



THE J.M. SMUCKER Co

FISCAL 2024 FOURTH QUARTER RESULTS

SUPPLEMENTARY INFORMATION

June 6, 2024

EXECUTIVE SUMMARY

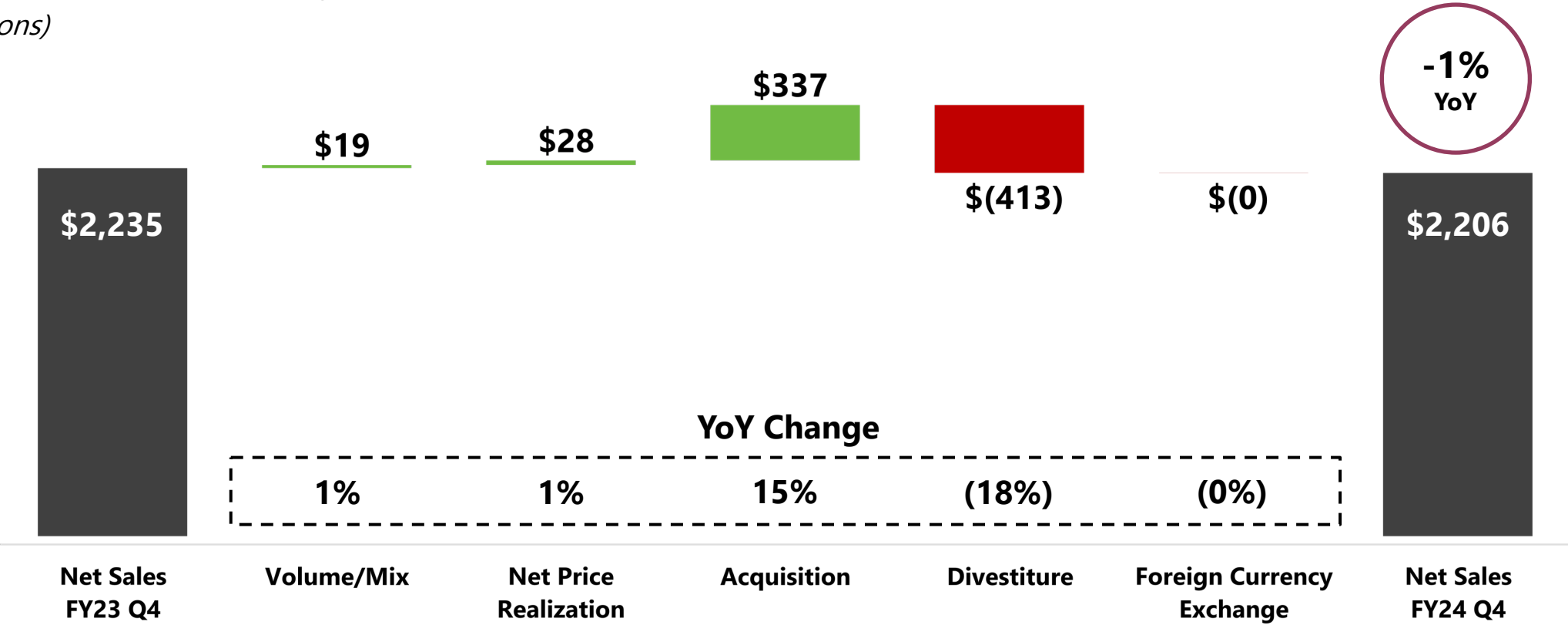
- Net sales decreased 1%
Comparable net sales increased 3% (excl. acquisition, divestitures, & foreign currency exchange)
- Net income per diluted share was \$2.30
Adjusted earnings per share was \$2.66, an increase of 1%
- Free cash flow was \$297.5 million, compared to \$298.7 million in the prior year
- Provided full-year fiscal 2025 financial outlook

CONSOLIDATED RESULTS

(\$ in millions, except per share data)	FY24 Q4	FY23 Q4	YoY Change
Net Sales	\$2,205.7	\$2,234.8	(1%)
Adjusted Gross Profit	\$888.4	\$771.9	15%
Adjusted Gross Profit Margin	40.3%	34.5%	580bps
Adjusted Operating Income	\$461.6	\$408.2	13%
Adjusted Operating Income Margin	20.9%	18.3%	260bps
Adjusted Effective Income Tax Rate	23.2%	23.8%	(60bps)
Adjusted EPS – Assuming Dilution	\$2.66	\$2.64	1%

CONSOLIDATED RESULTS

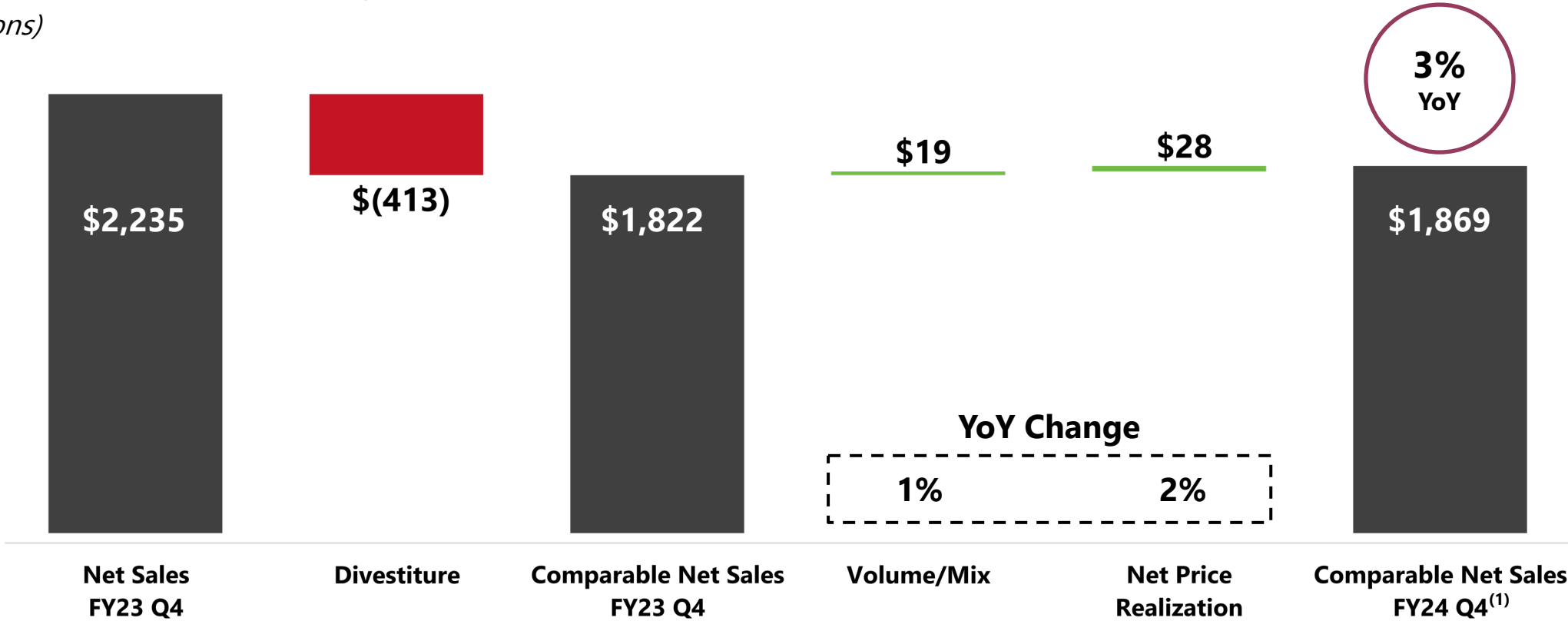
Reported Net Sales Analysis
(\$ in millions)



