

# Annual General Meeting

May 17, 2024

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LASSONDE INDUSTRIES INC.



Lassonde

# Caution Regarding Forward-Looking Statements

This document contains “forward-looking information” and the Corporation’s oral and written public communications that do not constitute historical fact may be deemed to be “forward-looking information” within the meaning of applicable Canadian securities law. These forward-looking statements include, but are not limited to, statements on objectives and goals of the Corporation and are based on current expectations, projections, beliefs, judgments, and assumptions based on information available at the time the applicable forward-looking statement was made and considering the Corporation’s experience combined with its perception of historical trends. Forward-looking statements are typically identified by words such as “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “could”, “would”, “believe”, “plan”, “intend”, “design”, “target”, “objective”, “strategy”, “likely”, “potential”, “outlook”, “aim”, “goal”, and similar expressions suggesting future events or future performance in addition to the negative forms of these terms or any variations thereof. All statements other than statements of historical fact included in this document may constitute a forward-looking statement.

In this document, forward-looking statements include, but are not limited to, those set forth in the “Outlook” section of the 2023 annual MD&A, which also presents some (but not all) of the key assumptions used in determining the forward-looking statements. Some of the forward-looking statements in this document, such as statements concerning sales volume and sales growth rate, key commodity and input costs, expenses, including items impacting the comparability between the periods, effective tax rate, working capital, and capital expenditures may be considered financial outlooks for the purposes of applicable Canadian securities regulations. These financial outlooks are presented to evaluate potential future earnings and anticipated future uses of cash flows and may not be appropriate for other purposes.

Various factors or assumptions are applied by the Corporation in elaborating the forward-looking statements. These factors and assumptions are based on information currently available to the Corporation, including information obtained by the Corporation from third parties. **Readers are cautioned that the assumptions considered by the Corporation to support these forward-looking statements may prove to be incorrect in whole or in part.**

The significant factors that could cause actual results to differ materially from the conclusions, forecasts or projections contained in the forward-looking statements contained herein include, among other things, risks associated with the following: deterioration of general macroeconomic conditions, including international conflicts, which can lead to negative impacts on the Corporation’s suppliers, customers and operating costs; the availability of raw materials and packaging and related price variations (including the price of orange juice and orange concentrates, key commodities for the Corporation, which have continued to trade above historical highs for the past several months and show no sign of favourable change); loss of key suppliers or supplier concentration; disruptions in or failures of the Corporation’s information technology systems, as well as the development and performance of technology; cyber threats and other information-technology-related risks leading to business disruptions, confidentiality, data integrity, and business email compromise-related fraud; the successful deployment of the Corporation’s multi-year strategy (the “Strategy”, defined in Section 4 – “Multi Year Strategy” of the 2023 annual MD&A); the ability to maintain strong sourcing and manufacturing platforms and efficient distribution channels; fluctuations in the prices of inbound and outbound freight, the impact of oil prices (and derivatives thereof) on the Corporation’s direct and indirect costs along with the Corporation’s ability to transfer those increases through higher prices or other means, if any, to its customers in competitive market conditions and considering demand elasticity; climate change and disasters causing higher operating costs and capital expenditures and reduced production output, or impacting the availability, quality or price volatility of key commodities sourced by the Corporation; the scarcity of labour and the related impact on the hiring, training, developing, retaining and reliance of personnel together with their productivity, employment matters, compliance with employment laws across multiple jurisdictions, and the potential for work stoppages due to non-renewal of collective bargaining agreements or other reasons; the successful deployment of the Corporation’s health and safety programs in compliance with applicable laws and regulations; serious injuries or fatalities, which could have a material impact on the Corporation’s business continuity and reputation and lead to compliance-related costs; disputes with significant suppliers; the increasing concentration of customers in the food industry, providing them with significant bargaining power particularly on the Corporation’s selling prices; the implementation, cost and impact of environmental sustainability initiatives, as well as the cost of remediating environmental liabilities; changes made to laws and rules that affect the Corporation’s activities particularly in matters of tax and customs duties, as well as the interpretation thereof, and new positions adopted by relevant authorities; the ability to adapt to changes and developments affecting the Corporation’s industry, including customer preferences, tastes, and buying patterns, market conditions and the activities of competitors and customers; failure to maintain the quality and safety of the Corporation’s products, which could result in product recalls and product liability claims for misbranded, adulterated, contaminated, or spoiled food products, along with reputational damage; risks related to fluctuations in interest rates, currency exchange rates, liquidity and credit, stock price and pension obligations; the incurrence of restructuring, disposal, or other related charges together with the recognition of impairment charges on goodwill or long-lived assets; the sufficiency of insurance coverage; and the implications and outcome of potential legal actions, litigation or regulatory proceedings to which the Corporation may be a party. The Corporation cautions readers that the foregoing list of factors is not exhaustive.



## Caution Regarding Forward-Looking Statements (cont'd)

The Corporation's ability to achieve its sustainability targets and goals is further subject to, among other factors, its ability to access and implement all technology necessary to achieve them as well as the development, deployment and performance of technology, and environmental regulation. The Corporation's ability to achieve its environmental, social and governance risk commitments is further subject to, among other factors, its ability to leverage its supplier relationships.

The assumptions, expectations, and estimates involved in the preparation of forward-looking statements and risks and uncertainties that could cause actual results to differ materially from forward-looking statements are discussed in the Corporation's materials filed with the Canadian securities regulatory authorities from time to time, including information about risk factors that can be found in Section 19 - "Uncertainties and Principal Risk Factors" of the Corporation's MD&A for the year ended December 31, 2023. Readers should review this section in detail.

All forward-looking statements included herein speak only as of the date hereof. Unless required by law, the Corporation does not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. **All forward-looking statements contained herein or conveyed verbally are expressly qualified by this cautionary statement.**

For additional information regarding the Corporation's business for 2024 and known trends, events or uncertainties, see the Corporation's MD&A for the first quarter ended March 30, 2024, available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca) in particular the "Outlook", and "Forward-Looking Statements" sections thereof, which are incorporated by reference herein.



# Financial Measures Not in Accordance with IFRS

To provide more information for evaluating the Corporation's performance, the financial information in the financial documents contains certain supplementary financial measures and certain data or ratios that are not financial measures defined under IFRS ("non-IFRS measures"), which are also calculated on an adjusted basis to exclude specific items impacting the comparability between periods. The Corporation believes that providing these non-IFRS measures is useful to management, investors, and analysts, as they provide additional information to analyze its performance and financial position. Refer to the section "Financial Measures Not in Accordance with IFRS" in the MD&As of Lassonde Industries Inc. for the fiscal year ended December 31, 2023 and for the First Quarter ended March 30, 2024.

**The following non-IFRS financial measures are used in the Corporation's financial disclosures:**

- Adjusted Operating Profit;
- EBITDA and Adjusted EBITDA;
- Adjusted Profit Attributable to the Corporation's Shareholders;
- Operating Working Capital;
- Capital Employed; and
- Sources of Capital.

**The following non-IFRS ratios are used in the Corporation's financial disclosures:**

- Adjusted Operating Profit margin;
- EBITDA margin and Adjusted EBITDA margin;
- Adjusted EPS;
- Days Operating Working Capital;
- Return on Capital Employed; and
- Net Debt to Adjusted EBITDA.

**The following supplementary financial measures are used in the Corporation's financial disclosures:**

- Days of Sales Outstanding;
- Days of Inventory Outstanding; and
- Days of Payables Outstanding.



