

Fresh Del Monte Produce Inc. Q1 2025 Earnings Presentation

April 30, 2025



Meet Our Speakers



Mohammad
Abu-Ghazaleh

Chairman & CEO



Monica
Vicente

Chief Financial Officer

Forward-Looking Statement

This presentation and the related earnings call contain certain forward-looking statements regarding the intent, beliefs or current expectations of the Company. These statements include statements that are preceded by, followed by or include the words “believes”, “expects”, “anticipates”, “may” or similar expressions with respect to various matters. Specifically, this press release and the earnings call contain forward-looking statements regarding the Company’s plans and expectations for future performance, including: the Company’s focus on high-margin, value-added products; our ability to streamline operations and the impact that may have on our profitability and future growth; our ability to generate value for shareholders, including through focusing on its strengths in pineapple, fresh-cut fruit, avocados and value-added products; our ongoing commitment to future growth, operational excellence and meeting evolving customer and consumer demands; our expectations regarding our pineapple varieties and related innovations, and our ability to expand production and meet the ongoing demand; our expectations regarding customer growth and the expansion and diversification of our product offerings; our expectations regarding our fresh-cut facilities; our expectations regarding our avocado and avocado-related products, as well as our ability to meet the growing demand from key customers and further drive innovation; our ability to strengthen our leadership, and the impact that may have on our business; the impact of recent and future weather-related events on our business, and our ability to recover insurance proceeds, if any, to cover any damage or expenses; our expectations for the tax rate; our commitment to maintaining a prudent capital structure and creating long-term value for shareholders; our expected capital expenditures in 2025; our expected segment results for the full year; our expected net sales and gross margin for the fresh and value-added segment; the impact of any strategic initiative to improve gross margin, including consolidating facilities, expanding fresh-cut facilities, managing product and procurement costs and expanding market presence and our anticipated sales volume regarding our banana segment, any supply and shipping challenges that we may encounter. It is important to note that these forward-looking statements are not guarantees of future performance and involve risks and uncertainties. The Company’s actual plans and performance may differ materially from those in the forward-looking statements as a result of various factors, including (i) ongoing elevated commodity and supply chain costs, including costs of raw materials, packaging materials, labor, energy, fuel and transportation, (ii) the Company’s ability to successfully execute on its strategic growth plans, including the use of AI, biofertilizers and other technology to effectively manage costs and pricing, (iii) the outcome and anticipated timing of strategic alternatives with respect to the Mann Packing operation, and any impact on our business and results of operations, (iv) the impact of foreign currency fluctuations, including the effectiveness of our hedging activities, (v) the impact of asset impairment or other charges, including those associated with exit activities, crop or facility damage or otherwise, (vi) the impact of ongoing conflict in the Middle East on supply chain logistics and other disruptions in the Company’s supply chain, (vii) trends and other factors affecting consumer preferences or consumer, including customers’ reception of our new product offerings and innovation, (viii) factors outside the Company’s control that impact its and other growers’ crop quality and yields, such as severe weather conditions, crop disease, disruptions or issues that impact its production facilities or complex logistics network, and the availability of sufficient labor during peak growing and harvesting seasons, (ix) competitive pressures and the Company’s ability to realize the full benefits of the inflation driven price increases implemented, (x) the impact of claims and adjustments proposed by the IRS or other foreign taxing authorities in connection with our current or future tax audits and our ability to successfully contest such tax claims and pursue necessary remedies, (xi) the cost and other implications of changes in regulations applicable to our business, including potential legislative or regulatory initiatives in the United States or elsewhere directed at mitigating the effects of climate change, (xii) damage to our reputation or brand names or negative publicity about our products, (xiii) the Company’s ability to successfully manage the risks associated with international operations, (xiv) the impact of severe weather conditions and natural disasters, such as flooding, hurricanes, earthquakes, and (xv) the adequacy of insurance coverage. In addition, these forward-looking statements and the information in this press release and the earnings call are qualified in their entirety by cautionary statements and risk factor disclosures contained in the Company’s Securities and Exchange Commission filings, including the Company’s most recently filed Annual Report on Form 10-K. All forward-looking statements in this press release are based on information available to us on the date hereof, and we assume no obligation to update such statements.