Note: Amounts may not add due to rounding
FY24 Q4 RESULTS SUPPLEMENT

CONSOLIDATED RESULTS

Comparable Net Sales Analysis *(\$ in millions)*



⁽¹⁾ Excludes net sales related to the Hostess Brands acquisition.
Note: Amounts may not add due to rounding

CONSOLIDATED RESULTS

Balance Sheet/Cash Flow Highlights

(\$ in millions)	FY24 Q4	FY23 Q4
Cash Provided by (Used for) Operations	\$428.1	\$443.8
Capital Expenditures	(130.6)	(145.1)
Free Cash Flow	\$297.5	\$298.7
	April 30, 2024	April 30, 2023
Total Debt (Gross)	\$8,364.0	\$4,314.2
Cash and Cash Equivalents	(62.0)	(655.8)
Total Debt (Net)	\$8,302.0	\$3,658.4
EBITDA (as adjusted, TTM) ⁽¹⁾	\$1,704.4	\$1,592.3
Net Debt/EBITDA (TTM) ⁽¹⁾	4.9x	2.3x

⁽¹⁾ Reflects amounts as reported, including acquired and divested businesses while under Company ownership.

SEGMENT RESULTS: FY24 Q4

(\$ in millions)	U.S. RETAIL COFFEE	U.S. RETAIL FH&S	U.S. RETAIL PET FOODS ⁽¹⁾	SWEET BAKED SNACKS	INT'L & AFH
Net Sales	\$666.1	\$450.5	\$452.6	\$337.0	\$299.5
YoY Change	(4%)	(1%)	(42%)	-	(1%)
YoY Net Sales Change Summary:					
Acquisition/Divestitures	-	(2%)	(48%)	-	(8%)
Foreign Currency Exchange	-	-	-	-	(0%)
Net Sales Excluding Acquisition, Divestitures & Foreign Currency Exchange	(4%)	1%	11%	-	8%
Volume/Mix	(2%)	(3%)	8%	-	3%
Net Price Realization	(2%)	4%	3%	-	5%
Segment Profit	\$210.3	\$95.8	\$114.1	\$70.2	\$61.1
YoY Change	5%	(7%)	(22%)	-	28%
Segment Profit Margin	31.6%	21.3%	25.2%	20.8%	20.4%
YoY Change	+270bps	-150bps	+670bps	-	+470bps

⁽¹⁾ Includes \$22.7 million of contract manufacturing sales related to the divested pet food brands.

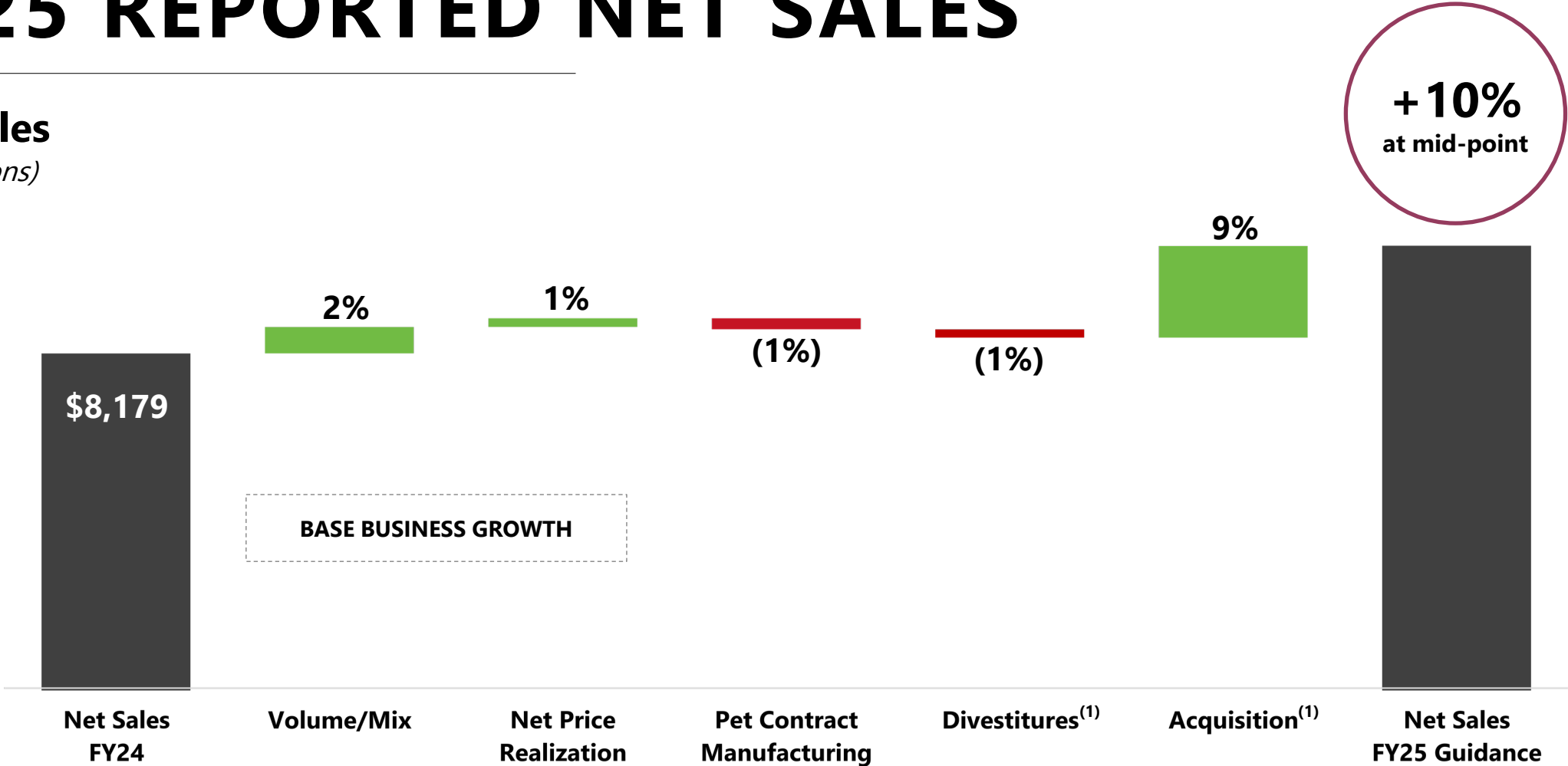
Note: Amounts may not add due to rounding

FULL-YEAR FISCAL 2025 OUTLOOK

Net Sales Increase	9.5% to 10.5%
Adjusted EPS – Assuming Dilution	\$9.80 to \$10.20
Free Cash Flow (in Millions)	\$900
Capital Expenditures (in Millions)	\$450
Adjusted Effective Income Tax Rate	24.4%

FY25 REPORTED NET SALES

Net Sales
(\$ in millions)