# Financial Measures Not in Accordance with IFRS (cont'd)

**Adjusted Operating Profit<sup>(1)</sup>** is a financial measure used by the Corporation to compare operating profit between periods by excluding items impacting comparability. Adjusted operating profit is calculated by adjusting the operating profit with items considered by management as impacting the comparability between periods.

**EBITDA and Adjusted EBITDA<sup>(1)</sup>** EBITDA is a financial measure used by the Corporation and investors to assess the Corporation's capacity to generate future cash flows from operating activities and pay financial expenses. Adjusted EBITDA is a financial measure used by the Corporation to compare EBITDA between periods by excluding items impacting comparability. EBITDA consists of the sum of operating profit and of the "depreciation of property, plant and equipment and amortization of intangible assets" item and "(Gains) losses on capital assets," item, as shown in the Consolidated Statement of Cash Flows. Adjusted EBITDA is calculated by adjusting the EBITDA with items considered by management as impacting the comparability between periods.

**Adjusted Profit Attributable to the Corporation's Shareholders and Adjusted EPS<sup>(1)</sup>** are financial measures used by the Corporation to compare profit attributable to the Corporation's shareholders and EPS between periods by excluding items impacting comparability. They are calculated by adjusting them with items considered by management as impacting the comparability between periods.

**Net Debt to Adjusted EBITDA<sup>(1)</sup>** is a financial measure used by the Corporation to assess its ability to pay off existing debt and define available borrowing capacity. To calculate the net debt to adjusted EBITDA ratio, net debt is divided by the sum of adjusted EBITDA from the last four quarters. Net debt represents long-term debt, including the current portion, less the "Cash and cash equivalents" item, as they are presented in the Corporation's Consolidated Statement of Financial Position.

**Days Operating Working Capital<sup>(1)</sup>** is a financial efficiency measure used by the Corporation to represent the number of days of sales tied up as operating working capital. To calculate this financial measure, operating working capital is divided by the last quarter's sales, as they are presented in Section 8 – "Analysis of the Consolidated Results" of the Q1-2024 MD&A, and

multiplied by 91 days. Operating working capital consists of the sum of trade accounts receivable, discounts receivable and inventories, less trade payables and accrued expenses and trade spending, as they are presented in the accompanying notes to the Corporation's interim consolidated financial statements.

**Days of Sales Outstanding<sup>(1)</sup>** ("DSO") is a financial efficiency measure used by the Corporation to represent the average number of days that it takes the Corporation to collect payment for a sale. This financial measure is obtained by dividing trade accounts receivable less trade spending, as they are presented in the accompanying notes to the Corporation's interim consolidated financial statements by the last quarter's sales, as they are presented in Section 8 – "Analysis of the Consolidated Results" of the Q1-2024 MD&A, and multiplied by 91 days.

**Days of Inventory Outstanding<sup>(1)</sup>** ("DIO") is a financial efficiency measure used by the Corporation to represent the average number of days the Corporation takes to turn its inventory into sales. To calculate this financial measure, inventories, as they are presented in the Consolidated Statement of Financial Position, are divided by the last quarter's cost of sales, as it is presented in Section 8 – "Analysis of the Consolidated Results" of the Q1-2024 MD&A, and multiplied by 91 days.

**Days of Payable Outstanding<sup>(1)</sup>** ("DPO") is a financial efficiency measure used by the Corporation to represent the average number of days the Corporation takes to pay its accounts payable and accrued liabilities. This financial measure is obtained by dividing trade payables and accrued expenses less discounts receivable, as they are presented in the accompanying notes to the Corporation's interim consolidated financial statements by the last quarter's cost of sales, as it is presented in Section 8 – "Analysis of the Consolidated Results" of the Q1-2024 MD&A, and multiplied by 91 days.

(1) A reconciliation of this measure for fiscal year 2022 and 2023 as well as for the first quarter of 2024 is provided in Appendix.



# Notice of Proxy, Documents and Scrutineer's Report

# **Election of Directors**

# Election of Directors

**Chantal Bélanger**

Corporate Director

**Denis Boudreault**

Corporate Director

**Paul Bouthillier**

Corporate Director

**Luc Doyon**

Corporate Director

**Nathalie Lassonde**

CEO & Vice-Chair of the  
Board of Directors  
Lassonde Industries Inc.

**Pierre-Paul Lassonde**

Chairman of the Board  
of Directors  
Lassonde Industries Inc.

**Pierre Lessard**

Corporate Director

**Nathalie Pilon**

Corporate Director

**Michel Simard**

Corporate Director



# Appointment of Auditors

Fiscal 2023

# A Solid Performance

**Record sales of \$2.3 billion**

**Strong profitability improvement**

**Heartfelt thanks to our employees**

- Approximately 3,000 people in 18 plants across North America
- Passionate about making high-quality, delicious products

**A 106-year tradition, now in its fourth generation**

- With each generation, we established new objectives to firmly establish ourselves as a leader in food processing



Fiscal 2023

# Investor Day Highlights

**Reflects our desire to further reach out to the financial community**

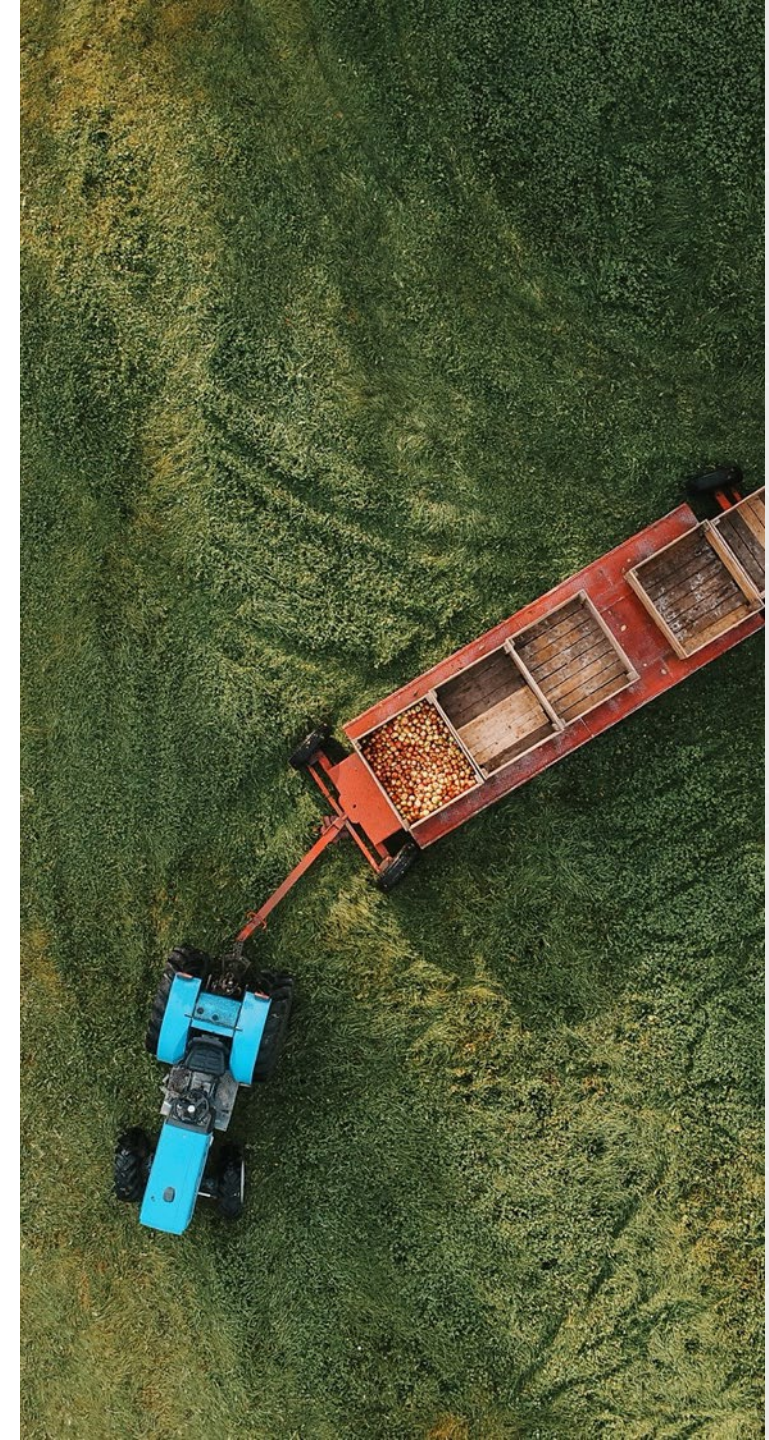
**Show the quality and the drive of our management team**