Agenda

- Business Update
- Q1 2025 Financial Results
- Key Challenges & Financial Outlook
- Q&A

Business Highlights

Financial Highlights

- **Strong Start:** Continued momentum from 2024 with solid demand, optimized product mix, and operational efficiency.
- **Financial Improvements:** Year-over-year gains in gross profit and margin, especially in fresh and value-added products segment.
- **Pineapple Leadership:** High demand exceeding supply, strategic steps to manage supply and anticipate future demand.
- **Consumer Interest:** Strong interest in avocados and fresh-cut fruit, key to long-term growth strategy.
- **Operational Resilience:** Vertically integrated supply chain ensuring minimal delays despite global shipping disruptions.



Vision & Mission

Our vision is to lead the industry in fresh and value-added products—anchored in our commitment to quality, innovation, and sustainability. It’s about doing more with what we grow, turning waste into opportunity, and making sure every resource is used with purpose.



Our mission is to deliver products our customers can trust—through ethical farming, advanced operations, and sustainable practices. And at the core of it all is our strength in pineapples, which continues to set the standard for everything we do.

To bring this vision to life, we’re focused on five key priorities:

- Innovating and diversifying our product portfolio
- Using resources more efficiently and reducing waste
- Driving operational excellence through automation and integration
- Expanding globally while reducing reliance on any one market
- And investing in our people and building lasting trust



Q1 2025
Financial Results



Q1 2025

Financial Results

Net Sales

Q1: \$1,098M vs. \$1,108M PY

- Driven by lower net sales in our banana segment primarily due to lower sales volume and the negative impact of fluctuations in exchange rates.
- Partially offset by higher net sales in our fresh and value-added products segment, driven by higher per unit selling prices.

Gross Profit

Q1: \$92M vs. \$82M PY

- Driven by higher sales in our fresh and value-added products segment.
- Partially offset by higher per unit production, procurement, and distribution costs.

Adj. Operating Income*

Q1: \$44 vs. \$31M PY

Adj. FDP Net Income*

Q1: \$30M vs. \$16M PY

Adj. Diluted EPS*

Q1: \$0.63 vs. \$0.34 PY

Adj. EBITDA*

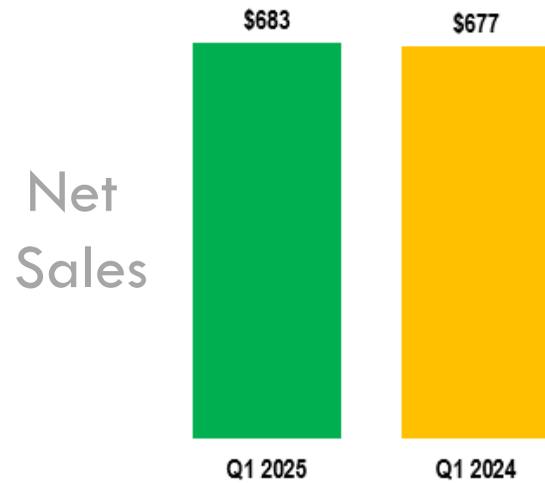
Q1: \$61M vs. \$44M PY

*Non-GAAP financial measure. Reconciliations and other information required by Regulation G can be found in the Appendix section of the presentation.





Fresh and Value-Added Products



Q1 2025

Net Sales:

- Increase was primarily a result of higher per unit selling prices in our avocado product line and higher sales volume and per unit selling prices in our fresh-cut fruit product line in North America due to strong market demand.
- Partially offset by lower net sales in our fresh-cut vegetable and vegetable product lines due to our strategic operational reductions in the fourth quarter of 2024, which included the sale of certain assets of Fresh Leaf Farms.

Gross Profit:

- Increase was primarily driven by higher per unit selling prices in our pineapple and melon product lines.
- Partially offset by higher per unit production, procurement, and distribution costs.

