PREMIUM BRANDS HOLDINGS CORPORATION REPORTS RECORD FOURTH QUARTER AND 2020 RESULTS, $550.4 MILLION IN ACQUISITIONS AND A 10.0% DIVIDEND INCREASE

VANCOUVER, B.C., March 11, 2021. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of branded specialty food products, announced today its results for the fourth quarter of 2020.

HIGHLIGHTS

- Fourth quarter record revenue of $1.1 billion representing a 10.1%, or $97.1 million, increase as compared to the fourth quarter of 2019
- Organic volume growth of 5.2%, or 10.7% after excluding the estimated impact of COVID-19, which continues to impact the Company's sales to the fine dining, airline and cruise line channels
- Record fourth quarter adjusted EBITDA of $87.7 million representing a 16.8%, or $12.6 million, increase as compared to the fourth quarter of 2019
- Record fourth quarter adjusted EPS of $0.86 per share as compared to $0.79 per share in the fourth quarter of 2019
- During the quarter, the Company completed the acquisition of Allseas Fisheries, and subsequent to the quarter, completed the acquisitions of Starboard Seafood, Distribution Cote-Nord and a 50% interest in Clearwater Seafood resulting in $550.4 million of capital being allocated
- The Company ended the quarter with a 0.6 to 1 senior debt to adjusted EBITDA ratio and approximately $880 million in available credit capacity. Reflecting business acquisitions and a $200 million credit facility increase completed subsequent to the quarter, the Company's pro-forma senior debt to adjusted EBITDA ratio and available credit capacity are 1.9 to 1 and $600 million, respectively
- The Company increased its quarterly dividend by 10.0% to $0.635 per share or $2.54 per share annually, from $0.5775 per share or $2.31 per share annually

CONFERENCE CALL

The Company will hold a conference call to discuss its fourth quarter 2020 results on Thursday, March 11, 2021 at 10:30 a.m. PST (1:30 p.m. EST). An investor presentation that will be referenced on the conference call is available here or on the Company's website at http://www.premiumbrandsholdings.com.

Access to the call may be obtained by calling the operator at (833) 300-9218 / (647) 689-4551 (confirmation code: 2970818) up to ten minutes prior to the scheduled start time. For those who are unable to participate, a recording of the conference call will be available through to 8:59 p.m. PST on March 25, 2021 at (855) 859-2056 / (404) 537-3406 (passcode: 2970818). Alternatively, a recording of the conference call will be available at the Company's website at http://www.premiumbrandsholdings.com.

SUMMARY FINANCIAL INFORMATION

(In millions of dollars except per share amounts and ratios)

	13 weeks ended Dec 26, 2020	13 weeks ended Dec 28, 2019	52 weeks ended Dec 26, 2020	52 weeks ended Dec 28, 2019
Revenue	1,056.2	959.1	4,068.9	3,649.4
Adjusted EBITDA	87.7	75.1	312.6	307.7
Earnings	23.3	16.2	83.7	84.2
EPS	0.57	0.43	2.16	2.35
Adjusted earnings	35.3	29.5	118.4	118.4
Adjusted EPS	0.86	0.79	3.05	3.31

	Trailing Four Quarters Ended	
	Dec 26, 2020	Dec 28, 2019
Free cash flow	188.8	177.8
Declared dividends	92.0	76.7
Declared dividend per share	2.31	2.10
Payout ratio	48.7%	43.1%

"2020 was the most difficult year in our history. Pandemic related challenges impacted almost every facet of our business but thanks to our great people and unique culture we managed to deliver our 17th consecutive year of record sales and adjusted EBITDA. Our decentralized business model and focus on entrepreneurialism enabled us to pivot rapidly and meet the challenges of the pandemic head on," said Mr. George Paleologou, President and CEO.

"In terms of the fourth quarter, we are very pleased with our overall performance. Many of our businesses continued to be severely impacted by lock downs, travel restrictions and the shutdown of social events, however, as our results show, we were able to react quickly in developing new revenue streams including entering other sales channels and expanding the breadth of their product portfolios. This resilience, combined with our retail focused businesses being able to respond to major shifts in consumer demand, enabled us to post record results for the quarter.