**Set out financial objectives**

- Achieve a \$3 billion sales run rate by the end of 2026
- Profit growth to prevail over sales growth

**Achieved through internal growth and investments**

- Leverage existing assets by optimizing utilization
  - Consolidate current leadership position
  - Accelerate penetration of high-growth potential market segments
- Increase our physical footprint
  - Building/expanding existing facilities or acquisitions



# Business Overview

Fiscal 2023

# A Solid Performance

## Sales increased 7.6% to a record \$2.3 billion

- Selling price adjustments in Canada and the U.S.
- Better sales mix in our private label activities
- Partly offset by lower sales volume in the U.S.

## Strong profitability improvement

- Improved operating performance
- 32% increase in adjusted EBITDA<sup>(1)</sup>
- All divisions generated a higher profitability

## Market share gains

- Reflects the strength of our portfolio and market positioning

## Lower volume, but partly anticipated

- U.S. portfolio simplification process completed during the year



(1) Financial measure not in accordance with IFRS. Please refer to section on Financial Measures Not in Accordance with IFRS.



**A Stronger, More Diversified and Leading North American Agri-food and Beverage Player**

# **OUR VISION**

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## **OUR GREAT TASTING PRODUCTS**

**IN MORE HANDS, SERVING MORE NEEDS,  
ACROSS MORE OCCASIONS, EVERY DAY.**

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# Multi-Year Strategy Priorities

**1**  
**Build a  
Growth-oriented  
Portfolio**

**2**  
**Drive  
Sustainable  
Performance**

**3**  
**Improve  
Capacity  
to Act**



# Canadian Beverage Division

## # 1 producer of fruit juices and drinks in Canada

- Market share growth in 2023 driven by diversified portfolio, extensive market reach and solid customer relationships

## Oasis is the largest brand by volume in the category

- Voted the most trusted juice brand in Canada\* for the second consecutive year
- Strong portfolio with leading regional and national brands

\* Source: Brand Spark



# Fortify our Leading Position

## Innovation

- Reinforce our core
- Pursue opportunities in growing and on trend categories

## Channel expansion

- Further extend our presence in « away-from-home » category

## Brand marketing

- Grow consumer awareness and affinity with our brands

## Productivity initiatives

- Drive efficiency through better tools and processes, automation and state-of-the-art equipment



# Focus on Innovation

## Rapid commodity price variations in recent quarters

- Mitigated through pricing adjustments
- Mindful of pricing impact on customers and consumers' purchasing behaviour

## Pursue opportunities to reduce costs and drive innovation to offer value and more options

## Portfolio diversification

- Branded and private label products
- Presence in multiple categories
- Further diversification to reduce commodity exposure through innovation



# U.S. Beverage Divisions

## Improvement in 2023

### Strengthened team and leadership

### Successful portfolio simplification initiatives

- Freed up valuable capacity by diminishing costly downtime associated with line changeovers

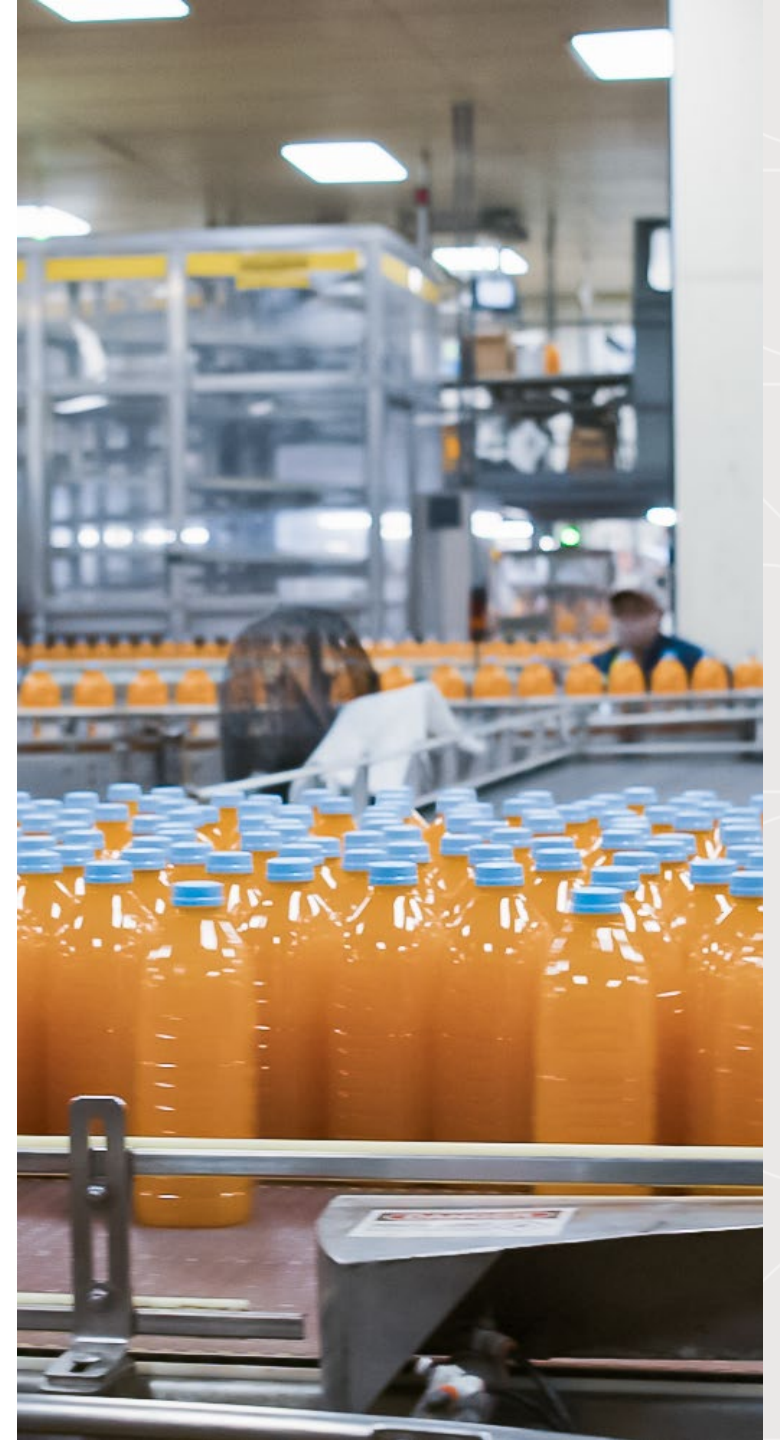
### New equipment, decision making tools and technology