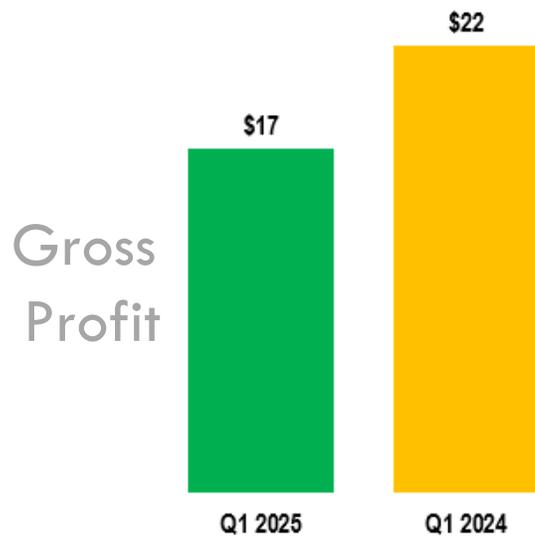
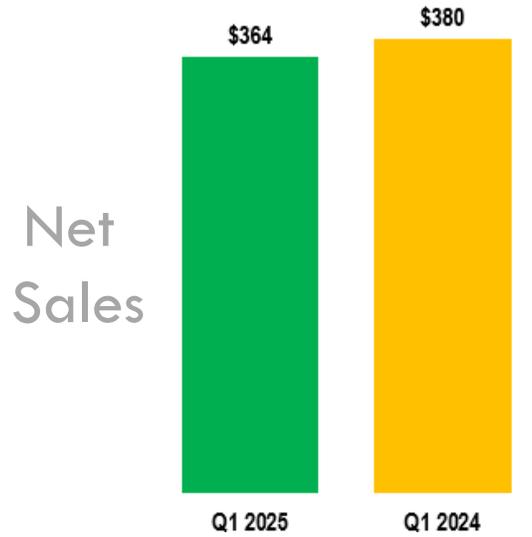
Gross Margin:

- Increased to 10.1% compared with 8.3% in the prior-year period.





Banana



Q1 2025

Net Sales:

- Decrease primarily a result of lower sales volume and per unit selling prices in Asia due to a combination of lower market demand and excess industry supply, along with lower sales volume in North America due to lower industry supply and weather-related logistic disruptions. Additionally, net sales were negatively impacted by fluctuations in exchange rates due to a weaker Euro and Korean won.
- Partially offset by higher per unit selling prices in North America.

Gross Profit:

- Decrease was primarily driven by lower net sales and higher per unit production and procurement costs.

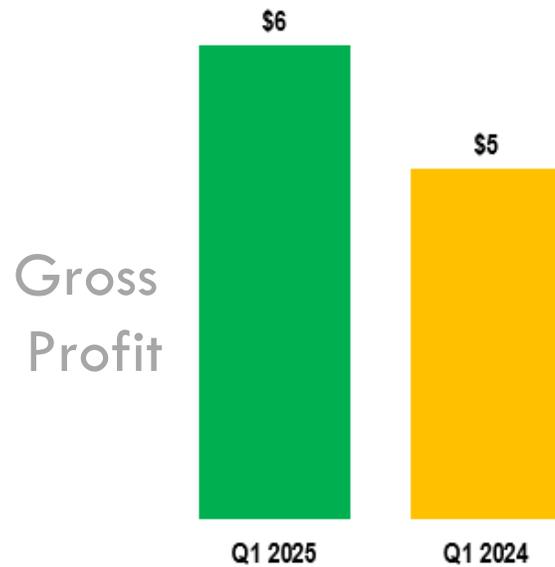
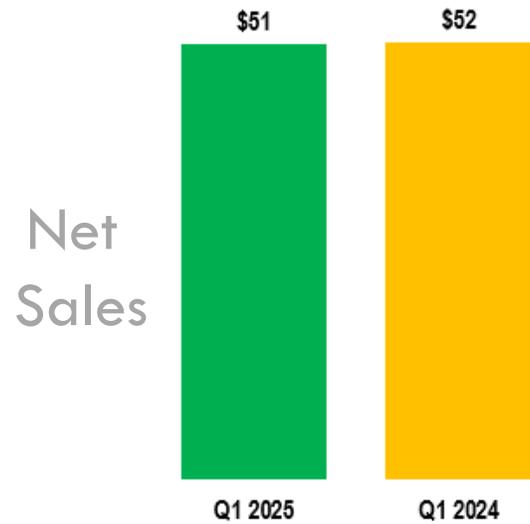
Gross Margin:

- Decreased to 4.6% compared with 5.7% in the prior-year period.