"We know that the challenges of the pandemic are by no means behind us, however, as we look forward we have never been more excited or optimistic about what lies ahead for our company. The major investments we have made over the last several years are starting to bear fruit and our product innovation initiatives, which were largely on hold this past year due to the pandemic, are once again ramping up. Furthermore, we are more confident than ever that our recent historic partnership with a group of Mi'kmaq First Nations on the acquisition of Clearwater Seafood will be the transformational transaction that propels our Seafood Group to the next level in its evolution. With this, we now have five strategic platforms, consisting of our Canadian Protein, Seafood, Sandwich, U.S. Protein and Canadian Distribution groups, that are either at or well on their way to each achieving $1 billion in annual sales.

"In terms of our overall objective of reaching $6 billion in sales and $600 million in adjusted EBITDA by 2023, we remain on track and are confident that we will meet, or more likely exceed, these goals. Despite the pandemic, we exited 2020 a stronger, larger and more resilient company and are very well positioned to generate even higher growth rates once the Canadian and U.S. economies are fully re-opened and the pandemic is behind us," added Mr. Paleologou.

FIRST QUARTER 2021 DIVIDEND

The Company announced that it will be increasing its quarterly dividend by 10.0% to $0.635 per share or $2.54 per share on an annualized basis. Correspondingly, the Company's Board of Directors approved a cash dividend of $0.635 per share for the first quarter of 2021, which will be payable on April 15, 2021 to shareholders of record at the close of business on March 31, 2021.

Unless indicated otherwise in writing at or before the time the dividend is paid, each dividend paid by the Company in 2021 or a subsequent year is an eligible dividend for the purposes of the Enhanced Dividend Tax Credit System.

ABOUT PREMIUM BRANDS

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations across Canada and the United States. For further information, please contact George Paleologou, President and CEO or Will Kalutycz, CFO at (604) 656-3100.

www.premiumbrandsholdings.com

RESULTS OF OPERATIONS

The Company reports on two reportable segments, Specialty Foods and Premium Food Distribution, as well as corporate costs (Corporate). The Specialty Foods segment consists of the Company's specialty food manufacturing businesses while the Premium Food Distribution segment consists of the Company's differentiated distribution and wholesale businesses.

Revenue

(in millions of dollars except percentages)	13 weeks ended Dec 26, 2020	% (1)	13 weeks ended Dec 28, 2019	% (1)	52 weeks ended Dec 26, 2020	% (1)	52 weeks ended Dec 28, 2019	% (1)
Revenue by segment:								
Specialty Foods	678.1	64.2%	593.3	61.9%	2,667.3	65.6%	2,416.0	66.2%
Premium Food Distribution	378.1	35.8%	365.8	38.1%	1,401.6	34.4%	1,233.4	33.8%
Consolidated	1,056.2	100.0%	959.1	100.0%	4,068.9	100.0%	3,649.4	100.0%

(1) Expressed as a percentage of consolidated revenue.

Specialty Foods' (SF) revenue for the quarter increased by $84.8 million or 14.3% primarily due to: (i) organic volume growth of $59.8 million representing a growth rate of 10.1%. After adjusting for approximately $10.0 million in net pandemic related impacts associated with demand destruction in the airline and foodservice channels partially offset by stronger than normal demand in the retail channel, SF's normalized organic volume growth rate is 11.8%; (ii) business acquisitions, which accounted for $19.4 million of SF's growth; and (iii) net selling price inflation of $7.1 million, which was driven mainly by increases implemented by SF's protein businesses in reaction to higher pork and beef input commodity costs. These factors were partially offset by a currency translation impact of $1.5 million resulting from a stronger Canadian dollar relative to the U.S. dollar – approximately 50.3% of SF's revenue for the quarter was in the U.S.

