

TREEHOUSE FOODS, INC.
Historical Financial Information

Overview

In this document, the Company has provided its historical unaudited financial information prepared in accordance with GAAP, reflecting discontinued operations presentation for the sales of its prior businesses, as well as certain Non-GAAP financial measures reconciled to GAAP presentation. The Company has provided this previously disclosed financial information for ease of access and review.

The Company believes the information within this document provides investors with useful supplemental financial information regarding the Company's underlying business trends and the performance of the Company's continuing operations after the separation of the divested businesses, on both a GAAP and Non-GAAP adjusted basis. For more information related to the Company's historical financial information and non-GAAP adjustments, refer to the Company's 10-Q and 10-K statements filed with the SEC.

Comparison of Non-GAAP Information to GAAP Information

The Company has included in this document measures of financial performance that are not defined by GAAP ("Non-GAAP"). A Non-GAAP financial measure is a numerical measure of financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the Company's Consolidated Balance Sheets, Consolidated Statements of Operations, Consolidated Statements of Comprehensive Income (Loss), Consolidated Statements of Stockholders' Equity, and the Consolidated Statements of Cash Flows. As described further below, the Company believes these measures provide useful information to the users of the financial statements. For each of these Non-GAAP financial measures, the Company provides a reconciliation between the most directly comparable GAAP measure and the Non-GAAP measure, an explanation of why management believes the Non-GAAP measure provides useful information to financial statement users, and any additional purposes for which management uses the Non-GAAP measure. This Non-GAAP financial information is provided as additional information for the financial statement users and is not in accordance with, or an alternative to, GAAP. These Non-GAAP measures may be different from similar measures used by other companies.

EBITDA from Continuing Operations, EBITDA from Continuing Operations Margin, Adjusted EBITDA from Continuing Operations, and Adjusted EBITDA from Continuing Operations Margin, Adjusting for Certain Items Affecting Comparability

EBITDA from continuing operations margin and adjusted EBITDA from continuing operations margin are defined as net income (loss) from continuing operations, EBITDA from continuing operations, and adjusted EBITDA from continuing operations as a percentage of net sales. EBITDA from continuing operations represents net income (loss) from continuing operations before interest expense, interest income, income tax expense, and depreciation and amortization expense. Adjusted EBITDA from continuing operations reflects adjustments to EBITDA from continuing operations to identify items that, in management's judgment, significantly affect the assessment of earnings results between periods. This information is provided in order to allow investors to make meaningful comparisons of the Company's earnings performance between periods and to view the Company's business from the same perspective as Company management. As the Company cannot predict the timing and amount of charges that include, but are not limited to, items such as divestiture, acquisition, integration, and related costs, the impact of a product recall, mark-to-market adjustments on derivative contracts, foreign currency exchange impact on the re-measurement of intercompany notes, growth, reinvestment, and restructuring programs, impairment of assets, the impact of the COVID-19 pandemic, and other items that may arise from time to time that would impact comparability, management does not consider these costs when evaluating the Company's performance, when making decisions regarding the allocation of resources, in determining incentive compensation, or in determining earnings estimates. EBITDA from continuing operations, and adjusted EBITDA from continuing operations are performance measures commonly used by management to assess operating performance and incentive compensation, and the Company believes they are commonly reported and widely used by investors and other interested parties as a measure of a company's operating performance between periods.

Adjusted Gross Profit, Adjusted Total Operating Expenses, Adjusted Operating Income (Loss), Adjusted Total Other Expense (Income), Adjusted Income Tax Expense (Benefit), Adjusted Net Income (Loss) from Continuing Operations, and Adjusted Diluted Earnings (Loss) Per Share from Continuing Operations, Adjusting for Certain Items Affecting Comparability