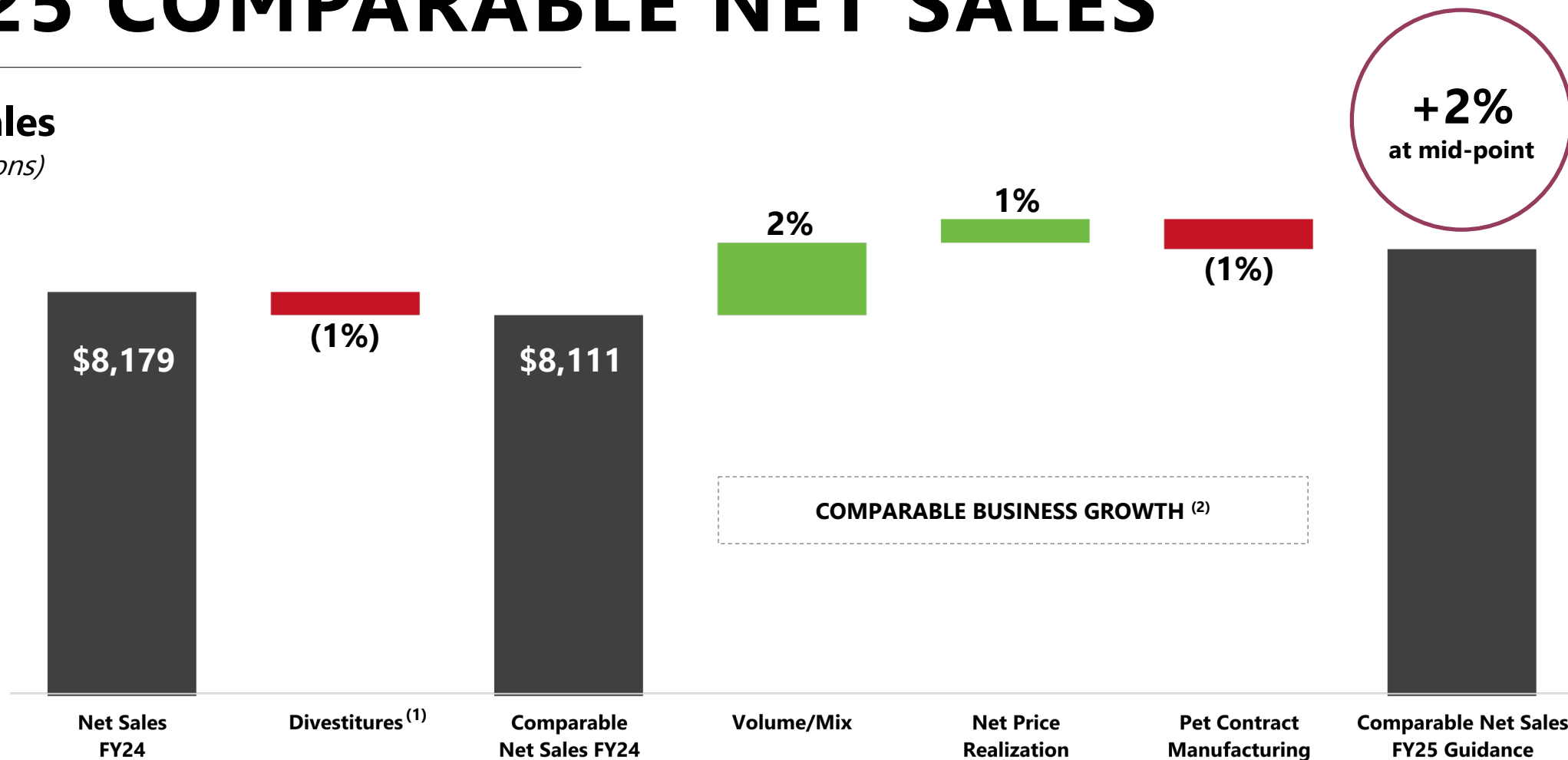


⁽¹⁾ Acquisition represents the non-comparable anticipated net sales for FY25. Divestitures represent \$67.9 million of divested net sales related to the divested *Sahale Snacks*[®] and Canada condiment businesses.

FY25 COMPARABLE NET SALES

Net Sales

(\$ in millions)

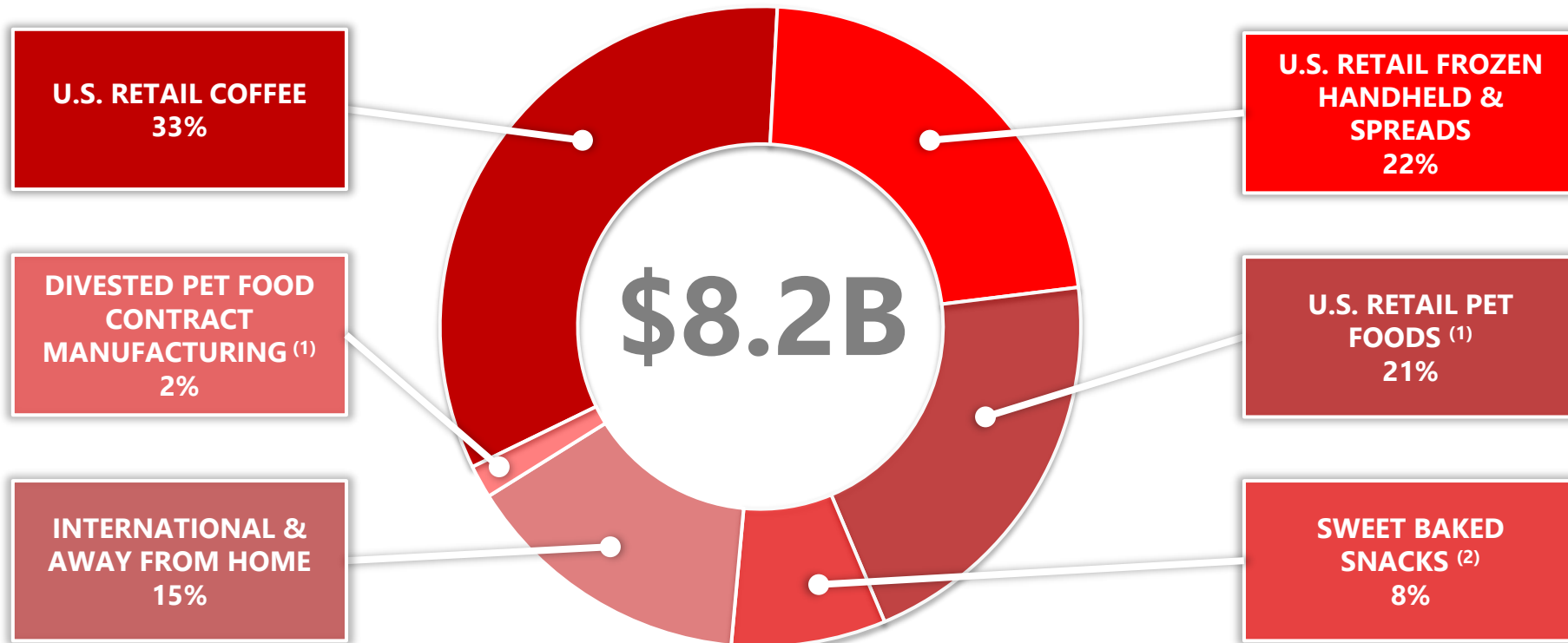


⁽¹⁾ Reflects \$67.9 million of divested net sales related to the divested *Sahale Snacks*[®] and Canada condiment businesses.

⁽²⁾ Includes organic net sales growth and \$85 million reduced contract manufacturing sales related to the divested pet food brands.