SF's unadjusted and normalized organic volume growth rates of 10.1% and 11.8%, respectively, were both well above its long-term targeted range of 4% to 6% primarily due to its meat snack, artisan sandwich, charcuterie and cooked meat product growth initiatives, including the ramping up of its U.S. expansion and new products that were launched prior to the pandemic.

SF's revenue for 2020 increased by $251.3 million or 10.4% primarily due to: (i) organic volume growth of 7.0% or approximately 10.8% after normalizing for the estimated impacts of the pandemic; (ii) net selling price inflation of $36.0 million; (iii) business acquisitions, which accounted for $27.6 million of the increase; and (iv) a currency translation effect of $18.2 million.

Premium Food Distribution's (PFD) revenue for the quarter increased by $12.3 million or 3.4% due to business acquisitions, which accounted for $24.9 million of PFD's growth. This was partially offset by: (i) a $9.8 million decline in volume attributable to approximately $42.8 million in pandemic related impacts, including additional lockdowns in parts of Canada that resulted in demand destruction in the fine dining segment of the foodservice channel, and the ongoing shutdown of the global cruise line industry. After adjusting for these, PFD's normalized organic volume growth rate is 9.0%; (ii) net selling price deflation of $2.3 million, which was driven mainly by a lower lobster pricing environment resulting from pandemic related demand destruction in the foodservice and cruise line channels; partially offset by price increases put through to address higher pork and beef input commodity costs; and (iii) a currency translation impact of $0.5 million resulting from a stronger Canadian dollar relative to the U.S. dollar – approximately 27.7% of PFD's revenue for the quarter was in the U.S.

PFD's normalized organic volume growth rate, which was above its long-term target of 4% to 6%, was driven primarily by new customer and product sales initiatives that leveraged recent capacity investments, including a new lobster processing facility in Saco, Maine, a recently expanded protein and

seafood distribution facility in Montreal, and a new distribution and custom cutting operation in the Greater Toronto Area.

PFD's revenue for 2020 increased by $168.2 million or 13.6% primarily due to: (i) business acquisitions, which accounted for $113.4 million of the increase; (ii) organic volume growth of 3.5% or approximately 13.4% after normalizing for the impacts of the pandemic; (iii) net selling price inflation of $8.1 million; and (iv) a currency translation effect of $3.8 million.

Gross Profit

(in millions of dollars except percentages)	13 weeks ended Dec 26, 2020	% (1)	13 weeks ended Dec 28, 2019	% (1)	52 weeks ended Dec 26, 2020	% (1)	52 weeks ended Dec 28, 2019	% (1)
Gross profit by segment:								
Specialty Foods	144.3	21.3%	125.9	21.2%	567.9	21.3%	544.2	22.5%
Premium Food Distribution	57.8	15.3%	53.3	14.6%	212.3	15.1%	181.1	14.7%
Consolidated	202.1	19.1%	179.2	18.7%	780.2	19.2%	725.3	19.9%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's gross profit as a percentage of its revenue (gross margin) for the quarter increased by 10 basis points primarily due to: (i) sales deleveraging associated with SF's higher production volumes; and (ii) improved plant efficiencies. These factors were partially offset by: (i) continued investment by a number of SF's businesses in production infrastructure to support current and future growth; (ii) wage inflation; and (iii) pandemic related costs consisting mainly of labor related production inefficiencies, inventory write-offs, employee thank-you bonuses and investments in additional employee safety measures; partially offset by government wage subsidies.

SF's gross margin for 2020 decreased by 120 basis points to 21.3% primarily due to: (i) the loss of critical mass at several production facilities during the second quarter of 2020 as a result of pandemic related sales impacts; (ii) the pandemic related costs as outlined above; and (iii) additional outside storage costs associated with long inventory positions taken to help hedge against unusually volatile global pork and beef commodity costs, and to mitigate the risk of supply chain disruptions.

PFD's gross margins for the quarter and 2020 increased by 70 basis points and 40 basis points, respectively, primarily due to: (i) lower seafood purchase costs resulting from supply / demand imbalances associated with pandemic related demand destruction in the foodservice and cruise line channels; (ii) new supply relationships; and (iii) favorable inventory positions relative to inflationary beef and pork costs. These factors were partially offset by pandemic related sales mix changes, namely lower margin retail channel sales partially offsetting lost sales in the fine dining segment of the foodservice channel.