- New filler, capper and labeller in New Jersey
- Deployment of new systems
- Application of new processes

### Bring more production in house for our core business

### Leverage the improvements achieved

- Focus on building back volume
- Better absorb costs to generate growth at a higher margin



# North Carolina Aseptic Single-Serve Project

**Meets objectives of building a growth-oriented portfolio and delivering a more sustainable product at lower costs**

**On track to commission the new line in the third quarter**

**Single-serve market continues to show strength**

- New line will expand our offering
- Expand to retail in smaller multi-packs
- More products for “away-from-home” consumption through convenience stores
- Foster innovation into adjacent categories

**Full production to begin in early 2025**

- New line to play a key role in providing growth opportunities in new markets across both our branded and private label businesses



# Specialty Food Division

**2023 was another year of sales and profit growth**

**Introduced new products to capture growth in premium categories**

- Extended the Canton brand into premium glass jar soups

**Confident about the specialty food business**

- Important platform in building a growth-oriented portfolio

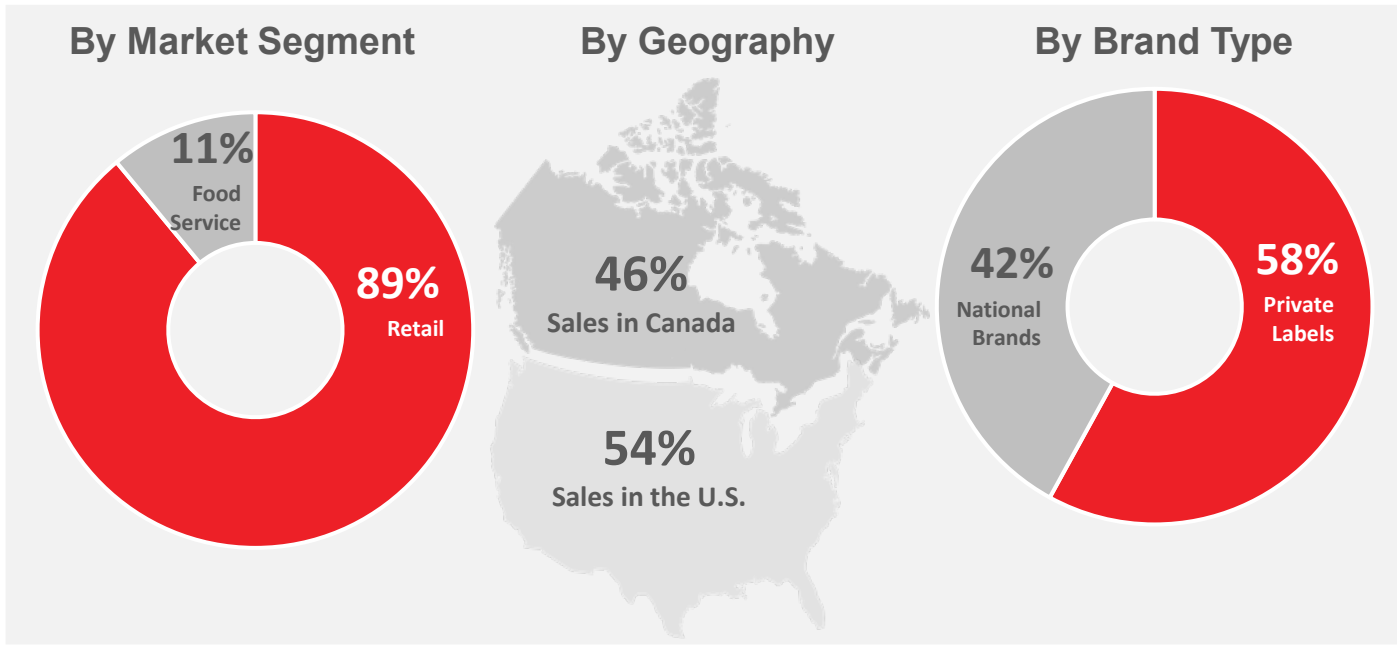
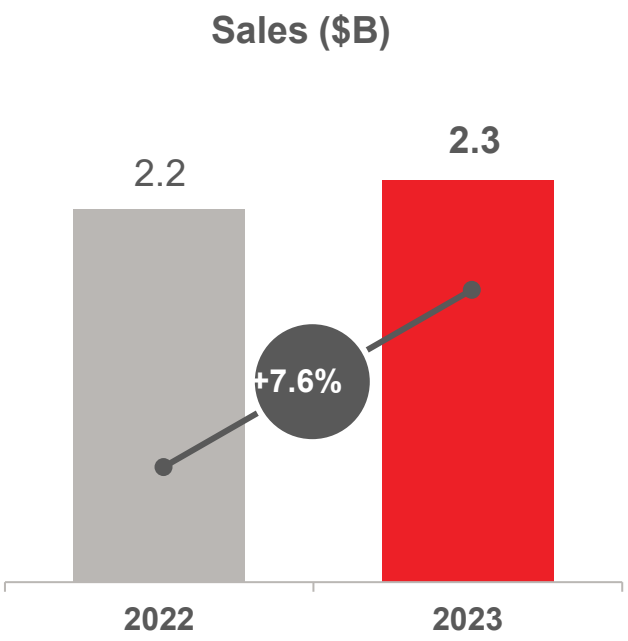
**We continue to closely examine expansion opportunities**

- Either through an acquisition or by building new capacity



# Financial Review

# Fiscal 2023 Sales Growth



## Key Highlights

**Excluding a favourable FX impact, and sales from Diamond Estates Wines and Spirits Inc. (“Diamond”)\*, sales were up 5.4%**

- (+) Selling price adjustments in Canada and the U.S.
- (+) Favourable change in private label sales mix
- (-) Lower sales volume, reflecting market trends and the U.S. portfolio simplification process

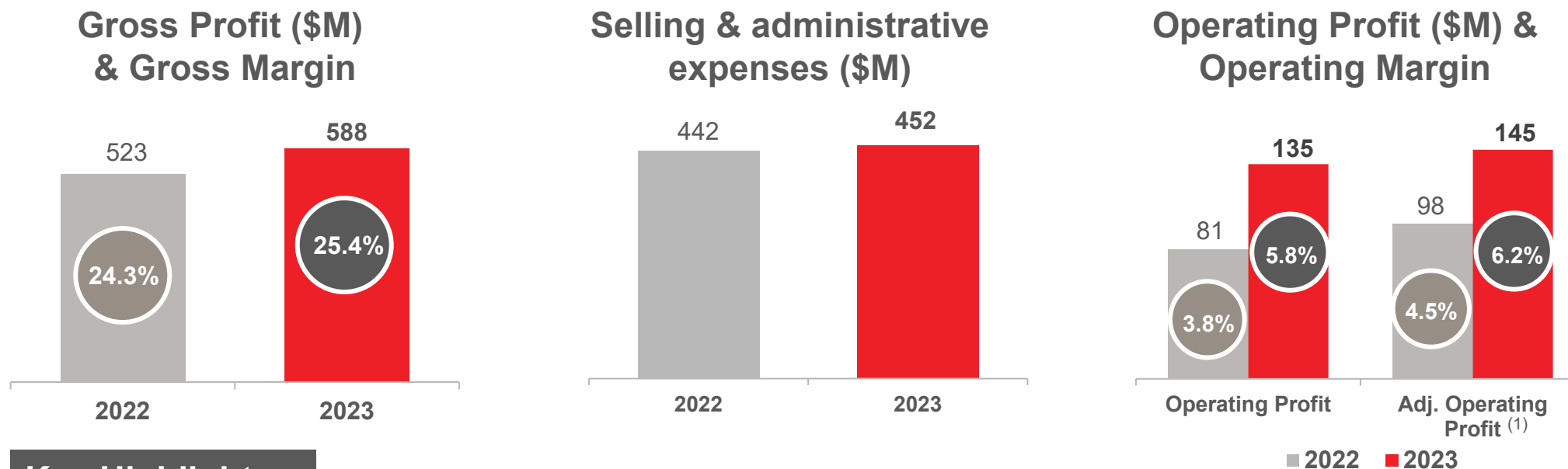
\* Lasseonde has an economic interest of 52.9% in Diamond since November 14, 2023, and exercises control over this entity. The 2023 consolidated financial statements include the results of Diamond since that date.