TOTAL COMPANY

Fiscal 2024 Net Sales by Reportable Segment



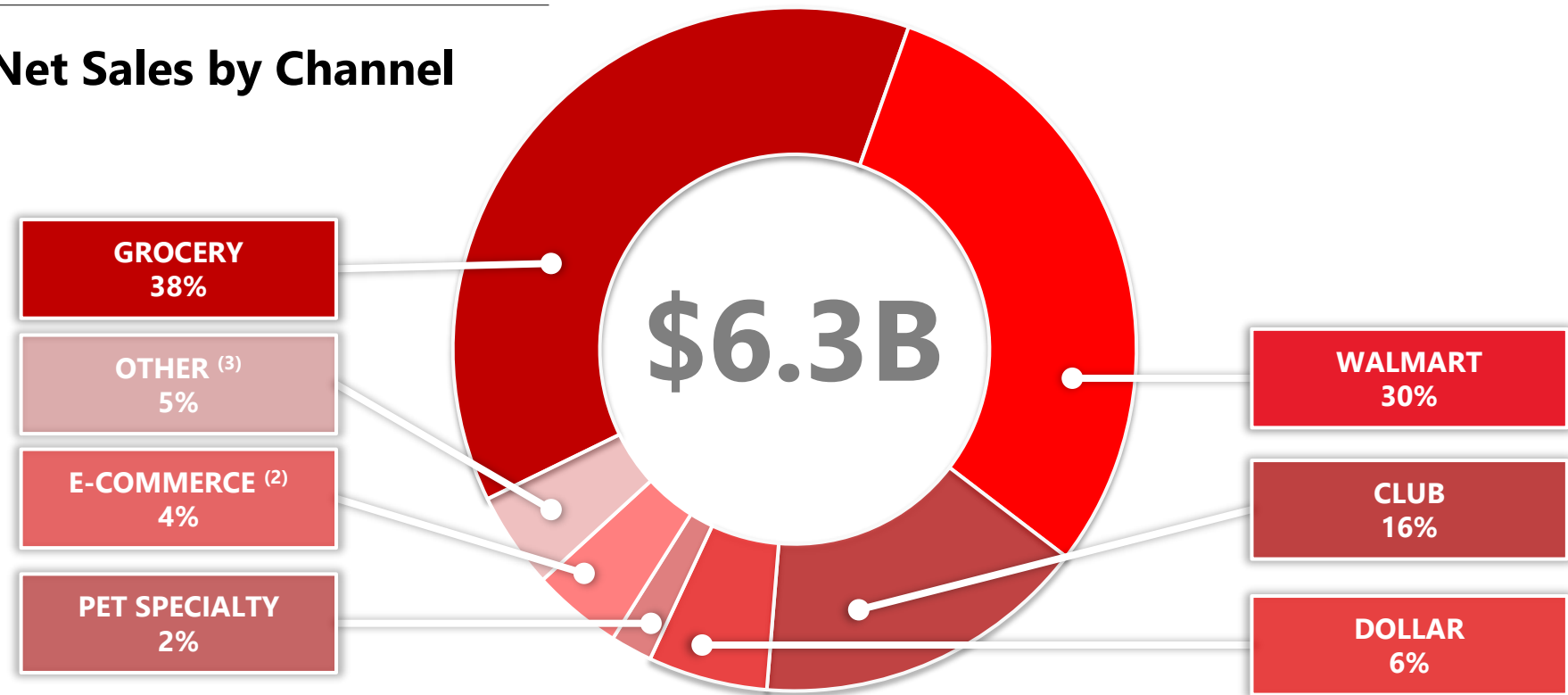
⁽¹⁾ Contract manufacturing sales related to the divested pet food brands are reported within the U.S. Retail Pet Foods segment but presented separately above.

⁽²⁾ Sweet Baked Snacks was acquired on November 7, 2024 and, as a result, the net sales presented are for a partial year of ownership of the business.

Note: Amounts may not add due to rounding

U.S. RETAIL REPORTABLE SEGMENTS ⁽¹⁾

Fiscal 2024 Net Sales by Channel



⁽¹⁾ Includes U.S. Retail Coffee, U.S. Retail Frozen Handheld and Spreads, and U.S. Retail Pet Foods segments and excludes the Sweet Baked Snacks segment as the Sweet Baked Snacks segment primarily includes all domestic and foreign sales of *Hostess*[®] and *Voortman*[®] in all channels.

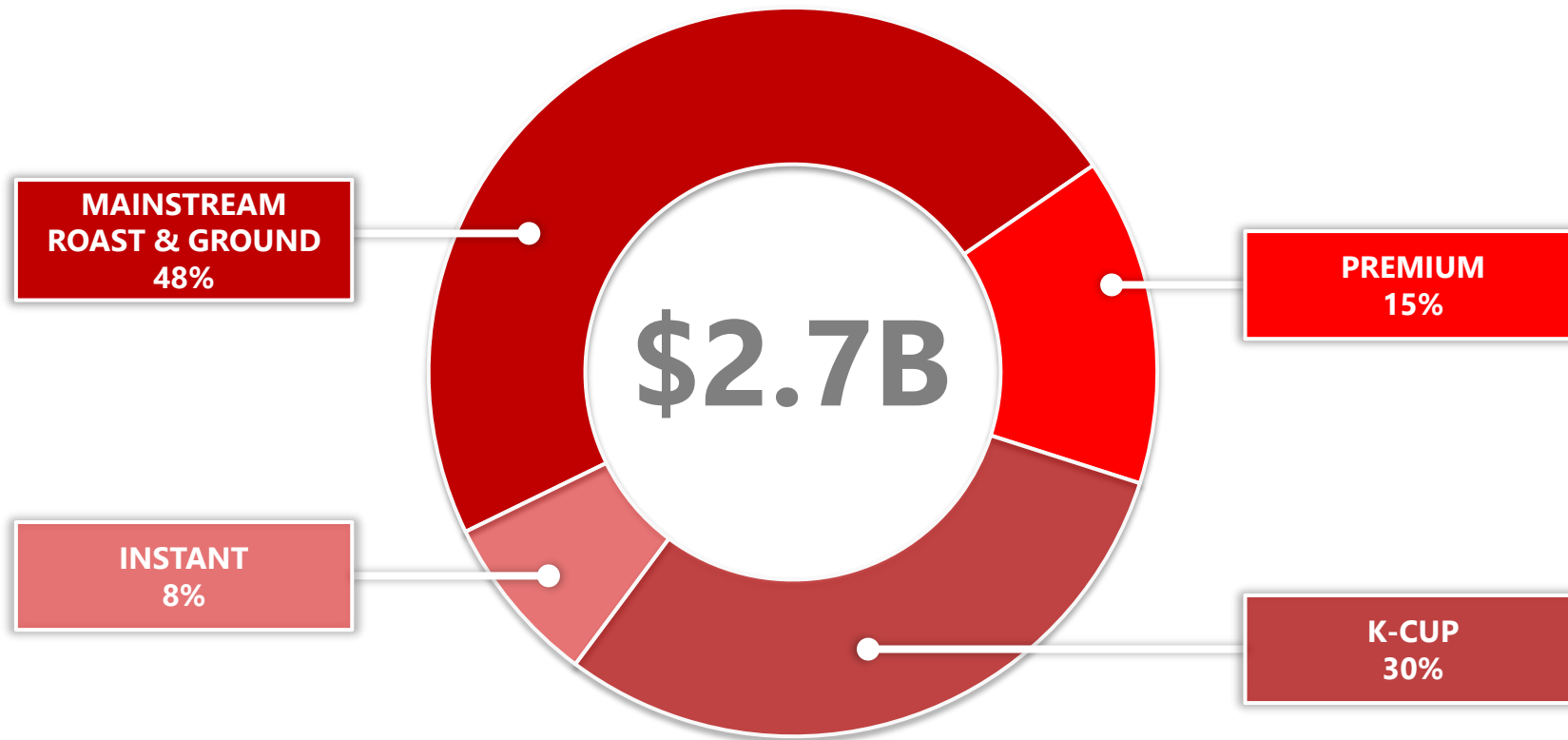
⁽²⁾ E-Commerce represents pure-play online retailers only.