Selling, General and Administrative Expenses (SG&A)

(in millions of dollars except percentages)	13 weeks ended Dec 26, 2020	% (1)	13 weeks ended Dec 28, 2019	% (1)	52 weeks ended Dec 26, 2020	% (1)	52 weeks ended Dec 28, 2019	% (1)
SG&A by segment:								
Specialty Foods	77.3	11.4%	70.6	11.9%	320.2	12.0%	292.8	12.1%
Premium Food Distribution	31.2	8.3%	30.4	8.3%	128.6	9.2%	109.5	8.9%
Corporate	5.9		3.1		18.8		15.3	
Consolidated	114.4	10.8%	104.1	10.9%	467.6	11.5%	417.6	11.4%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's SG&A for the quarter and 2020 increased by $6.7 million and $27.4 million, respectively, primarily due to: (i) increased discretionary compensation; (ii) additional variable selling costs; (iii) business acquisitions; and (iv) wage inflation; partially offset by pandemic related savings associated with decreased discretionary marketing, less travel and government wage subsidies.

SF's SG&A as a percentage of sales (SG&A ratio) for the quarter and 2020 decreased primarily due to sales deleveraging and the pandemic impacts outlined above; partially offset by increased discretionary compensation and wage inflation.

PFD's SG&A for the quarter and 2020 increased by $0.8 million and $19.1 million, respectively, primarily due to business acquisitions and investments in additional staff to support current and future growth; partially offset by pandemic related impacts including government subsidies and a variety of smaller cost savings.

PFD's SG&A ratios for the quarter and for 2020 were stable or up slightly primarily due to investments made in additional staff to support future growth being partially offset by pandemic related impacts.

Corporate SG&A for the quarter and the year increased by $2.8 million and $3.5 million, respectively, primarily due to: (i) decreased interest income from non-wholly owned businesses; (ii) higher discretionary compensation; and (iii) a variety of smaller cost fluctuations.

Adjusted EBITDA

(in millions of dollars except percentages)	13 weeks ended Dec 26, 2020	% (1)	13 weeks ended Dec 28, 2019	% (1)	52 weeks ended Dec 26, 2020	% (1)	52 weeks ended Dec 28, 2019	% (1)
Adjusted EBITDA by segment:								
Specialty Foods	67.0	9.9%	55.3	9.3%	247.7	9.3%	251.4	10.4%
Premium Food Distribution	26.6	7.0%	22.9	6.3%	83.7	6.0%	71.6	5.8%
Corporate	(5.9)		(3.1)		(18.8)		(15.3)	
Consolidated	87.7	8.3%	75.1	7.8%	312.6	7.7%	307.7	8.4%

(1) Expressed as a percentage of the corresponding segment's revenue.

Adjusted EBITDA for the quarter increased by $12.6 million or 16.8% primarily due to the Company's growth initiatives, including business acquisitions, and plant efficiency gains; partially offset by: (i) pandemic related factors; (ii) investments in plant and staffing infrastructure to support the Company's current and future growth; (iii) wage inflation; and (iv) increased discretionary compensation.

Normalizing for the impact of the pandemic, which is estimated to be $7.7 million consisting of $10.6 million in lost margin on $52.8 million of lost sales partially offset by $2.9 million in net cost savings, the Company's adjusted EBITDA and adjusted EBITDA margin are approximately $95.4 million and 8.6%, respectively.

Adjusted EBITDA for 2020 increased by $4.9 million or 1.6%, which is significantly lower than what the Company originally expected to achieve for the year primarily due to pandemic related factors. Normalizing for the impact of the pandemic, which is estimated to be $50.5 million consisting of $47.3 million in lost margin on $212.2 million of lost sales and $3.2 million in incremental costs, the Company's adjusted EBITDA and adjusted EBITDA margin are approximately $363.1 million and 8.5%, respectively.