Other Products & Services



Q1 2025

Net Sales:

- In line with the prior-year period.

Gross Profit:

- Increase was primarily a result of higher per unit selling prices in the poultry and meats business.

Gross Margin:

- Increased to 11.9% compared with 8.9% in the prior-year period.



A top-down photograph of a person wearing a teal jacket, standing in a nursery filled with rows of young plants. The person is holding a plant in their right hand and has their left hand extended towards the plants. The plants are arranged in neat rows, and the ground is dark and appears to be covered in mulch or soil. The lighting is somewhat dim, creating a focused and professional atmosphere.

Q1 2025
Selected Financial Data

Q1 2025

Selected Financial Results

Income Tax Rate

18% vs. 17% PY

Net Cash Provided by Operating Activities

\$46M vs. \$19M PY

Long-Term Debt

\$233M vs. \$244M YE

Adj. Leverage Ratio*

0.86 vs. 1.77x PY

Capital Spending

\$10M vs. \$13M PY

Dividend

Declared \$0.30/share vs. \$0.25/share PY

*Non-GAAP financial measure. Reconciliations and other information required by Regulation G can be found in the Appendix section of the presentation.



Key Challenges and Financial Outlook For Full-Year 2025





Q&A

Appendix

Non-GAAP Reconciliations



Fresh Del Monte Produce Inc. and Subsidiaries Reconciliations of Non-GAAP Financial Measures

First Quarter 2025

The Company's results are determined in accordance with U.S. generally accepted accounting principles (GAAP). Certain information presented reflects adjustments to GAAP measures that are referred to in this presentation as "non-GAAP measures." Management believes these non-GAAP measures provide a more comparable analysis of the underlying operating performance of the business.

These non-GAAP measures include the following: Adjusted gross profit, Adjusted gross margin, Adjusted operating income, Adjusted FDP net income, Adjusted diluted EPS, EBITDA, Adjusted EBITDA, EBITDA margin, Adjusted EBITDA margin and Adjusted Leverage Ratio. Adjusted gross profit, Adjusted gross margin, Adjusted operating income, Adjusted FDP net income and Adjusted diluted EPS each reflect adjustments relating to asset impairment and other charges, net, gain on disposal of property, plant and equipment, net, and other product-related (credits) charges. EBITDA is defined as net income attributable to Fresh Del Monte Produce Inc. excluding interest expense, net, provision for income taxes, depreciation and amortization, and share-based compensation expense. Adjusted EBITDA represents EBITDA with additional adjustments for asset impairment and other charges, net, gain on disposal of property, plant and equipment, net and subsidiary, and other product-related charges. EBITDA margin represents EBITDA as a percentage of net sales, and Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of net sales. Adjusted Leverage Ratio represents net debt (total short-term and long-term debt outstanding, including current portion of long-term debt and finance leases and letters of credit, less cash and cash equivalents) divided by Adjusted EBITDA for the trailing twelve-month period.

These non-GAAP measures provide the Company with an understanding of the results from the primary operations of its business. The Company uses these metrics because management believes they provide more comparable measures to evaluate period-over-period operating performance since they exclude special items that are not indicative of the Company's core business or operations. These measures may be useful to an investor in evaluating the underlying operating performance of the Company's business because these measures:

1. Are used by investors to measure a company's comparable operating performance;
2. Are financial measurements that are used by lenders and other parties to evaluate creditworthiness; and
3. Are used by the Company's management for various purposes, including as measures of performance of its operating entities, as a basis of strategic planning and forecasting, and in certain cases as a basis for incentive compensation.