Note: Numbers have been rounded to lighten the presentation.



## Fiscal 2023

# Profitability Improvement



### Key Highlights

#### Higher gross profit:

- ✓ Selling price increases
- ✓ Better efficiency
- ✓ New Jersey production stoppage in 2022

Partially offset by

- ✓ Higher input costs for apple and orange concentrates

#### Selling & administrative expense variation:

- ✓ Higher performance-related compensation expenses
- ✓ Higher selling and marketing expenses in Canada
- ✓ Lower transportation costs

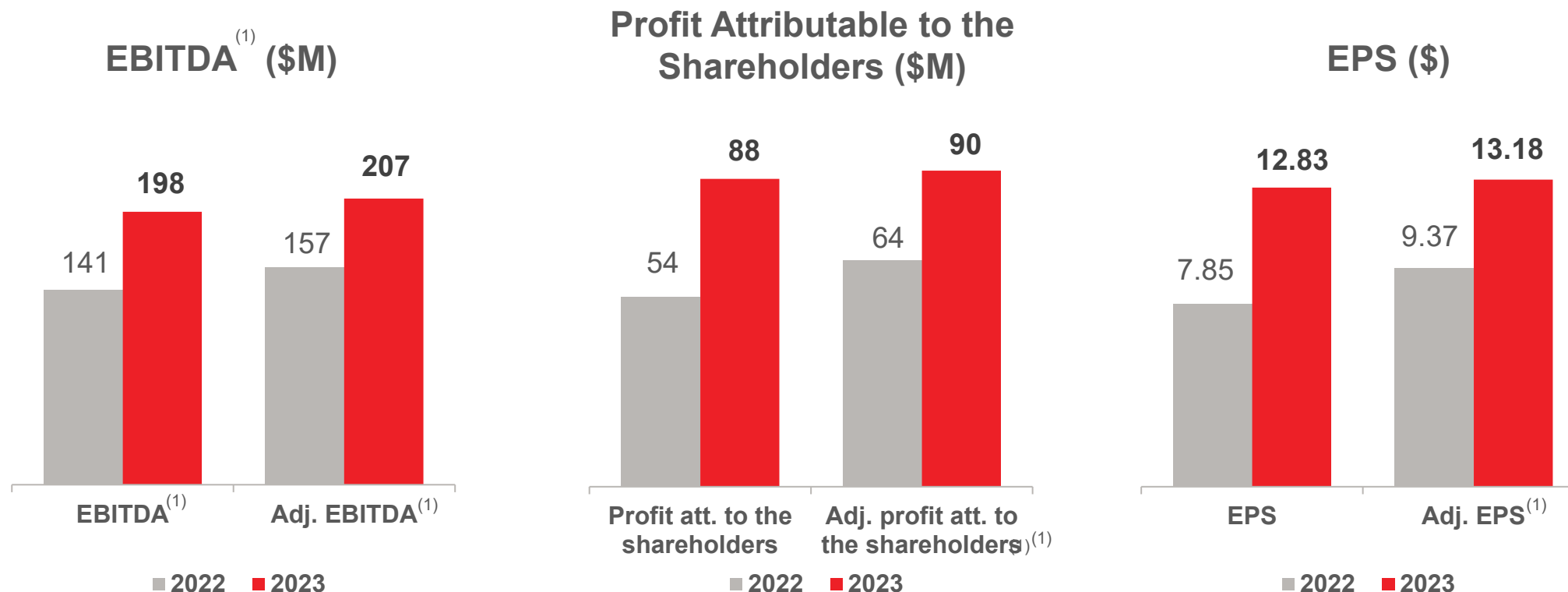
(1) Financial measure not in accordance with IFRS. Please refer to section on Financial Measures Not in Accordance with IFRS.

Note: Numbers have been rounded to lighten the presentation.



## Fiscal 2023

# Profitability Improvement



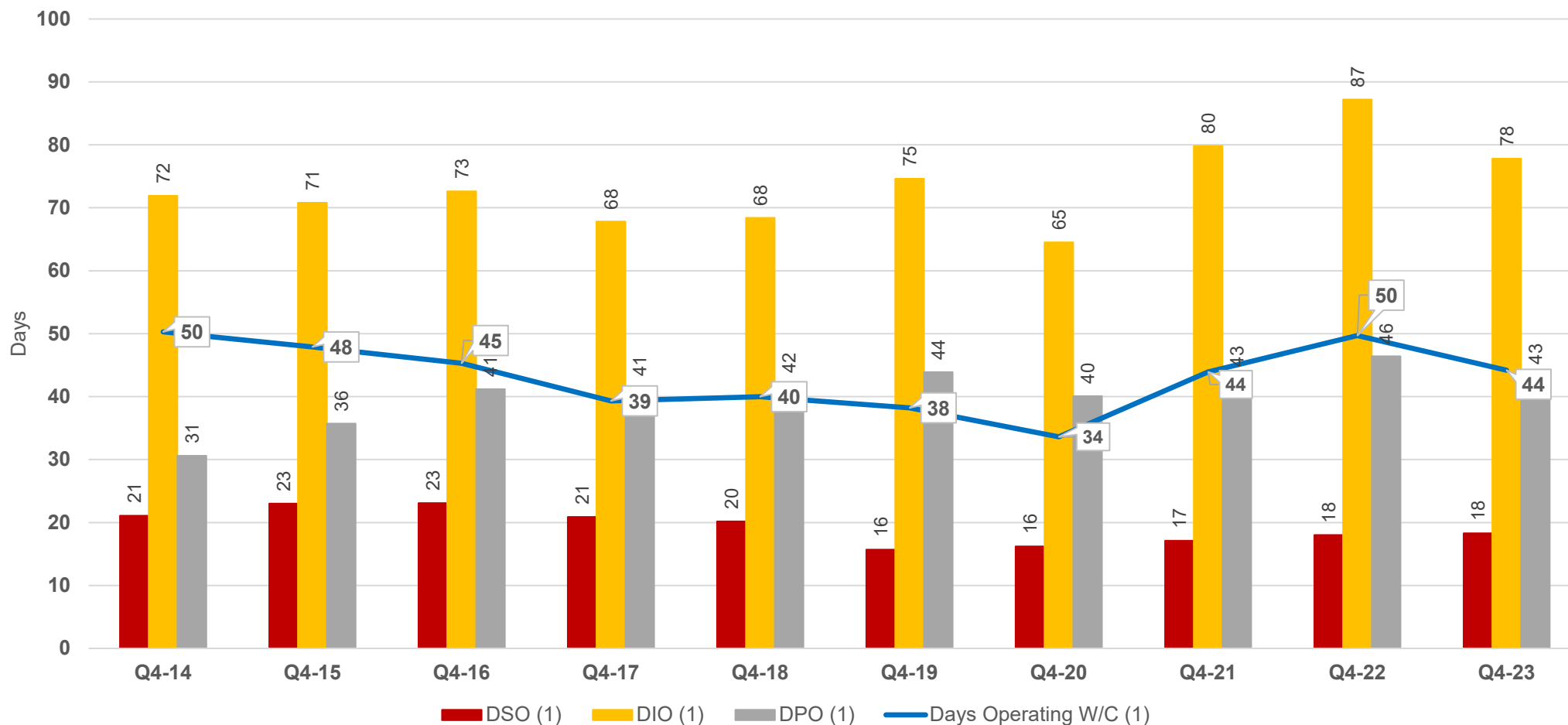
(1) Financial measure not in accordance with IFRS. Please refer to section on Financial Measures Not in Accordance with IFRS.