Plant Start-up and Restructuring Costs

Plant start-up and restructuring costs consist of expenses associated with: (i) the start-up of new production capacity; (ii) the reconfiguration of existing capacity to gain efficiencies and/or additional capacity; and/or (iii) the restructuring of a business to improve its profitability. The Company expects (see *Forward Looking Statements*) these investments to result in improvements in its future earnings and cash flows.

During the quarter and for the year, the Company incurred $2.0 million and $8.2 million, respectively, in plant start-up and restructuring costs for a variety of projects including: (i) the startup of a new 50,000 square foot lobster processing facility in Saco, ME; (ii) the startup of a new 45,000 square foot distribution and seafood processing facility in Montreal; (iii) the startup of a 25,000 square foot expansion of the Company's cooked protein plant in Montreal; (iv) the installation of new automated production lines at its sandwich plants in Phoenix and Reno; (v) staffing changes in certain businesses which resulted in unusually high severance costs; and (vi) the shutdown of an unprofitable retail outlet in the Company's PFD segment.

Sales and Adjusted EBITDA Outlook

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

<u>2021</u>

At this time, the Company is not providing annual sales and adjusted EBITDA guidance for 2021 based on the significant uncertainties associated with the potential impacts of the pandemic over the next several quarters. While the Company is expecting to continue generating year over year improvement in its sales and adjusted EBITDA through 2021 (see *Forward Looking Statements*), there remains considerable uncertainty about how the pandemic will play out over the coming quarters and how consumer behavior will change if, and when, the pandemic is over.

<u>5 Year Plan</u>

Despite the near-term uncertainty on what the impacts of the pandemic will be, the Company remains confident in its ability to achieve the five-year targets set in 2018 of $6 billion in sales and $600 million in adjusted EBITDA. While pandemic related factors have impacted many areas of the Company's business, substantially all of these are expected to be temporary (see *Forward Looking Statements*). Furthermore, the pandemic has enabled many of its businesses to develop new sustainable sales opportunities as well as strengthen customer and supply chain relationships, all of which will enhance its ability to achieve its five-year targets.

Premium Brands Holdings Corporation

Consolidated Balance Sheets

(in millions of Canadian dollars)

	December 26, 2020	December 28, 2019
Current assets:		
Cash and cash equivalents	363.0	18.4
Accounts receivable	387.0	346.5
Inventories	448.8	396.2
Prepaid expenses and other assets	25.8	19.4
	1,224.6	780.5
Capital assets	524.9	502.1
Right of use assets	328.5	300.4
Intangible assets	517.9	490.2
Goodwill	853.4	780.2
Investment in and advances to associates	74.2	64.6
Other assets	18.4	19.1
	3,541.9	2,937.1
Current liabilities:		
Cheques outstanding	19.1	16.4
Bank indebtedness	-	24.9
Dividends payable	25.2	19.7
Accounts payable and accrued liabilities	369.3	285.0
Puttable interest in subsidiaries	28.1	58.2
Current portion of long-term debt	9.5	7.7
Current portion of lease obligations	26.2	32.1
Current portion of provisions	16.4	8.5
	493.8	452.5
Long-term debt	525.6	603.0
Lease obligations	342.7	303.2
Deferred revenue	2.8	2.8
Provisions	57.2	62.4
Pension obligation	1.6	1.2
Deferred income taxes	94.5	76.8
	1,518.2	1,501.9
Convertible unsecured subordinated debentures	425.7	364.0
Equity attributable to shareholders:		
Retained earnings	11.2	19.9
Share capital	1,569.7	1,023.6
Reserves	17.1	27.7
	1,598.0	1,071.2
	3,541.9	2,937.1

Premium Brands Holdings Corporation

Consolidated Statements of Operations

(in millions of Canadian dollars except per share amounts)