Because all companies do not use identical calculations, the Company's presentation of these non-GAAP financial measures may not be comparable to similarly titled measures used by other companies. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are provided in the financial tables herein.



Fresh Del Monte Produce Inc. and Subsidiaries Reconciliations of Non-GAAP Financial Measures

Fresh Del Monte Produce Inc. and Subsidiaries Non-GAAP Reconciliation (U.S. dollars in millions, except per-share amounts) - (Unaudited)

	Quarter ended							
	March 28, 2025				March 29, 2024			
	Gross profit	Operating income	Net income attributable to Fresh Del Monte Produce Inc.	Diluted EPS	Gross profit	Operating income	Net income attributable to Fresh Del Monte Produce Inc.	Diluted EPS
As reported	\$ 92.2	\$ 44.9	\$ 31.1	\$ 0.64	\$ 82.3	\$ 44.1	\$ 26.1	\$ 0.55
Adjustments:								
Other product-related (credits) charges ⁽¹⁾	—	—	—	—	(1.0)	(1.0)	(1.0)	(0.02)
Asset impairment and other charges, net ⁽²⁾	—	—	—	—	—	2.3	2.3	0.05
Gain on disposal of property, plant and equipment, net ⁽³⁾	—	(0.8)	(0.8)	(0.01)	—	(14.8)	(14.8)	(0.31)
Tax effects of all adjustments ⁽⁴⁾	—	—	—	—	—	—	3.2	0.07
As adjusted	<u>\$ 92.2</u>	<u>\$ 44.1</u>	<u>\$ 30.3</u>	<u>\$ 0.63</u>	<u>\$ 81.3</u>	<u>\$ 30.6</u>	<u>\$ 15.8</u>	<u>\$ 0.34</u>



Fresh Del Monte Produce Inc. and Subsidiaries Reconciliations of Non-GAAP Financial Measures

Fresh Del Monte Produce Inc. and Subsidiaries Segment Gross Profit Non-GAAP Reconciliation (U.S. dollars in millions) - (Unaudited)

	Quarter ended							
	March 28, 2025				March 29, 2024			
	Fresh and value- added products	Banana	Other products and services	Total	Fresh and value- added products	Banana	Other products and services	Total
Gross profit (as reported)	\$ 69.3	\$ 16.8	\$ 6.1	\$ 92.2	\$ 55.9	\$ 21.8	\$ 4.6	\$ 82.3
Adjustments:								
Other product-related (credits) charges ⁽¹⁾	—	—	—	—	(1.0)	—	—	(1.0)
Adjusted gross profit	<u>\$ 69.3</u>	<u>\$ 16.8</u>	<u>\$ 6.1</u>	<u>\$ 92.2</u>	<u>\$ 54.9</u>	<u>\$ 21.8</u>	<u>\$ 4.6</u>	<u>\$ 81.3</u>
Net Sales	\$ 683.2	\$ 363.8	\$ 51.4	\$1,098.4	\$ 676.8	\$ 379.5	\$ 51.6	\$1,107.9
Gross margin ^(a)	10.1 %	4.6 %	11.9 %	8.4 %	8.3 %	5.7 %	8.9 %	7.4 %
Adjusted gross margin ^(b)	10.1 %	4.6 %	11.9 %	8.4 %	8.1 %	5.7 %	8.9 %	7.3 %

(a) Calculated as Gross profit as a percentage of net sales.

(b) Calculated as Adjusted Gross profit as a percentage of net sales.