Adjusted gross profit, adjusted total operating expenses, adjusted operating income (loss), adjusted total other expense (income), adjusted income tax expense (benefit), and adjusted net income (loss) from continuing operations represent their respective GAAP presentation line item adjusted for items such as divestiture, acquisition, integration, and related costs, the impact of a product recall, mark-to-market adjustments on derivative contracts, foreign currency exchange impact on the re-measurement of intercompany notes, growth, reinvestment, and restructuring programs, impairment of assets, the impact of the COVID-19 pandemic, and other items that may arise from time to time that would impact comparability. Management does not consider these costs when evaluating the Company's performance, when making decisions regarding the allocation of resources, in determining incentive compensation, or in determining earnings estimates. This information is provided in order to allow investors to make meaningful comparisons of the Company's earnings performance between periods and to view the Company's business from the same perspective as Company management. The Company has presented each of these adjusted Non-GAAP measures as a percentage of Net Sales compared to its respective reported GAAP presentation line item as a percentage of net sales. Adjusted diluted earnings (loss) per share from continuing operations ("Adjusted diluted EPS") is determined by dividing adjusted net income from continuing operations by the weighted average diluted common shares outstanding. Adjusted diluted EPS reflects adjustments to GAAP earnings (loss) per diluted share to identify items that, in management's judgment, significantly affect the assessment of earnings results between periods. A full reconciliation between the relevant GAAP measure and the Non-GAAP measures is presented in the attached tables. Given the inherent uncertainty regarding adjusted items in any future period, a reconciliation of forward-looking financial measures to the most directly comparable GAAP measure is not feasible.

TREEHOUSE FOODS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Year Ended December 31,				
	2023	2022	2021	2020	2019
Net sales	\$ 3,431.6	\$ 3,297.1	\$ 2,814.3	\$ 2,853.1	\$ 2,850.9
Cost of sales	2,855.5	2,774.7	2,342.7	2,310.1	2,297.6
Gross profit	576.1	522.4	471.6	543.0	553.3
Operating expenses:					
Selling and distribution	171.6	217.8	199.4	195.4	190.8
General and administrative	204.1	206.5	185.2	225.8	238.4
Amortization expense	48.2	47.9	47.3	50.4	51.8
Asset impairment	—	—	—	—	83.2
Other operating expense, net	5.3	62.8	83.9	67.8	93.5
Total operating expenses	429.2	535.0	515.8	539.4	657.7
Operating income (loss)	146.9	(12.6)	(44.2)	3.6	(104.4)
Other expense (income):					
Interest expense	74.8	69.9	72.1	92.6	80.9
Interest income	(40.1)	(15.5)	(4.7)	(4.8)	(4.8)
Loss on extinguishment of debt	—	4.5	14.4	1.2	—
(Gain) loss on foreign currency exchange	(1.4)	1.7	(0.4)	(0.6)	(1.2)
Other expense (income), net	30.2	(74.3)	(39.4)	30.2	44.6
Total other expense (income)	63.5	(13.7)	42.0	118.6	119.5
Income (loss) before income taxes	83.4	1.1	(86.2)	(115.0)	(223.9)
Income tax expense (benefit)	24.4	10.3	(17.6)	(61.1)	(62.0)
Net income (loss) from continuing operations	59.0	(9.2)	(68.6)	(53.9)	(161.9)
Net (loss) income from discontinued operations	(5.9)	(137.1)	56.1	67.7	(199.1)
Net income (loss)	\$ 53.1	\$ (146.3)	\$ (12.5)	\$ 13.8	\$ (361.0)
Earnings (loss) per common share - basic:					
Continuing operations	\$ 1.06	\$ (0.16)	\$ (1.23)	\$ (0.95)	\$ (2.88)
Discontinued operations	(0.11)	(2.45)	1.00	1.20	(3.54)
Earnings (loss) per share basic ⁽¹⁾	\$ 0.95	\$ (2.61)	\$ (0.22)	\$ 0.24	\$ (6.42)
Earnings (loss) per common share - diluted:					
Continuing operations	\$ 1.05	\$ (0.16)	\$ (1.23)	\$ (0.95)	\$ (2.88)
Discontinued operations	(0.10)	(2.45)	1.00	1.20	(3.54)
Earnings (loss) per share diluted ⁽¹⁾	\$ 0.94	\$ (2.61)	\$ (0.22)	\$ 0.24	\$ (6.42)
Weighted average shares — basic	55.8	56.0	55.9	56.5	56.2
Weighted average shares — diluted	56.4	56.0	55.9	56.5	56.2

⁽¹⁾ The sum of the individual per share amounts may not add due to rounding.