⁽³⁾ Other includes Drug, Military, Mass Retail, and Convenience.

Note: Amounts may not add due to rounding

U.S. RETAIL COFFEE SEGMENT

Fiscal 2024 Net Sales

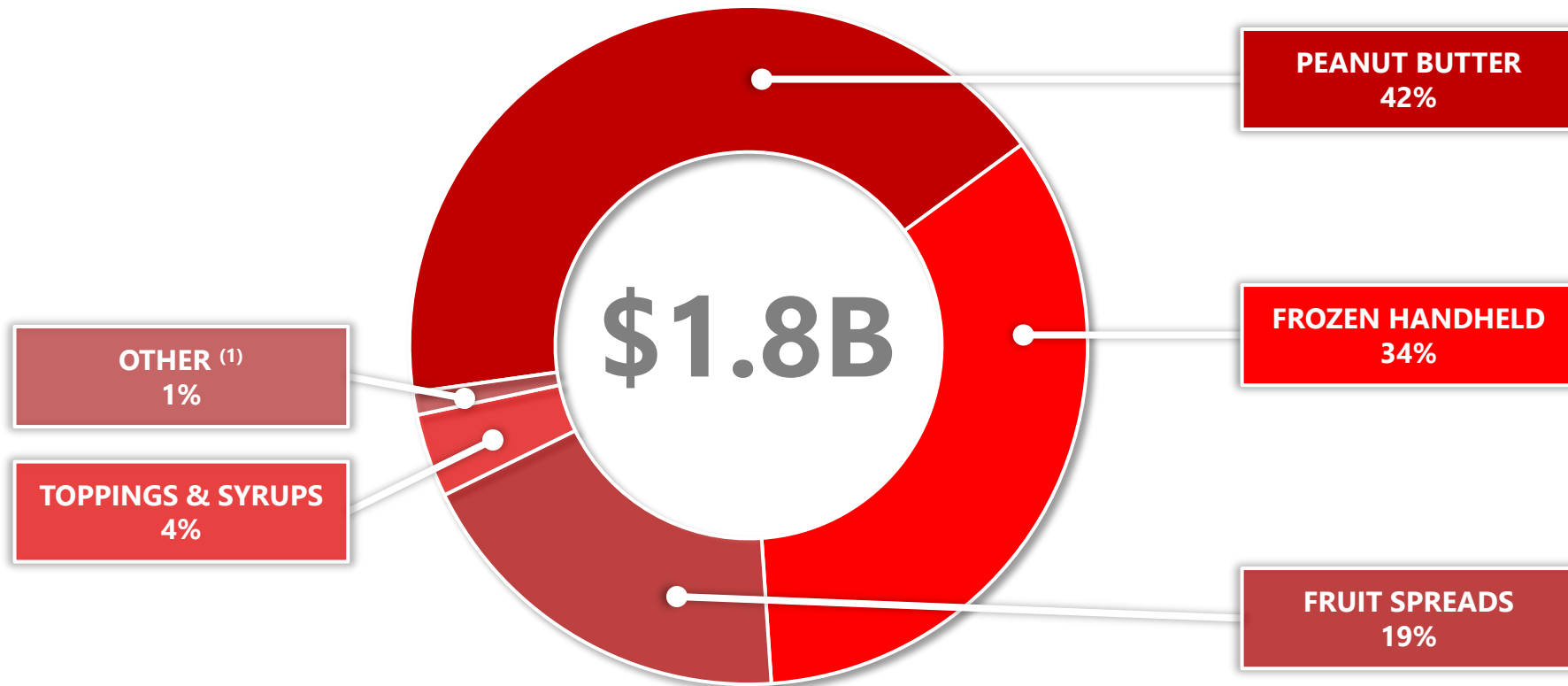


Note: Amounts may not add due to rounding

FY24 Q4 RESULTS SUPPLEMENT

U.S. RETAIL FROZEN HANDHELD & SPREADS SEGMENT

Fiscal 2024 Net Sales

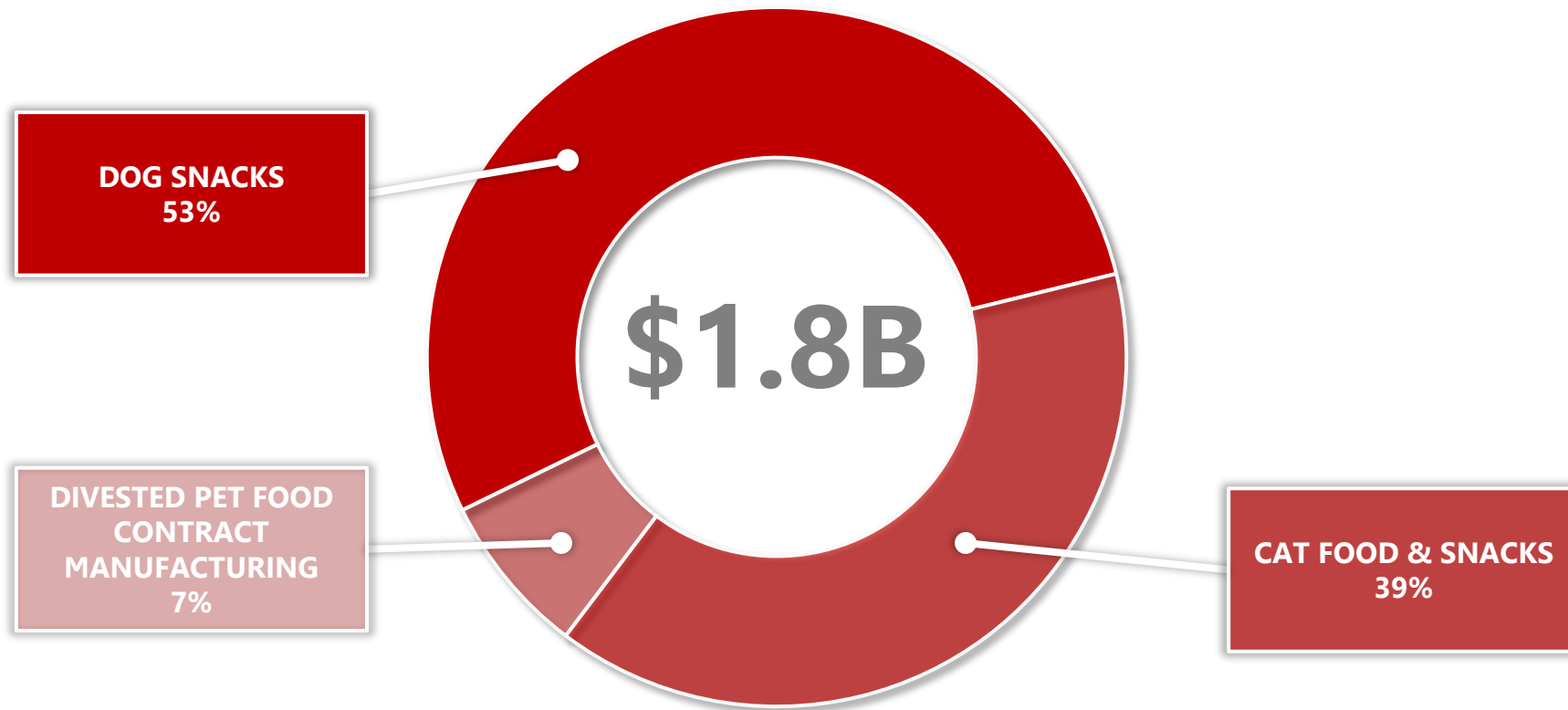


⁽¹⁾ Includes partial year of net sales from the divested *Sahale Snacks*[®] business.