Note: Numbers have been rounded to lighten the presentation.



Fiscal 2023

# Days Operating Working Capital (1,2)



The Corporation may continue using its balance sheet to secure price and/or availability of certain commodities.

(1) Financial measure not in accordance with IFRS. Please refer to section on Financial Measures Not in Accordance with IFRS.

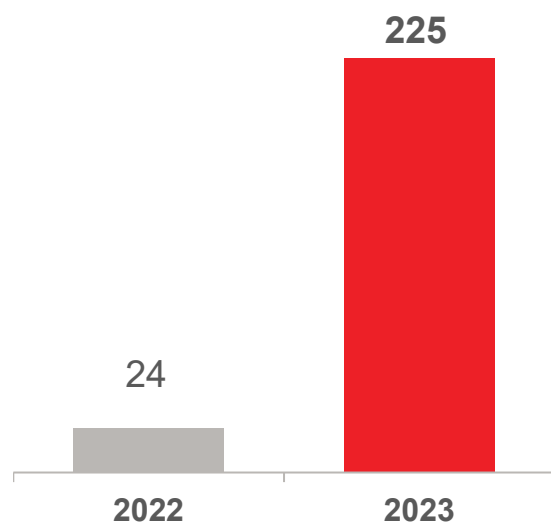
(2) To ensure a better representativeness, the Corporation adopted a more detailed approach in calculating operating working capital by only considering certain items of accounts receivable and accounts payable and accrued liabilities. Prior periods have been restated. Please refer to section 18.6 of the 2023 annual MD&A for more details.



## Fiscal 2023

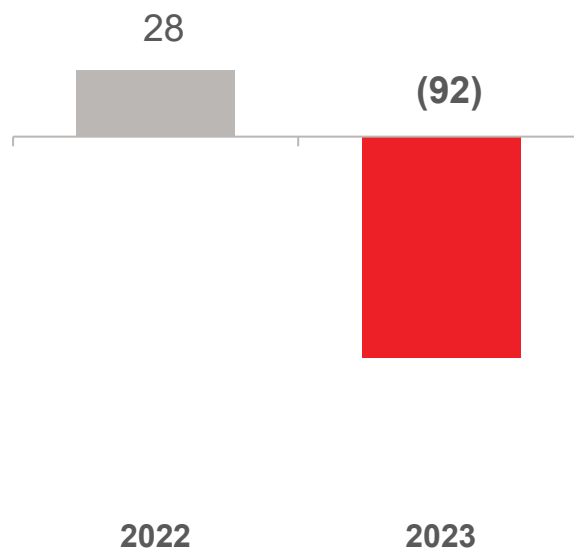
# Cash Flows

Cash Flow from  
Operating Activities (\$M)



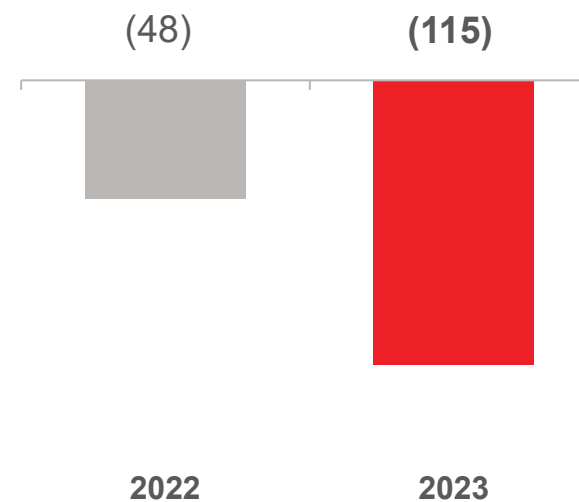
- ✓ Higher profitability
- ✓ Lower working capital requirements

Cash Flow from (used by)  
Financing Activities (\$M)



- ✓ Debt repayment of \$77 million
- ✓ Dividend payments of \$15 million

Cash Flow used by  
Investing Activities (\$M)