TREEHOUSE FOODS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Three Months Ended			
	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Net sales	\$ 910.8	\$ 863.3	\$ 803.5	\$ 854.0
Cost of sales	759.0	725.8	670.3	700.4
Gross profit	151.8	137.5	133.2	153.6
Operating expenses:				
Selling and distribution	42.7	44.5	39.7	44.7
General and administrative	49.3	47.5	53.9	53.4
Amortization expense	12.1	12.0	12.1	12.0
Other operating expense (income), net	5.6	(0.1)	(2.8)	2.6
Total operating expenses	109.7	103.9	102.9	112.7
Operating income	42.1	33.6	30.3	40.9
Other expense (income):				
Interest expense	16.9	20.9	19.2	17.8
Interest income	(3.9)	(10.8)	(10.8)	(14.6)
(Gain) loss on foreign currency exchange	(2.1)	3.7	(3.3)	0.3
Other expense (income), net	20.4	6.3	(6.2)	9.7
Total other expense (income)	31.3	20.1	(1.1)	13.2
Income before income taxes	10.8	13.5	31.4	27.7
Income tax expense	4.4	3.7	9.0	7.3
Net income from continuing operations	6.4	9.8	22.4	20.4
Net income (loss) from discontinued operations	1.1	(2.7)	0.9	(5.2)
Net income	\$ 7.5	\$ 7.1	\$ 23.3	\$ 15.2
Earnings (loss) per common share - basic:				
Continuing operations	\$ 0.12	\$ 0.18	\$ 0.40	\$ 0.36
Discontinued operations	0.02	(0.05)	0.02	(0.09)
Earnings (loss) per share basic ⁽¹⁾	\$ 0.14	\$ 0.13	\$ 0.41	\$ 0.27
Earnings (loss) per common share - diluted:				
Continuing operations	\$ 0.12	\$ 0.17	\$ 0.39	\$ 0.36
Discontinued operations	0.02	(0.05)	0.02	(0.09)
Earnings (loss) per share diluted ⁽¹⁾	\$ 0.14	\$ 0.13	\$ 0.41	\$ 0.27
Weighted average shares — basic	54.8	55.9	56.4	56.1
Weighted average shares — diluted	55.3	56.4	56.8	56.7

⁽¹⁾ The sum of the individual per share amounts may not add due to rounding.

TREEHOUSE FOODS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Three Months Ended			
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Net sales	\$ 956.7	\$ 832.9	\$ 765.3	\$ 742.2
Cost of sales	781.7	700.0	654.1	638.9
Gross profit	175.0	132.9	111.2	103.3
Operating expenses:				
Selling and distribution	50.9	51.7	54.4	60.8
General and administrative	46.0	51.6	56.1	52.8
Amortization expense	12.2	11.9	11.9	11.9
Other operating (income) expense, net	(3.6)	23.4	13.9	29.1
Total operating expenses	105.5	138.6	136.3	154.6
Operating income (loss)	69.5	(5.7)	(25.1)	(51.3)
Other expense (income):				
Interest expense	18.7	17.5	17.0	16.7
Interest income	(11.1)	(0.1)	(0.1)	(4.2)
Loss on extinguishment of debt	4.5	—	—	—
(Gain) loss on foreign currency exchange	(1.3)	2.9	1.1	(1.0)
Other expense (income), net	6.1	(16.8)	(11.9)	(51.7)
Total other expense (income)	16.9	3.5	6.1	(40.2)
Income (loss) before income taxes	52.6	(9.2)	(31.2)	(11.1)
Income tax expense (benefit)	12.9	2.8	(4.3)	(1.1)
Net income (loss) from continuing operations	39.7	(12.0)	(26.9)	(10.0)
Net (loss) income from discontinued operations	(63.1)	(78.5)	(2.5)	7.0
Net loss	\$ (23.4)	\$ (90.5)	\$ (29.4)	\$ (3.0)
Earnings (loss) per common share - basic:				
Continuing operations	\$ 0.71	\$ (0.21)	\$ (0.48)	\$ (0.18)
Discontinued operations	(1.12)	(1.40)	(0.04)	0.13
Net loss per share basic ⁽¹⁾	\$ (0.42)	\$ (1.61)	\$ (0.53)	\$ (0.05)
Earnings (loss) per common share - diluted:				
Continuing operations	\$ 0.70	\$ (0.21)	\$ (0.48)	\$ (0.18)
Discontinued operations	(1.11)	(1.40)	(0.04)	0.13
Net loss per share diluted ⁽¹⁾	\$ (0.41)	\$ (1.61)	\$ (0.53)	\$ (0.05)
Weighted average shares — basic	56.1	56.1	56.0	55.8
Weighted average shares — diluted	56.7	56.1	56.0	55.8

⁽¹⁾ The sum of the individual per share amounts may not add due to rounding.

