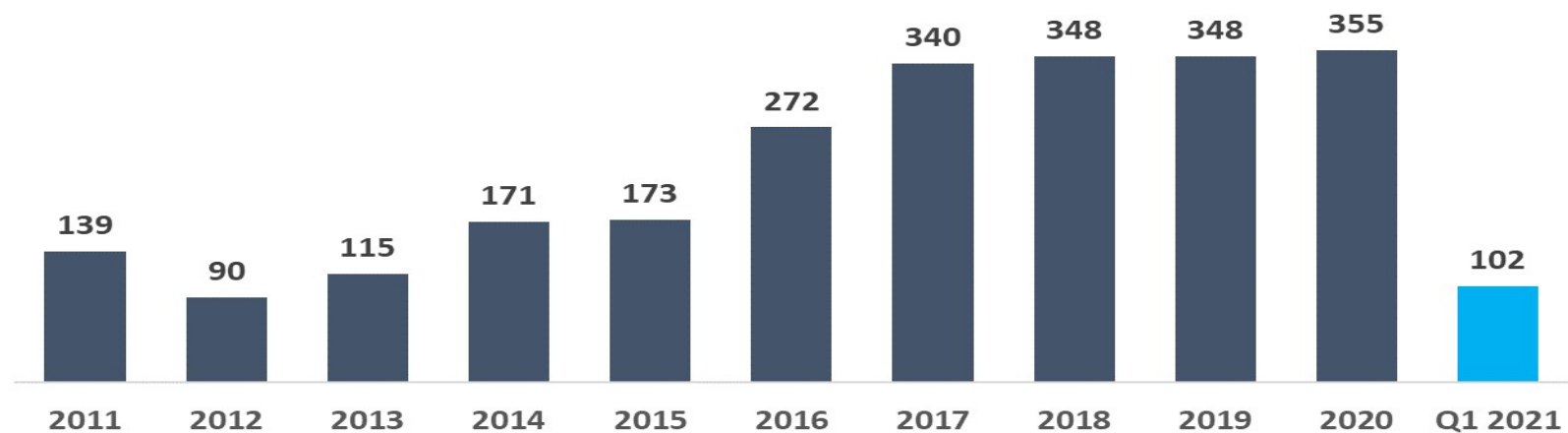


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Source: PPC

Fiscal Year 2021 Capital Spending

Capex (US\$M)



- Strong Free Cash Flow generation has enabled us to direct more capital spending towards identified projects with rapid payback and structural projects.
- New strategic projects will support key customers growth and emphasize our focus on achieving a balanced portfolio.



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Source: PPC

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APPENDIX



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Appendix: Reconciliation of Adjusted EBITDA

"EBITDA" is defined as the sum of net income 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 loss (gain), (2) transaction costs from business acquisitions, (3) DOJ agreement & litigation settlements, (4) negative adjustment to previously recognized gain on bargain purchase, (5) shareholder litigation settlement, (6) deconsolidation of subsidiary and (7) 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	
	March 28, 2021	March 29, 2020
(In thousands)		
Net income	\$ 100,468	\$ 67,449
Add:		
Interest expense, net ^(a)	27,968	30,998
Income tax expense	35,358	38,512
Depreciation and amortization	86,532	79,773
EBITDA	250,326	216,732
Add:		
Foreign currency transaction loss (gain) ^(b)	2,514	(18,385)
Transaction costs related to acquisitions ^(c)	—	215
DOJ agreement & litigation settlements ^(d)	2,399	—
Minus:		
Negative adjustment to previously recognized gain on bargain purchase ^(e)	—	(1,740)
Shareholder litigation settlement ^(f)	—	34,643
Deconsolidation of subsidiary ^(g)	1,131	—
Net income attributable to noncontrolling interest	260	181
Adjusted EBITDA	<u>\$ 253,848</u>	<u>\$ 165,478</u>

(a) Interest expense, net, consists of interest expense less interest income.

(b) 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, as well as, from our U.K. and Europe reportable segment are included in the line item Foreign currency transaction loss (gain) in the Condensed Consolidated Statements of Income.

(c) Transaction costs related to acquisitions includes those charges that are incurred in conjunction with business acquisitions.

(d) On October 13, 2020, Pilgrims announced that we have entered into a plea agreement (the "Plea Agreement") with the DOJ. As a result of the Plea Agreement, we recognized a fine of \$110,524,140. On February 23, 2021, the Colorado Court approved the Plea Agreement and assessed a fine of \$107.9 million. This difference recognized in the three months ended March 28, 2021 was offset by an amount recognized in anticipation of a probable settlement in ongoing litigation.

(e) The gain on bargain purchase was recognized as a result of the PPL acquisition in October 2019. The amount shown above represents a working capital adjustment to the previously recorded gain on bargain purchase.

(f) Shareholder litigation settlement is income received as a result of a settlement in the first quarter of 2020.

(g) This represents a gain recognized as a result of deconsolidation of a subsidiary.