	13 weeks ended Dec 26, 2020	13 weeks ended Dec 28, 2019	52 weeks ended Dec 26, 2020	52 weeks ended Dec 28, 2019
Revenue	1,056.2	959.1	4,068.9	3,649.4
Cost of goods sold	854.1	779.9	3,288.7	2,924.1
Gross profit before depreciation, amortization and plant start-up and restructuring costs	202.1	179.2	780.2	725.3
Selling, general and administrative expenses before depreciation, amortization and plant start-up and restructuring costs	114.4	104.1	467.6	417.6
	87.7	75.1	312.6	307.7
Plant start-up and restructuring costs	2.0	2.6	8.2	9.6
Depreciation of capital assets	17.9	16.2	67.2	60.0
Amortization of intangible assets	6.9	5.4	26.2	20.6
Amortization of right of use assets	8.1	7.4	31.6	27.9
Accretion of lease obligations	3.9	3.6	15.0	13.4
Interest and other financing costs	10.6	11.5	43.0	53.6
Acquisition transaction costs	1.3	0.8	5.6	3.3
Change in value of puttable interest in subsidiaries	0.5	-	(3.3)	0.5
Accretion of provisions	2.5	1.7	8.5	5.7
Equity loss (gain) in investments in associates	(0.1)	1.2	2.0	2.5
Provisions not earned	-	-	(2.0)	-
Earnings before income taxes	34.1	24.7	110.6	110.6
Provision for income taxes				
Current	4.2	2.0	18.3	19.1
Deferred	6.6	6.5	8.6	7.3
	10.8	8.5	26.9	26.4
Earnings	23.3	16.2	83.7	84.2
Earnings per share:				
Basic	0.57	0.43	2.16	2.35
Diluted	0.57	0.43	2.15	2.34
Weighted average shares outstanding (in millions):				
Basic	41.3	37.3	38.8	35.8
Diluted	41.4	37.4	39.0	36.0

Premium Brands Holdings Corporation

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

	13 weeks ended Dec 26, 2020	13 weeks ended Dec 28, 2019	52 weeks ended Dec 26, 2020	52 weeks ended Dec 28, 2019
Cash flows from (used in) operating activities:				
Earnings	23.3	16.2	83.7	84.2
Items not involving cash:				
Depreciation of capital assets	17.9	16.2	67.2	60.0
Amortization of intangible assets	6.9	5.4	26.2	20.6
Amortization of right of use assets	8.1	7.4	31.6	27.9
Accretion of lease obligations	3.9	3.6	15.0	13.4
Change in value of puttable interest in subsidiaries	0.5	-	(3.3)	0.5
Equity loss (gain) in investment in associates	(0.1)	1.2	2.0	2.5
Non-cash financing costs	1.5	1.3	5.4	4.8
Accretion of provisions	2.5	1.7	8.5	5.7
Provisions not earned	-	-	(2.0)	-
Deferred income taxes	6.6	6.5	8.6	7.3
Other	-	0.1	-	0.3
	71.1	59.6	242.9	227.2
Change in non-cash working capital	(69.6)	(51.7)	(15.6)	(63.0)
	1.5	7.9	227.3	164.2
Cash flows from (used in) financing activities:				
Long-term debt, net	(0.6)	71.7	(68.9)	(104.9)
Payments for lease obligations	(10.5)	(9.7)	(40.8)	(35.8)
Bank indebtedness and cheques outstanding	2.4	(2.0)	(22.2)	(16.6)
Dividends paid to shareholders	(23.4)	(19.6)	(86.5)	(73.1)
Repayment of convertible debentures	-	-	(5.4)	-
Proceeds from issuance of convertible debentures – net of issuance costs	-	-	143.5	-
Common shares issued from public offerings and concurrent private placements – net of issuance costs	275.3	-	440.5	250.9
	243.2	40.4	360.2	20.5
Cash flows from (used in) investing activities:				
Capital asset additions	(21.7)	(24.7)	(92.6)	(87.9)
Business and asset acquisitions	(52.6)	(15.9)	(109.0)	(70.9)
Payments to shareholders of non-wholly owned subsidiaries	-	-	(1.0)	(2.3)
Payment of provisions	-	-	(15.9)	(0.8)
Payment for settlement of puttable interest of non-wholly owned subsidiaries	-	-	(21.5)	(0.5)
Net change in share purchase loans and notes receivable	0.2	0.3	2.3	0.7
Investment in and advances to associates – net of distributions	(0.3)	(5.1)	(11.6)	(24.7)
Proceeds from sale-leaseback	-	-	6.4	-
Other	-	0.3	-	0.7
	(74.4)	(45.1)	(242.9)	(185.7)
Change in cash and cash equivalents	170.3	3.2	344.6	(1.0)
Cash and cash equivalents – beginning	192.7	15.2	18.4	19.4
Cash and cash equivalents – end of year	363.0	18.4	363.0	18.4