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions)

	Year Ended December 31,				
	2023	2022	2021	2020	2019
Net income (loss) from continuing operations (GAAP)	\$ 59.0	\$ (9.2)	\$ (68.6)	\$ (53.9)	\$ (161.9)
Interest expense	74.8	69.9	72.1	92.6	80.9
Interest income	(40.1)	(15.5)	(4.7)	(4.8)	(4.8)
Income tax expense (benefit)	24.4	10.3	(17.6)	(61.1)	(62.0)
Depreciation and amortization	141.9	139.6	143.4	142.7	149.3
EBITDA from continuing operations (Non-GAAP)	260.0	195.1	124.6	115.5	1.5
Growth, reinvestment, and restructuring programs, excluding accelerated depreciation ⁽¹⁾	46.1	84.5	83.4	69.0	94.6
Product recall and related costs ⁽²⁾	29.2	—	—	—	—
Divestiture, acquisition, integration, and related costs ⁽³⁾	16.7	13.8	4.0	2.0	0.4
Mark-to-market adjustments ⁽⁴⁾	15.1	(75.1)	(37.3)	30.0	47.0
Shareholder activism ⁽⁵⁾	0.3	2.7	4.6	—	—
Tax indemnification ⁽⁶⁾	0.2	—	1.6	3.7	1.9
Foreign currency (gain) loss on remeasurement of intercompany notes ⁽⁷⁾	(1.7)	0.8	(0.5)	(0.2)	(1.7)
Central services and conveyed employee costs ⁽⁸⁾	—	65.0	81.6	86.0	81.1
Loss on extinguishment of debt ⁽⁹⁾	—	4.5	14.4	1.2	—
Litigation matter ⁽¹⁰⁾	—	0.4	—	9.0	25.0
COVID-19, excluding interest income and income tax adjustments ⁽¹¹⁾	—	—	12.4	45.3	—
Impairment ⁽¹²⁾	—	—	—	—	83.4
Change in regulatory requirement ⁽¹³⁾	—	—	(0.1)	1.0	10.7
Executive management transition ⁽¹⁴⁾	—	—	—	0.4	2.9
Multiemployer pension plan withdrawal ⁽¹⁵⁾	—	—	—	—	4.3
Adjusted EBITDA from continuing operations (Non-GAAP)	\$ 365.9	\$ 291.7	\$ 288.7	\$ 362.9	\$ 351.1
% of net sales					
Net income (loss) from continuing operations margin	1.7 %	(0.3)%	(2.4)%	(1.9)%	(5.7)%
EBITDA from continuing operations margin	7.6 %	5.9 %	4.4 %	4.0 %	0.1 %
Adjusted EBITDA from continuing operations margin	10.7 %	8.8 %	10.3 %	12.7 %	12.3 %

RECONCILIATION OF NON-GAAP MEASURES
(Unaudited, in millions)

	Three Months Ended			
	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Net income from continuing operations (GAAP)	\$ 6.4	\$ 9.8	\$ 22.4	\$ 20.4
Interest expense	16.9	20.9	19.2	17.8
Interest income	(3.9)	(10.8)	(10.8)	(14.6)
Income tax expense	4.4	3.7	9.0	7.3
Depreciation and amortization	36.2	36.0	34.6	35.1
EBITDA from continuing operations (Non-GAAP)	60.0	59.6	74.4	66.0
Growth, reinvestment, and restructuring programs, excluding accelerated depreciation ⁽¹⁾	12.2	9.7	8.9	15.3
Product recall and related costs ⁽²⁾	18.0	11.2	—	—
Divestiture, acquisition, integration, and related costs ⁽³⁾	3.2	4.9	4.8	3.8
Mark-to-market adjustments ⁽⁴⁾	16.6	2.0	(9.4)	5.9
Shareholder activism ⁽⁵⁾	—	—	—	0.3
Tax indemnification ⁽⁶⁾	(0.1)	—	0.1	0.2
Foreign currency (gain) loss on remeasurement of intercompany notes ⁽⁷⁾	(1.5)	2.5	(2.5)	(0.2)
Adjusted EBITDA from continuing operations (Non-GAAP)	\$ 108.4	\$ 89.9	\$ 76.3	\$ 91.3
% of net sales				
Net income from continuing operations margin	0.7 %	1.1 %	2.8 %	2.4 %
EBITDA from continuing operations margin	6.6 %	6.9 %	9.3 %	7.7 %
Adjusted EBITDA from continuing operations margin	11.9 %	10.4 %	9.5 %	10.7 %