Note: Amounts may not add due to rounding

U.S. RETAIL PET FOODS SEGMENT

Fiscal 2024 Net Sales



Note: Amounts may not add due to rounding

FY24 Q4 RESULTS SUPPLEMENT

SWEET BAKED SNACKS SEGMENT

Fiscal 2024 Net Sales

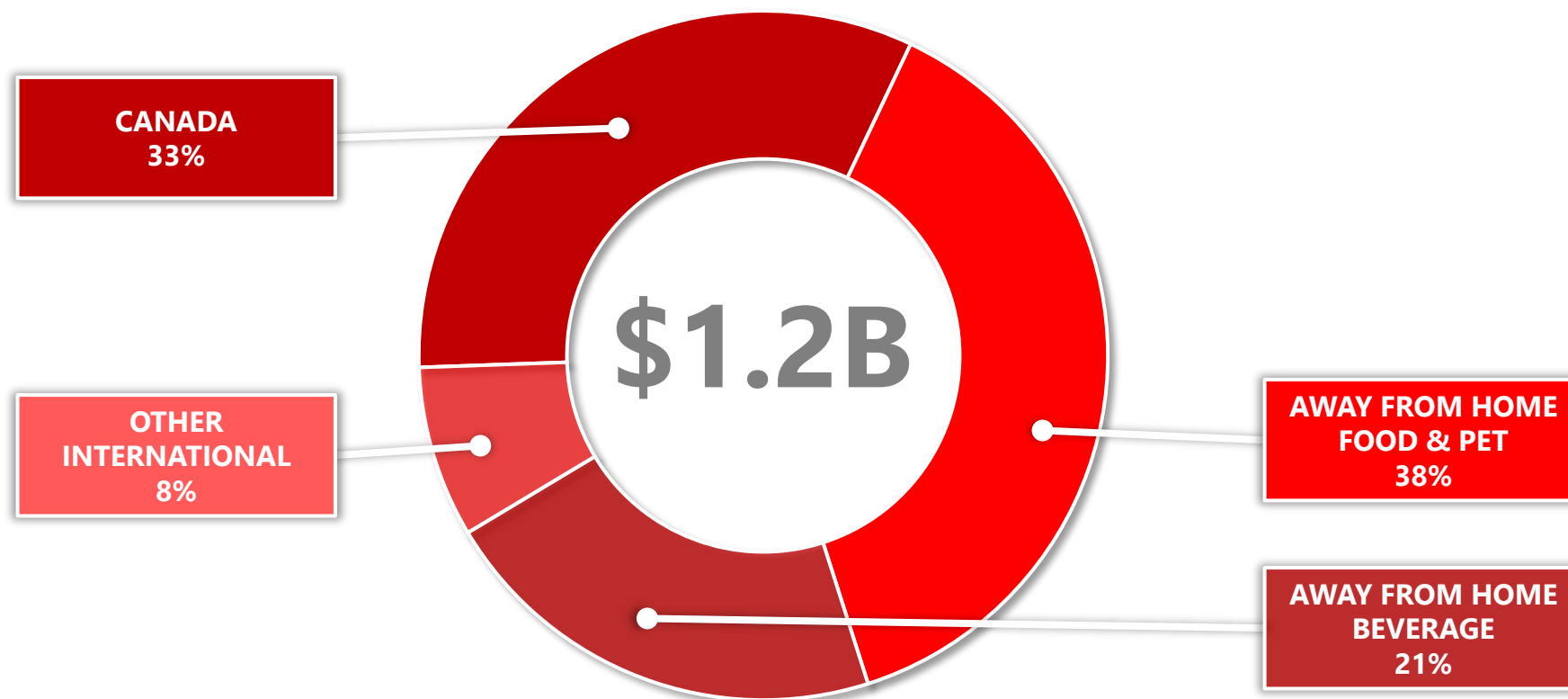


Note: Amounts may not add due to rounding

FY24 Q4 RESULTS SUPPLEMENT

INTERNATIONAL AND AWAY FROM HOME SEGMENTS

Fiscal 2024 Net Sales

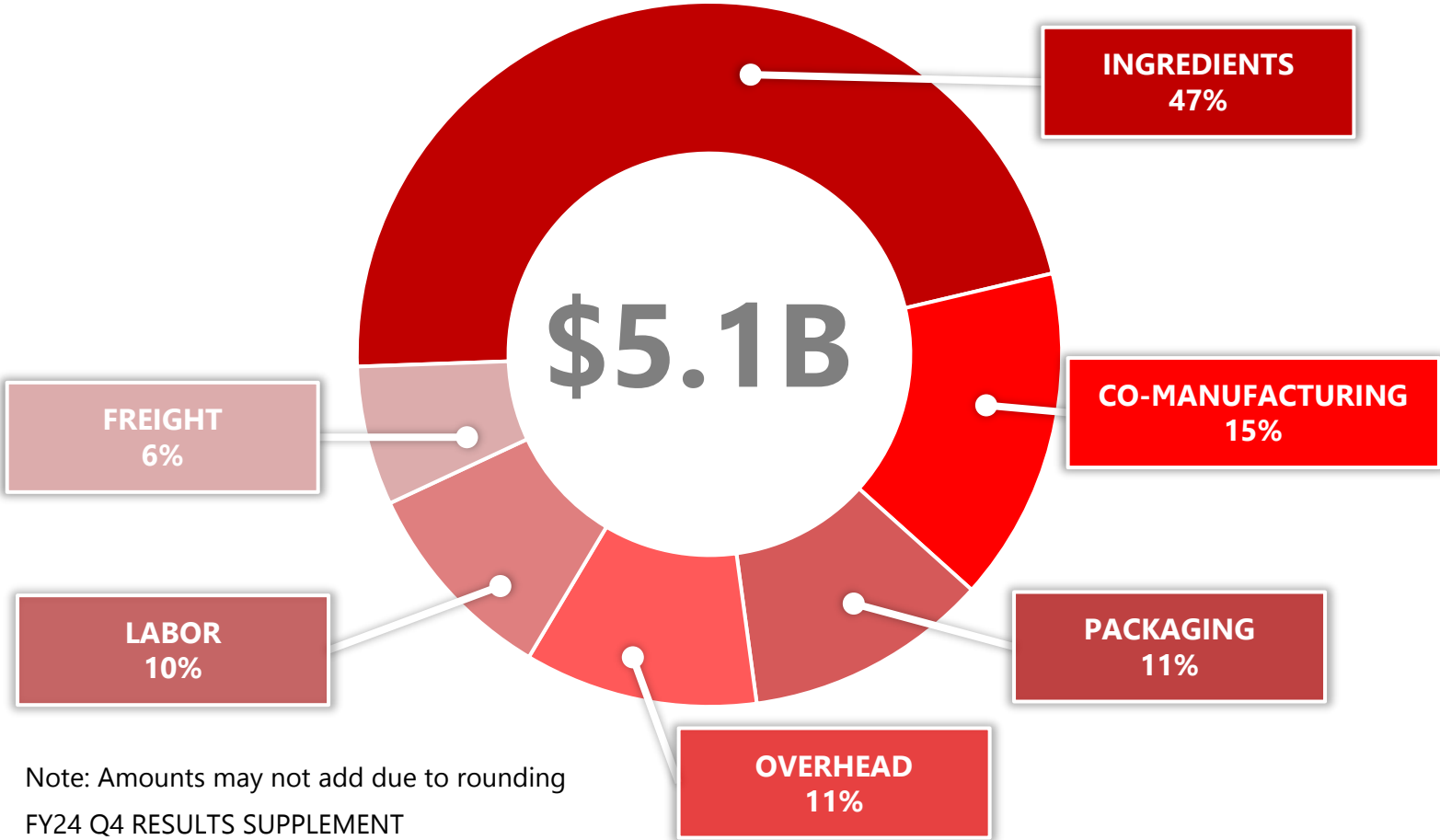


Note: Amounts may not add due to rounding

FY24 Q4 RESULTS SUPPLEMENT

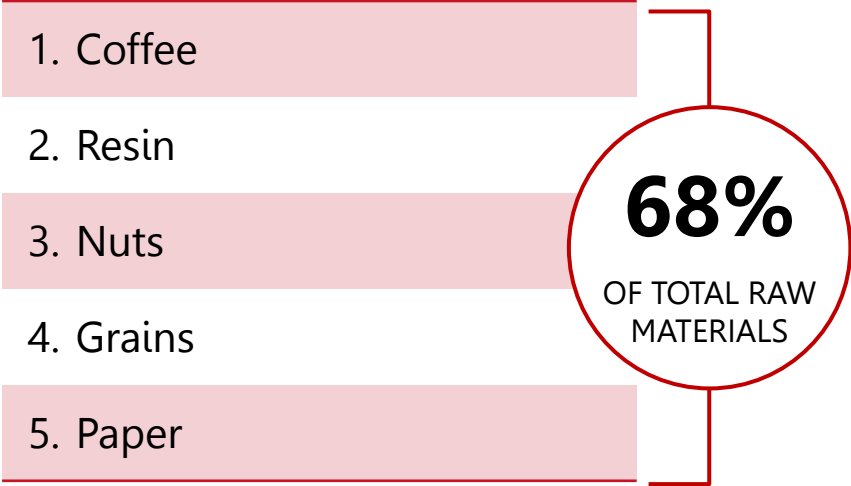
COST OF PRODUCTS SOLD

Fiscal 2024



Note: Amounts may not add due to rounding
FY24 Q4 RESULTS SUPPLEMENT

TOP 5 RAW MATERIALS



FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, such as projected net sales, operating results, earnings, and cash flows that are subject to risks and uncertainties that could cause actual results to differ materially from future results expressed or implied by those forward-looking statements. The risks, uncertainties, important factors, and assumptions listed and discussed in this press release, which could cause actual results to differ materially from those expressed, include: the Company's ability to successfully integrate Hostess Brands' operations and employees and to implement plans and achieve financial forecasts with respect to the Hostess Brands' business; the Company's ability to realize the anticipated benefits, including synergies and cost savings, related to the Hostess Brands acquisition, including the possibility that the expected benefits will not be realized or will not be realized within the expected time period; disruption from the acquisition of Hostess Brands by diverting the attention of the Company's management and making it more difficult to maintain business and operational relationships; the negative effects of the acquisition of Hostess Brands on the market price of the Company's common shares; the amount of the costs, fees, expenses, and charges and the risk of litigation related to the acquisition of Hostess Brands; the effect of the acquisition of Hostess Brands on the Company's business relationships, operating results, ability to hire and retain key talent, and business generally; disruptions or inefficiencies in the Company's operations or supply chain, including any impact caused by product recalls, political instability, terrorism, geopolitical conflicts (including the ongoing conflict between Russia and Ukraine and Israel and Hamas), extreme weather conditions, natural disasters, pandemics, work stoppages or labor shortages, or other calamities; risks related to the availability, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging, and transportation; the impact of food security concerns involving either the Company's products or its competitors' products, including changes in consumer preference, consumer litigation, actions by the U.S. Food and Drug Administration or other agencies, and product recalls; risks associated with derivative and purchasing strategies the Company employs to manage commodity pricing and interest rate risks; the availability of reliable transportation on acceptable terms; the ability to achieve cost savings related to restructuring and cost management programs in the amounts and within the time frames currently anticipated; the ability to generate sufficient cash flow to continue operating under the Company's capital deployment model, including capital expenditures, debt repayment to meet the Company's deleveraging objectives, dividend payments, and share repurchases; a change in outlook or downgrade in the Company's public credit ratings by a rating agency below investment grade; the ability to implement and realize the full benefit of price changes, and the impact of the timing of the price changes to profits and cash flow in a particular period; the