NON-IFRS FINANCIAL MEASURES

The Company uses certain non-IFRS financial measures including adjusted EBITDA, free cash flow, adjusted earnings and adjusted earnings per share, which are not defined under IFRS and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities, nor should they be construed as an alternative to other earnings measures determined in accordance with IFRS. These non-IFRS measures are calculated as follows:

Adjusted EBITDA

(in millions of dollars)	13 weeks ended Dec 26, 2020	13 weeks ended Dec 28, 2019	52 weeks ended Dec 26, 2020	52 weeks ended Dec 28, 2019
Earnings before income taxes	34.1	24.7	110.6	110.6
Plant start-up and restructuring costs	2.0	2.6	8.2	9.6
Depreciation of capital assets	17.9	16.2	67.2	60.0
Amortization of intangible assets	6.9	5.4	26.2	20.6
Amortization of right of use assets	8.1	7.4	31.6	27.9
Accretion of lease obligations	3.9	3.6	15.0	13.4
Interest and other financing costs	10.6	11.5	43.0	53.6
Acquisition transaction costs	1.3	0.8	5.6	3.3
Change in value of puttable interest in subsidiaries	0.5	-	(3.3)	0.5
Accretion of provisions	2.5	1.7	8.5	5.7
Provisions not earned	-	-	(2.0)	-
Equity loss (gain) in investments in associates	(0.1)	1.2	2.0	2.5
Adjusted EBITDA	87.7	75.1	312.6	307.7

Free Cash Flow

(in millions of dollars)	52 weeks ended Dec 26, 2020	52 weeks ended Dec 28, 2019
Cash flow from operating activities	227.3	164.2
Changes in non-cash working capital	15.6	63.0
Lease obligation payments	(40.8)	(35.8)
Business acquisition transaction costs	5.6	3.3
Plant start-up and restructuring costs	8.2	9.6
Maintenance capital expenditures	(27.1)	(26.5)
Free cash flow	188.8	177.8

Adjusted Earnings and Adjusted Earnings per Share

(in millions of dollars except per share amounts)	13 weeks ended Dec 26, 2020	13 weeks ended Dec 28, 2019	52 weeks ended Dec 26, 2020	52 weeks ended Dec 28, 2019
Earnings	23.3	16.2	83.7	84.2
Plant start-up and restructuring costs	2.0	2.6	8.2	9.6
Business acquisition transaction costs	1.3	0.8	5.6	3.3
Accretion of provisions	2.5	1.7	8.5	5.7
Provisions not earned	-	-	(2.0)	-
Equity loss (gain) from associates in start-up	(0.1)	1.2	2.0	2.5
Change in value of puttable interest in subsidiaries	0.5	-	(3.3)	0.5
Amortization of intangibles associated with acquisitions	6.9	5.4	26.2	20.6
	36.4	27.9	128.9	126.4
Current and deferred income tax effect of above items, and unusual tax cost (recovery)	(1.1)	1.6	(10.5)	(8.0)
Adjusted earnings	35.3	29.5	118.4	118.4
Weighted average shares outstanding	41.3	37.3	38.8	35.8
Adjusted earnings per share	0.86	0.79	3.05	3.31