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Source: PPC

Appendix: Reconciliation of LTM Adjusted EBITDA

The summary unaudited consolidated income statement data for the twelve months ended March 28, 2021 (the LTM Period) have been calculated by subtracting the applicable unaudited consolidated income statement data for the three months ended March 29, 2020 from the sum of (1) the applicable audited consolidated income statement data for the year ended December 27, 2020 and (2) the applicable unaudited consolidated income statement data for the three months ended March 28, 2021.

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

	Three Months Ended			LTM Ended	
	June 28, 2020	September 27, 2020	December 27, 2020	March 28, 2021	March 28, 2021
	(In thousands)				
Net income	\$ (6,400)	\$ 33,691	\$ 330	\$ 100,468	\$ 128,089
Add:					
Interest expense, net	31,165	28,801	27,849	27,968	115,783
Income tax expense	(2,956)	22,344	8,855	35,358	63,601
Depreciation and amortization	84,603	84,265	88,463	86,532	343,863
EBITDA	106,412	169,101	125,497	250,326	651,336
Add:					
Foreign currency transaction losses	5,525	9,092	4,528	2,514	21,659
Transaction costs related to acquisitions	(81)	—	—	—	(81)
DOJ agreement & litigation settlements	—	110,524	75,000	2,399	187,923
Restructuring charges	—	—	123	—	123
Hometown Strong commitment	—	14,506	494	—	15,000
Minus:					
Negative adjustment to previously recognized gain on bargain purchase	—	(2,006)	—	—	(2,006)
Deconsolidation of subsidiary	—	—	—	1,131	1,131
Net income (loss) attributable to noncontrolling interest	(364)	245	251	260	392
Adjusted EBITDA	\$ 112,220	\$ 304,984	\$ 205,391	\$ 253,848	\$ 876,443



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Source: PPC

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		Three Months Ended	
	March 28, 2021	March 29, 2020	March 28, 2021	March 29, 2020
	(In thousands)			
Net income	\$ 100,468	\$ 67,449	3.07 %	2.19 %
Add:				
Interest expense, net	27,968	30,998	0.85 %	1.01 %
Income tax expense	35,358	38,512	1.08 %	1.25 %
Depreciation and amortization	86,532	79,773	2.64 %	2.59 %
EBITDA	250,326	216,732	7.64 %	7.04 %
Add:				
Foreign currency transaction losses (gains)	2,514	(18,385)	0.07 %	(0.59)%
Transaction costs related to acquisitions	—	215	— %	0.01 %
DOJ agreement & litigation settlements	2,399	—	0.07 %	— %
Minus:				
Negative adjustment to previously recognized gain on bargain purchase	—	(1,740)	— %	(0.06)%
Shareholder litigation settlement	—	34,643	— %	1.13 %
Deconsolidation of subsidiary	1,131	—	0.03 %	— %
Net income attributable to noncontrolling interest	260	181	0.01 %	0.01 %
Adjusted EBITDA	\$ 253,848	\$ 165,478	7.74 %	5.38 %
Net sales	\$ 3,273,425	\$ 3,074,928	\$ 3,273,425	\$ 3,074,928



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Source: PPC

Appendix: Reconciliation of Adjusted EBITDA by Segment

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

	Three Months Ended				Three Months Ended			
	March 28, 2021				March 29, 2020			
	U.S.	U.K. & Europe	Mexico	Total	U.S.	U.K. & Europe	Mexico	Total
	(In thousands)				(In thousands)			
Net income	\$ 40,933	\$ 13,263	\$ 46,272	\$ 100,468	\$ 100,802	\$ 11,546	\$ (44,899)	\$ 67,449
Add:								
Interest expense, net ^(a)	29,694	215	(1,941)	27,968	31,728	371	(1,101)	30,998
Income tax expense	7,745	(1,085)	28,698	35,358	20,229	11,179	7,104	38,512
Depreciation and amortization	55,252	25,067	6,213	86,532	52,039	21,032	6,702	79,773
EBITDA	133,624	37,460	79,242	250,326	204,798	44,128	(32,194)	216,732
Add:								
Foreign currency transaction loss (gain) ^(b)	(5,339)	485	7,368	2,514	(33,032)	(727)	15,374	(18,385)
Transaction costs related to acquisitions ^(c)	—	—	—	—	215	—	—	215
DOJ agreement & litigation settlements ^(d)	2,399	—	—	2,399	—	—	—	—
Minus:								
Negative adjustment to previously recognized gain on bargain purchase ^(e)	—	—	—	—	—	(1,740)	—	(1,740)
Shareholder litigation settlement ^(f)	—	—	—	—	34,643	—	—	34,643
Deconsolidation of subsidiary ^(g)	—	1,131	—	1,131	—	—	—	—
Net income attributable to noncontrolling interest	—	—	260	260	—	—	181	181
Adjusted EBITDA	\$ 130,684	\$ 36,814	\$ 86,350	\$ 253,848	\$ 137,338	\$ 45,141	\$ (17,001)	\$ 165,478

(a) Interest expense, net, consists of interest expense less interest income.