success and cost of marketing and sales programs and strategies intended to promote growth in the Company's businesses, including product innovation; general competitive activity in the market, including competitors' pricing practices and promotional spending levels; the Company's ability to attract and retain key talent; the concentration of certain of the Company's businesses with key customers and suppliers, including single-source suppliers or primary suppliers of certain key raw materials and finished goods, and the Company's ability to manage and maintain key relationships; impairments in the carrying value of goodwill, other intangible assets, or other long-lived assets or changes in the useful lives of other intangible assets or other long-lived assets; the impact of new or changes to existing governmental laws and regulations and their application; the outcome of tax examinations, changes in tax laws, and other tax matters; a disruption, failure, or security breach of the Company or their suppliers' information technology systems, including, but not limited to, ransomware attacks; foreign currency exchange rate and interest rate fluctuations; and risks related to other factors described under "Risk Factors" in other reports and statements filed with the Securities and Exchange Commission, including the Company's most recent Annual Report on Form 10-K. The Company undertakes no obligation to update or revise these forward-looking statements, which speak only as of the date made, to reflect new events or circumstances.

NON-GAAP FINANCIAL MEASURES

The Company uses non-GAAP financial measures, including: net sales excluding acquisition, divestitures, and foreign currency exchange; adjusted gross profit; adjusted operating income; adjusted income; adjusted earnings per share; earnings before interest, taxes, depreciation, amortization, impairment charges related to intangible assets, and gains and losses on divestitures ("EBITDA (as adjusted)"); and free cash flow, as key measures for purposes of evaluating performance internally. The Company believes that investors' understanding of its performance is enhanced by disclosing these performance measures. Furthermore, these non-GAAP financial measures are used by management in preparation of the annual budget and for the monthly analyses of its operating results. The Board of Directors also utilizes certain non-GAAP financial measures as components for measuring performance for incentive compensation purposes.

Non-GAAP financial measures exclude certain items affecting comparability that can significantly affect the year-over-year assessment of operating results, which include amortization expense and impairment charges related to intangible assets; certain divestiture, acquisition, integration, and restructuring costs ("special project costs"); gains and losses on divestitures; the net change in cumulative unallocated gains and losses on commodity and foreign currency exchange derivative activities ("change in net cumulative unallocated derivative gains and losses"); and other infrequently occurring items that do not directly reflect ongoing operating results. Income taxes, as adjusted is calculated using an adjusted effective income tax rate that is applied to adjusted income before income taxes and reflects the exclusion of the previously discussed items, as well as any adjustments for one-time tax-related activities, when they occur. While this adjusted effective income tax rate does not generally differ materially from the GAAP effective income tax rate, certain exclusions from non-GAAP results, such as unfavorable tax impacts associated with the acquisition of Hostess Brands in 2024 and unfavorable permanent tax impacts of the divestiture of certain pet food brands during 2023, can significantly impact the adjusted effective income tax rate.