FORWARD LOOKING STATEMENTS

This press release contains forward looking statements with respect to the Company, including, without limitation, statements regarding its business operations, strategy and financial performance and condition, cash distributions, proposed acquisitions, budgets, projected costs and plans and objectives of or involving the Company. While management believes that the expectations reflected in such forward looking statements are reasonable and represent the Company's internal expectations and belief as of March 11, 2021, there can be no assurance that such expectations will prove to be correct as such forward looking statements involve unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Forward looking statements generally can be identified by the use of the words "may", "could", "should", "would", "will", "expect", "intend", "plan", "estimate", "project", "anticipate", "believe" or "continue", or the negative thereof or similar variations. Forward looking statements in this press release include statements with respect to the Company's expectations and/or projections on its: (i) revenue; (ii) adjusted EBITDA; (iii) plant start-up and restructuring costs; (iv) income tax rates; (v) dividend policy; (vi) capital expenditures and business acquisitions; (vii) senior debt capacity utilization; (viii) convertible debentures; (ix) impacts of the COVID-19 pandemic; and (x) liquidity outlook.

Some of the factors that could cause actual results to differ materially from the Company's expectations are outlined in the Company's MD&A for the 13 and 52 weeks ended December 26, 2020.

Assumptions used by the Company to develop forward looking statements contained or incorporated by reference in this press release are based on information currently available to it and include those outlined below as well as those outlined elsewhere in this document. Readers are cautioned that this information is not exhaustive.

- The general economic conditions in Canada and the United States will return to pre-pandemic levels in the medium term and there will not be any major shutdowns of the Canadian or U.S. economies in the near term.

- The Company's businesses impacted by the pandemic will recover from the resulting disruptions in the medium term and, to the extent there are ongoing changes in their operating costs resulting from the crisis, will be able to recover these through increased selling prices.
- The Company's organic growth initiatives will progress in line with previous expectations post the pandemic.
- The average cost of the basket of food commodities purchased by the Company will be relatively stable over the medium term.
- The Company's major capital projects, plant start-up and restructuring, and business acquisition initiatives will progress in line with its expectations.
- The Company will be able to continue to access sufficient skilled and unskilled labor at reasonable wage levels.
- The Company will be able to continue to access sufficient goods and services for its manufacturing and distribution operations.
- The value of the Canadian dollar relative to the U.S. dollar will continue to fluctuate in line with recent levels.
- The Company will be able to achieve its projected operating efficiency improvements.
- There will not be any material changes in the competitive environment of the markets in which the Company's various businesses compete.
- There will not be any material changes in the long-term food trends that have been driving growth in many of the Company's businesses. These include: (i) growing demand for higher quality foods made with simpler more wholesome ingredients and/or with differentiating attributes such as antibiotic free, no added hormones or use of organic ingredients; (ii) increased reliance on convenience oriented foods both for on-the-go snacking as well as easy home meal preparation; (iii) healthier eating including reduced sugar consumption and increased emphasis on protein and seafood; (iv) increased snacking in between and in place of meals; (v) increased interest in understanding the background and stories behind food products being consumed; and (vi) increased social awareness on issues such as sustainability, sourcing products locally, animal welfare and food waste.
- Weather conditions in the Company's core markets will not have a significant impact on any of its businesses.
- There will not be any material changes in the Company's relationships with its larger customers including the loss of a major product listing and/or being forced to give significant product pricing concessions.
- There will not be any material changes in the trade relationship between Canada and the U.S., particularly with respect to certain protein commodities such as beef, pork and chicken products.
- The Company will be able to negotiate new collective agreements with no labor disruptions.
- The Company will be able to continue to access reasonably priced debt and equity capital.
- The Company's average interest cost on floating rate debt will remain relatively stable in the near to medium future.
- Contractual counterparties will continue to fulfill their obligations to the Company.
- There will be no material changes to the tax and other regulatory requirements governing the Company.

Management has set out the above summary of assumptions related to forward looking statements included in this press release in order to provide a more complete perspective on the Company's future operations. Readers are cautioned that these statements may not be appropriate for other purposes.

Unless otherwise indicated, the forward looking statements in this press release are made as of March 11, 2021 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking statements in this press release.