(b) 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, as well as, from our U.K. and Europe reportable segment are included in the line item *Foreign currency transaction loss (gain)* in the Condensed Consolidated Statements of Income.

(c) Transaction costs related to acquisitions includes those charges that are incurred in conjunction with business acquisitions.

(d) On October 13, 2020, Pilgrims announced that we have entered into a plea agreement (the "Plea Agreement") with the DOJ. As a result of the Plea Agreement, we recognized a fine of \$110,524,140. On February 23, 2021, the Colorado Court approved the Plea Agreement and assessed a fine of \$107.9 million. The difference from prior accrual to updated amount was recognized during the three months ended March 28, 2021. This difference recognized in the three months ended March 28, 2021 was offset by an amount recognized in anticipation of a probable settlement in ongoing litigation.

(e) The gain on bargain purchase was recognized as a result of the PPL acquisition in October 2019. The amount shown above represents a working capital adjustment to the previously recorded gain on bargain purchase.

(f) Shareholder litigation settlement is income received as a result of a settlement in the first quarter of 2020.

(g) This represents a gain recognized as a result of deconsolidation of a subsidiary.



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Source: PPC

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. Adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is presented because it is used by us, 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 attributable to Pilgrim's Pride Corporation per common diluted share to adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is as follows:

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

	<u>Three Months Ended</u>	
	<u>March 28, 2021</u>	<u>March 29, 2020</u>
(In thousands, except per share data)		
Net income attributable to Pilgrim's	\$ 100,208	\$ 67,268
Add:		
Foreign currency transaction losses (gains)	2,514	(18,385)
Transaction costs related to acquisitions	—	215
DOJ agreement & litigation settlements	2,399	—
Minus:		
Negative adjustment to previously recognized gain on bargain purchase	—	(1,740)
Shareholder litigation settlement	—	34,643
Deconsolidation of subsidiary	1,131	—
Adjusted net income attributable to Pilgrim's before tax impact of adjustments	103,990	16,195
Net tax impact of adjustments ^(a)	(942)	12,722
Adjusted net income attributable to Pilgrim's	\$ 103,048	\$ 28,917
Weighted average diluted shares of common stock outstanding	243,858	249,622
Adjusted net income attributable to Pilgrim's per common diluted share	<u>\$ 0.42</u>	<u>\$ 0.12</u>

(a) Net tax expense (benefit) of adjustments represents the tax impact of all adjustments shown above.



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Source: PPC

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)

	<u>Three Months Ended</u>	
	<u>March 28, 2021</u>	<u>March 29, 2020</u>
	(In thousands, except per share data)	
GAAP EPS	\$ 0.41	\$ 0.27
Add:		
Foreign currency transaction losses (gains)	0.01	(0.07)
Transaction costs related to acquisitions	—	—
DOJ agreement & litigation settlements	—	—
Minus:		
Negative adjustment to previously recognized gain on bargain purchase	—	(0.01)
Shareholder litigation settlement	—	0.14
Deconsolidation of subsidiary	—	—
Adjusted EPS before tax impact of adjustments	0.42	0.07
Net tax impact of adjustments ^(a)	—	0.05
Adjusted EPS	<u>\$ 0.42</u>	<u>\$ 0.12</u>
Weighted average diluted shares of common stock outstanding	243,858	249,622

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



All about great taste.

Source: PPC

Appendix: Supplementary Selected Segment and Geographic Data

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

	<u>Three Months Ended</u>	
	<u>March 28, 2021</u>	<u>March 29, 2020</u>
	(In thousands)	
Sources of net sales by geographic region of origin:		
U.S.	\$ 1,999,559	\$ 1,926,880
U.K. and Europe	854,734	822,262
Mexico	419,132	325,786
Total net sales	<u>\$ 3,273,425</u>	<u>\$ 3,074,928</u>
Sources of cost of sales by geographic region of origin:		
U.S.	\$ 1,866,700	\$ 1,788,777
U.K. and Europe	816,926	770,134
Mexico	328,570	338,942
Elimination	(14)	(24)
Total cost of sales	<u>\$ 3,012,182</u>	<u>\$ 2,897,829</u>
Sources of gross profit by geographic region of origin:		
U.S.	\$ 132,859	\$ 138,103
U.K. and Europe	37,808	52,128
Mexico	90,562	(13,156)
Elimination	14	24
Total gross profit	<u>\$ 261,243</u>	<u>\$ 177,099</u>
Sources of operating income by geographic region of origin:		
U.S.	\$ 68,125	\$ 85,052
U.K. and Europe	10,495	23,190
Mexico	79,830	(23,880)
Elimination	14	24
Total operating income	<u>\$ 158,464</u>	<u>\$ 84,386</u>



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Source: PPC