These non-GAAP financial measures are not intended to replace the presentation of financial results in accordance with U.S. GAAP. Rather, the presentation of these non-GAAP financial measures supplements other metrics used by management to internally evaluate its businesses and facilitate the comparison of past and present operations and liquidity. These non-GAAP financial measures may not be comparable to similar measures used by other companies and may exclude certain nondiscretionary expenses and cash payments. A reconciliation of certain non-GAAP financial measures to the comparable GAAP financial measure for the current and prior year periods is included in the "Unaudited Non-GAAP Financial Measures" tables. The Company has also provided a reconciliation of non-GAAP financial measures for its fiscal year 2025 outlook.

UNAUDITED NON-GAAP FINANCIAL MEASURES

(\$ in millions)

Gross profit reconciliation:

Gross profit

Change in net cumulative unallocated derivative gains and losses

Cost of products sold – special project costs

Adjusted gross profit

Three Months Ended April 30,

2024

2023

\$913.3

\$792.4

(27.8)

(22.0)

2.9

1.5

\$888.4

\$771.9

Operating income (loss) reconciliation:

Operating income (loss)

Amortization

Loss (gain) on divestitures – net

Change in net cumulative unallocated derivative gains and losses

Cost of products sold – special project costs

Other special project costs

Adjusted operating income

\$406.0

(\$633.5)

56.0

40.1

-

1,020.1

(27.8)

(22.0)

2.9

1.5

24.5

2.0

\$461.6

\$408.2

UNAUDITED NON-GAAP FINANCIAL MEASURES

(\$ and shares in millions, except per share data)

	Three Months Ended April 30,	
	2024	2023
Net income (loss) reconciliation:		
Net income (loss)	\$245.1	(\$600.7)
Income tax expense (benefit)	68.0	(77.9)
Amortization	56.0	40.1
Loss (gain) on divestitures – net	-	1,020.1
Change in net cumulative unallocated derivative gains and losses	(27.8)	(22.0)
Cost of products sold – special project costs	2.9	1.5
Other special project costs	24.5	2.0
Realized loss on investment in equity securities – net ^(A)	-	3.8
Adjusted income before income taxes	\$368.7	\$366.9
Income taxes, as adjusted	85.3	87.2
Adjusted income	\$283.4	\$279.7
Weighted-average shares outstanding – assuming dilution ^(B)	106.4	105.9
Adjusted earnings per share – assuming dilution ^(B)	\$2.66	\$2.64

^(A) Realized loss on investment in equity securities – net includes the realized gains and losses on the change in fair value on the Company's investment in Post common stock and the related equity forward contract, which was settled during the third quarter of 2024.

^(B) Adjusted earnings per common share – assuming dilution for 2024 and 2023 was computed using the treasury stock method. Further, in 2023, the weighted-average shares – assuming dilution differed from the Company's GAAP weighted-average common shares outstanding – assuming dilution as a result of the anti-dilutive effect of the Company's stock-based awards, which were excluded from the computation of net loss per share – assuming dilution.

UNAUDITED NON-GAAP FINANCIAL MEASURES

(\$ in millions)

	Three Months Ended				TTM Ended	Year Ended
	July 31, 2023	October 31, 2023	January 31, 2024	April 30, 2024	April 30, 2024	April 30, 2023
EBITDA (as adjusted) reconciliation:						
Net income (loss)	\$183.6	\$194.9	\$120.4	\$245.1	\$744.0	(\$91.3)
Income tax expense	54.8	54.5	75.1	68.0	252.4	82.1
Interest expense – net	32.1	35.1	99.8	97.3	264.3	152.0
Depreciation	50.2	53.0	67.5	69.0	239.7	224.1
Amortization	39.8	39.6	55.7	56.0	191.1	206.9
Loss (gain) on divestitures – net	(1.2)	13.8	0.3	-	12.9	1,018.5
EBITDA (as adjusted) ⁽¹⁾	\$359.3	\$390.9	\$418.8	\$535.4	\$1,704.4	\$1,592.3

⁽¹⁾ Reflects amounts as reported, including acquired and divested businesses while under company ownership.

Note: Amounts may not add due to rounding

NON-GAAP RECONCILIATION

Company Guidance

	Year Ending April 30, 2025	
	Low	High
Net income per common share – assuming dilution reconciliation:		
Net income per common share – assuming dilution	\$7.20	\$7.60
Change in net cumulative unallocated derivative gains and losses ^(A)	0.16	0.16
Amortization	1.59	1.59
Special project costs	0.49	0.49
Pension plan termination settlement charge ^(B)	0.36	0.36
Adjusted earnings per share	\$ 9.80	\$ 10.20

^(A) We are unable to project derivative gains and losses on a forward-looking basis as these will vary each quarter based on market conditions and derivative positions taken. The change in unallocated derivative gains and losses in the table above reflects the net impact of the gains and losses that have been recognized in the Company's GAAP results and excluded from non-GAAP results as of April 30, 2024, that are expected to be allocated to non-GAAP results in future periods.

^(B) Represents a non-recurring pre-tax settlement charge related to the termination of one of the Company's U.S. defined benefit pension plans anticipated to be realized during fiscal year 2025 upon settlement of the pension obligations.

NON-GAAP RECONCILIATION

Company Guidance

(\$ in millions)

Free cash flow reconciliation:

Net cash provided by operating activities

Additions to property, plant, and equipment

Free cash flow

Year Ending
April 30, 2025

\$1,350

(450)

\$900

SUPPLEMENTAL NET SALES INFORMATION

Net Sales Excluding Divestitures – FY24

(\$ in millions)

	Three Months Ended				Year Ended
	July 31, 2023	October 31, 2023	January 31, 2024	April 30, 2024	April 30, 2024
U.S. Retail Frozen Handheld & Spreads Net Sales	\$464.0	\$464.3	\$436.8	\$450.5	\$1,815.6
Divested <i>Sahale Snacks</i> ® Business	(6.9)	(8.2)	-	-	(15.1)
U.S. Retail Frozen Handheld & Spreads Net Sales Less Divestiture	\$457.1	\$456.1	\$436.8	\$450.5	\$1,800.5
International and Away From Home Net Sales	\$275.1	\$324.6	\$299.4	\$299.5	\$1,198.6
Divested <i>Sahale Snacks</i> ® Business	(4.1)	(4.9)	-	-	(9.0)
Divested Canada Condiment Business	(17.6)	(15.8)	(10.4)	-	(43.8)
International and Away From Home Net Sales Less Divestitures	\$253.3	\$303.9	\$289.0	\$299.5	\$1,145.8
Total Divested <i>Sahale Snacks</i> ® Business	(11.0)	(13.1)	-	-	(24.1)
Total Divested Canada Condiment Business	(17.6)	(15.8)	(10.4)	-	(43.8)
Total Divested Net Sales	(28.6)	(28.9)	(10.4)	-	(67.9)

Note: Amounts may not add due to rounding

ADDITIONAL INFORMATION:

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