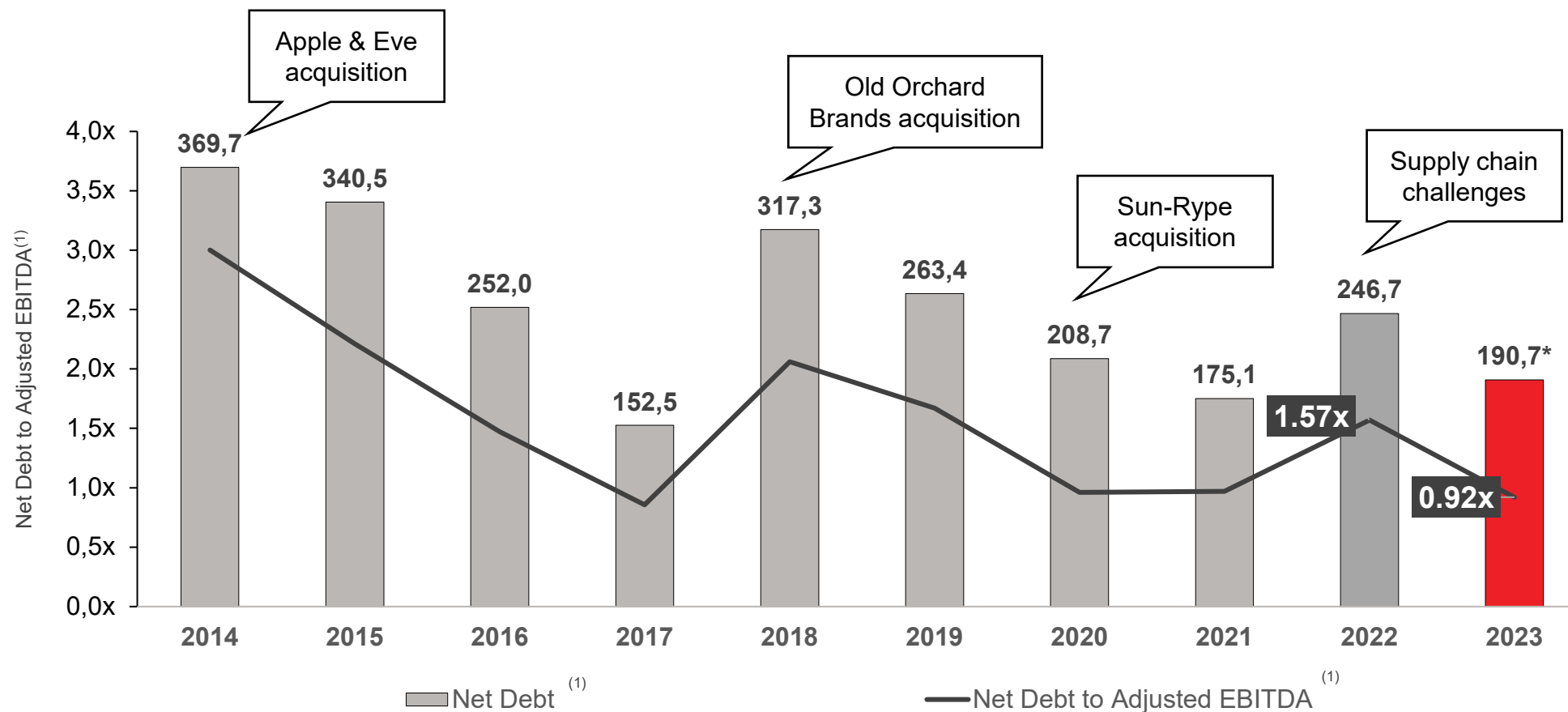


- ✓ CapEx  $\approx$  5% of sales in 2024



Fiscal 2023

# Net Debt<sup>(1)</sup> (\$M)



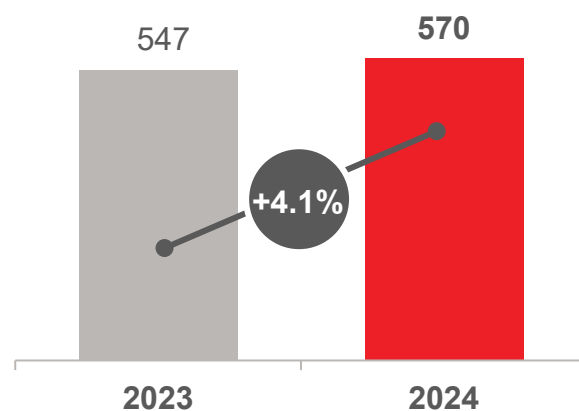
\* Includes Diamond's net debt

(1) Financial measure not in accordance with IFRS. Please refer to section on Financial Measures Not in Accordance with IFRS.

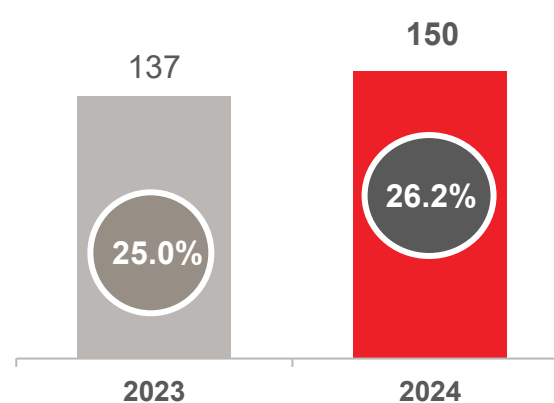


# Q1-2024 First Quarter Results

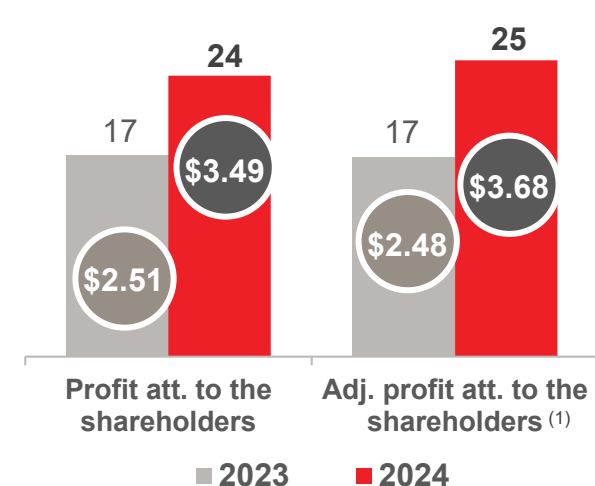
## Sales (\$M)



## Gross Profit (\$M)



## Profit Attributable to the Shareholders (\$M) & EPS



## Key Highlights

### Higher sales:

- ✓ Mainly due to selling price adjustments in Canada

Partially offset by

- ✓ Lower sales volume in Canada

### Higher gross profit:

- ✓ Effect of selling price adjustments
- ✓ Favourable sales mix

(1) Financial measure not in accordance with IFRS. Please refer to section on Financial Measures Not in Accordance with IFRS.





# Outlook for 2024

# Looking Ahead

## Remain focused on executing our strategy

- Accelerate sales growth
- Improve profitability
- Create long-term value

## Priorities for 2024

- Build back U.S. volume
- Fortify our leadership position in Canada
- Assess options to grow our specialty food business



# Manage Input Cost Inflation

## Closely monitor inflation affecting orange juice and concentrates

- Remains volatile and high by historical standards

## Aiming to reduce commodity exposure

- Driven by innovation



# 2024 Sales Outlook

## Growth rate in the mid-single digit range

- Excluding FX impacts
- Driven by selling price adjustments
- Year-over-year volume growth in the second half

## Volume decline in the first half of 2024

## Sequential improvement in the second half

- Gradual pace of U.S. demand build back
- Additional volumes from the North Carolina single-serve line
- New products in Canada to sustain growth in certain categories
- Demand normalization



# In Conclusion

## Pleased with 2023 performance

## Focus on executing strategy should set the stage for further progress in 2024

- Another important step towards achieving our long-term growth ambitions

## Sincere thanks to:

- All Lassonde employees
- Business partners
- Customers and suppliers
- Board of Directors
- Shareholders





**Questions?**



Lassonde

[lassonde.com](http://lassonde.com)

# Appendix

# Financial Measures Not in Accordance with IFRS

## Items impacting the comparability between periods

These tables contain a list, description and quantification of items impacting the comparability of the financial performance between the periods.

<i>(in millions of dollars)</i>	Years ended	
	Dec. 31, 2023	Dec. 31, 2022
	\$	\$
Costs related to the Strategy	1.9	7.1
Implementation costs of new key systems	3.4	3.9
Production interruption of a line in New Jersey	-	5.2
Business optimization	3.4	-
Adjustment related to non-recoverable sales taxes	0.9	-
Sum of items impacting comparability on EBITDA:	9.6	16.2
Accelerated depreciation expense related to business optimization	0.5	-
Gain on capital assets related to business optimization	(1.0)	-
Sum of items impacting comparability on operating profit:	9.1	16.2
<u>Items impacting comparability on "Other (gains) losses":</u>		
Gain related to the settlement of insurance claims	(3.2)	-
Gain on a business combination	(1.9)	-
Tax impact of previous items	(1.6)	(4.2)
<u>Item impacting comparability on income tax expense:</u>		
Deferred tax liabilities adjustment following a tax rate reduction in a U.S. state	-	(0.6)
Impact on profit	2.5	11.4
Attributable to:		
Corporation's shareholders	2.4	10.5
Non-controlling interests	0.1	0.9

<i>(in millions of dollars)</i>	First quarters ended	
	March 30, 2024	April 1, 2023
	\$	\$
Costs related to the Strategy	1.2	0.5
Implementation costs of new key systems	0.2	0.6
Business optimization	0.4	-
Adjustment related to non-recoverable sales taxes	-	0.6
Sum of items impacting comparability on operating profit and EBITDA:	1.8	1.7
<u>Items impacting comparability on "Other (gains) losses":</u>		
Gain related to the preliminary settlement of an insurance claim	-	(2.1)
Tax impact of previous items	(0.5)	0.1
Impact on profit	1.3	(0.3)
Attributable to:		
Corporation's shareholders	1.2	(0.2)
Non-controlling interests	0.1	(0.1)