Fresh Del Monte Produce Inc. and Subsidiaries Reconciliations of Non-GAAP Financial Measures

Fresh Del Monte Produce Inc. and Subsidiaries Reconciliation of EBITDA and Adjusted EBITDA (U.S. dollars in millions) - (Unaudited)

	Quarter ended	
	March 28, 2025	March 29, 2024
Net income attributable to Fresh Del Monte Produce Inc.	\$ 31.1	\$ 26.1
Interest expense, net	3.3	5.0
Income tax provision	6.9	5.3
Depreciation & amortization	18.5	20.0
Share-based compensation expense	2.3	0.6
EBITDA	\$ 62.1	\$ 57.0
Adjustments:		
Other product-related (credits) charges ⁽¹⁾	—	(1.0)
Asset impairment and other charges, net ⁽²⁾	—	2.3
Gain on disposal of property, plant and equipment, net ⁽³⁾	(0.8)	(14.8)
Adjusted EBITDA	\$ 61.3	\$ 43.5
Net sales	\$ 1,098.4	\$ 1,107.9
Net income margin ^(a)	2.8 %	2.4 %
<i>(a) Calculated as Net income attributable to Fresh Del Monte Produce Inc. as a percentage of net sales.</i>		
EBITDA margin ^(b)	5.7 %	5.1 %
<i>(b) Calculated as EBITDA as a percentage of net sales.</i>		
Adjusted EBITDA margin ^(c)	5.6 %	3.9 %
<i>(c) Calculated as Adjusted EBITDA as a percentage of net sales.</i>		

Fresh Del Monte Produce Inc. and Subsidiaries Reconciliations of Non-GAAP Financial Measures

Trailing Twelve Months Leverage Ratio Q1 2025 (U.S. dollars in millions) - Unaudited

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Trailing Twelve Months March 28, 2025
Net income attributable to Fresh Del Monte Produce Inc.	\$ 53.6	\$ 42.1	\$ 20.4	\$ 31.1	\$ 147.2
Interest expense, net	4.9	4.2	3.1	3.3	15.5
Income tax provision	12.3	7.9	3.6	6.9	30.7
Depreciation & amortization	19.7	19.5	19.3	18.5	77.0
Share-based compensation expense	2.2	2.0	2.0	2.3	8.5
EBITDA	\$ 92.7	\$ 75.7	\$ 48.4	\$ 62.1	\$ 278.9
Adjustments:					
Other product-related charges ⁽¹⁾	\$ 1.2	\$ 0.6	\$ 0.2	\$ -	\$ 2.0
Asset impairment and other charges (credits), net ⁽²⁾	(1.3)	0.2	2.9	-	1.8
(Gain) on disposal of property, plant and equipment, net and subsidiary ⁽³⁾	(3.6)	(8.2)	(16.3)	(0.8)	(28.9)
Other adjustments ⁽⁴⁾	-	-	-	-	-
Adjusted EBITDA	\$ 89.0	\$ 68.3	\$ 35.2	\$ 61.3	\$ 253.8
Long-term debt and finance leases					\$ 237.4
Add: Current maturities of debt and finance leases					1.5
Add: Current portion of letters of credit					14.6
Less: Cash and cash equivalents					(34.4)
Net Debt					\$ 219.1
Leverage ratio ^(a)					0.79x
Adjusted leverage ratio ^(b)					0.86x

(a) Calculated as net debt divided by EBITDA.

(b) Calculated as net debt divided by Adjusted EBITDA.



Fresh Del Monte Produce Inc. and Subsidiaries Reconciliations of Non-GAAP Financial Measures

- (1) Other product-related (credits) charges for the quarter ended March 29, 2024, primarily consisted of \$2.2 million of insurance recoveries associated with damages tied to the flooding of a seasonal production facility in Greece during the third quarter of 2023, partially offset by \$1.2 million of severance charges from the outsourcing of certain functions within our fresh and value-added operations.
- (2) Asset impairment and other charges, net for the quarter ended March 29, 2024, primarily consisted of \$2.3 million of legal settlement charges (refer to the Form 10-Q for the quarter ended March 28, 2025, for further information on these matters).
- (3) Gain on disposal of property, plant and equipment, net for the quarter ended March 28, 2025, primarily consisted of a \$0.8 million gain from the sale of idle land in Guatemala. Gain on disposal of property, plant and equipment, net for the quarter ended March 29, 2024, primarily consisted of a \$14.8 million gain from the sale of two idle facilities in Chile.
- (4) Tax effects are calculated in accordance with ASC 740, Income Taxes, using the same methodology as the GAAP provision of income taxes.