# Financial Measures Not in Accordance with IFRS (cont'd)

## Adjusted Operating Profit

<i>(in millions of dollars)</i>	Years ended	
	Dec. 31, 2023	Dec. 31, 2022
	\$	\$
Operating profit	135.4	81.3
Sum of items impacting comparability	9.1	16.2
Adjusted operating profit	144.5	97.5

<i>(in millions of dollars)</i>	First quarters ended	
	March 30, 2024	April 1, 2023
	\$	\$
Operating profit	34.6	26.2
Sum of items impacting comparability	1.8	1.7
Adjusted operating profit	36.4	27.9

## EBITDA and Adjusted EBITDA

<i>(in millions of dollars)</i>	First quarters ended	
	March 30, 2024	April 1, 2023
	\$	\$
Operating profit	34.6	26.2
Depreciation of property, plant and equipment and amortization of intangible assets	16.1	15.1
(Gains) losses on capital assets	(0.1)	-
EBITDA	50.6	41.4
Sum of items impacting comparability	1.8	1.7
Adjusted EBITDA	52.4	43.1

<i>(in millions of dollars)</i>	Years ended	
	Dec. 31, 2023	Dec. 31, 2022
	\$	\$
Operating profit	135.4	81.3
Depreciation of property, plant and equipment and amortization of intangible assets	63.3	59.5
(Gains) losses on capital assets	(1.1)	0.1
EBITDA	197.5	140.9
Sum of items impacting comparability	9.6	16.2
Adjusted EBITDA	207.1	157.1



# Financial Measures Not in Accordance with IFRS (cont'd)

## Adjusted Profit Attributable to the Corporation's Shareholders and Adjusted EPS

<i>(in millions of dollars, unless otherwise indicated)</i>	Years ended	
	Dec. 31, 2023	Dec. 31, 2022
	\$	\$
Profit attributable to Corporation's shareholders	87.5	53.9
Sum of items impacting comparability	2.5	10.5
Adjusted profit attributable to Corporation's shareholders	89.9	64.4
Weighted average number of shares outstanding <i>(in thousands)</i>	6,822	6,875
Adjusted EPS <i>(in \$)</i>	13.18	9.37

<i>(in millions of dollars, unless otherwise indicated)</i>	First quarters ended	
	March 30, 2024	April 1, 2023
	\$	\$
Profit attributable to the Corporation's shareholders	23.8	17.1
Sum of items impacting comparability	1.2	(0.2)
Adjusted profit attributable to the Corporation's shareholders	25.1	16.9
Weighted average number of shares outstanding <i>(in thousands)</i>	6,822	6,822
Adjusted EPS <i>(in \$)</i>	3.68	2.48



# Financial Measures Not in Accordance with IFRS (cont'd)

## Net Debt to Adjusted EBITDA

<i>(in millions of dollars, except the net debt to adjusted EBITDA ratio)</i>	As at Dec. 31, 2023	As at Dec. 31, 2022
	\$	\$
Current portion of long-term debt	18.5	100.8
Long-term debt	192.0	148.6
Less: Cash and cash equivalents	(19.8)	(2.7)
Net debt	190.7	246.7
Sum of adjusted EBITDA from the last four quarters	207.1	157.1
Net debt to adjusted EBITDA ratio	0.92:1	1.57:1

<i>(in millions of dollars, except the net debt to adjusted EBITDA ratio)</i>	As at March 30, 2024	As at Dec. 31, 2023
	\$	\$
Current portion of long-term debt	29.6	18.5
Long-term debt	190.2	192.0
Less: Cash and cash equivalents	(1.6)	(19.8)
Net debt	218.2	190.7
Sum of adjusted EBITDA from the last four quarters	216.5	207.1
Net debt to adjusted EBITDA ratio	1.01:1	0.92:1



# Financial Measures Not in Accordance with IFRS (cont'd)

## Days Operating Working Capital

<i>(in millions of dollars, except days operating working capital)</i>	As at Dec. 31, 2023	As at Dec. 31, 2022
	\$	\$
Trade accounts receivable	180.2	164.8
Discounts receivable	4.7	5.3
Inventories	386.6	414.0
Less: Trade payables and accrued expenses	(219.2)	(225.7)
Less: Trade spending	(58.8)	(54.6)
Operating working capital	293.5	303.9
Divided by: Last quarter's sales	604.8	556.0
	0.49	0.55
Days operating working capital <i>(in days)</i>	44.2	49.7

## Days of Sales Outstanding

<i>(in millions of dollars, except DSO)</i>	As at Dec. 31, 2023	As at Dec. 31, 2022
	\$	\$
Trade accounts receivable	180.2	164.8
Less: Trade spending	(58.8)	(54.6)
	121.4	110.2
Divided by: Last quarter's sales	604.8	556.0
	0.20	0.20
DSO <i>(in days)</i>	18.3	18.0

<i>(in millions of dollars, except days operating working capital)</i>	As at March 30, 2024	As at Dec. 31, 2023
	\$	\$
Trade accounts receivable	192.9	180.2
Discounts receivable	2.6	4.7
Inventories	406.7	386.6
Less: Trade payables and accrued expenses	(233.2)	(219.2)
Less: Trade spending	(67.2)	(58.8)
Operating working capital	301.9	293.5
Divided by: Last quarter's sales	569.8	604.8
	0.53	0.49
Days operating working capital <i>(in days)</i>	48.2	44.2

<i>(in millions of dollars, except DSO)</i>	As at March 30, 2024	As at Dec. 31, 2023
	\$	\$
Trade accounts receivable	192.9	180.2
Less: Trade spending	(67.2)	(58.8)
	125.7	121.4
Divided by: Last quarter's sales	569.8	604.8
	0.22	0.20
DSO <i>(in days)</i>	20.1	18.3



# Financial Measures Not in Accordance with IFRS (cont'd)

## Days of Inventory Outstanding

<i>(in millions of dollars, except DIO)</i>	As at Dec. 31, 2023 \$	As at Dec. 31, 2022 \$
Inventories	386.6	414.0
Divided by: Last quarter's cost of sales	452.3	432.3
	0.85	0.96
DIO <i>(in days)</i>	77.8	87.1

<i>(in millions of dollars, except DIO)</i>	As at March 30, 2024 \$	As at Dec. 31, 2023 \$
Inventories	406.7	386.6
Divided by: Last quarter's cost of sales	420.3	452.3
	0.97	0.85
DIO <i>(in days)</i>	88.1	77.8

## Days of Payable Outstanding

<i>(in millions of dollars, except DPO)</i>	As at Dec. 31, 2023 \$	As at Dec. 31, 2022 \$
Trade payables and accrued expenses	219.2	225.7
Less: Discounts receivable	(4.7)	(5.3)
	214.5	220.4
Divided by: Last quarter's cost of sales	452.3	432.3
	0.47	0.51
DPO <i>(in days)</i>	43.2	46.4

<i>(in millions of dollars, except DPO)</i>	As at March 30, 2024 \$	As at Dec. 31, 2023 \$
Trade payables and accrued expenses	233.2	219.2
Less: Discounts receivable	(2.6)	(4.7)
	230.6	214.5
Divided by: Last quarter's cost of sales	420.3	452.3
	0.55	0.47
DPO <i>(in days)</i>	49.9	43.2





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