RECONCILIATION OF NON-GAAP MEASURES
(Unaudited, in millions)

	Three Months Ended			
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Net income (loss) from continuing operations (GAAP)	\$ 39.7	\$ (12.0)	\$ (26.9)	\$ (10.0)
Interest expense	18.7	17.5	17.0	16.7
Interest income	(11.1)	(0.1)	(0.1)	(4.2)
Income tax expense (benefit)	12.9	2.8	(4.3)	(1.1)
Depreciation and amortization	36.0	34.2	34.4	35.0
EBITDA from continuing operations (Non-GAAP)	96.2	42.4	20.1	36.4
Growth, reinvestment, and restructuring programs, excluding accelerated depreciation ⁽¹⁾	18.1	22.4	13.9	30.1
Divestiture, acquisition, integration, and related costs ⁽³⁾	(4.6)	8.2	7.2	3.0
Mark-to-market adjustments ⁽⁴⁾	4.3	(17.1)	(11.5)	(50.8)
Shareholder activism ⁽⁵⁾	0.6	0.4	1.1	0.6
Foreign currency (gain) loss on remeasurement of intercompany notes ⁽⁷⁾	(0.6)	1.8	0.4	(0.8)
Central services and conveyed employee costs ⁽⁸⁾	—	21.5	21.7	21.8
Loss on extinguishment of debt ⁽⁹⁾	4.5	—	—	—
Litigation matter ⁽¹⁰⁾	—	—	—	0.4
Adjusted EBITDA from continuing operations (Non-GAAP)	\$ 118.5	\$ 79.6	\$ 52.9	\$ 40.7
% of net sales				
Net income (loss) from continuing operations margin	4.1 %	(1.4)%	(3.5)%	(1.3)%
EBITDA from continuing operations margin	10.1 %	5.1 %	2.6 %	4.9 %
Adjusted EBITDA from continuing operations margin	12.4 %	9.6 %	6.9 %	5.5 %

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

	Year Ended December 31, 2023					
	Gross profit	Total operating expenses	Operating income	Total other expense	Income tax expense	Net income from continuing operations
As reported (GAAP)	\$ 576.1	\$ 429.2	\$ 146.9	\$ 63.5	\$ 24.4	\$ 59.0
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(46.1)	46.1	—	—	46.1
Product recall and related costs ⁽²⁾	29.2	—	29.2	—	—	29.2
Divestiture, acquisition, integration, and related costs ⁽³⁾	0.8	(15.9)	16.7	—	—	16.7
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(15.1)	—	15.1
Shareholder activism ⁽⁵⁾	—	(0.3)	0.3	—	—	0.3
Tax indemnification ⁽⁶⁾	—	—	—	(0.2)	—	0.2
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	1.7	—	(1.7)
Taxes on adjusting items	—	—	—	—	25.7	(25.7)
As adjusted (Non-GAAP)	\$ 606.1	\$ 366.9	\$ 239.2	\$ 49.9	\$ 50.1	\$ 139.2
As reported (% of net sales)	16.8 %	12.5 %	4.3 %	1.9 %	0.7 %	1.7 %
As adjusted (% of net sales)	17.7 %	10.7 %	7.0 %	1.5 %	1.5 %	4.1 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ 1.05
Adjusted diluted						\$ 2.47
Weighted average common shares:						
Diluted for net income from continuing operations						56.4
Diluted for adjusted net income from continuing operations						56.4

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

	Year Ended December 31, 2022					
	Gross profit	Total operating expenses	Operating (loss) income	Total other (income) expense	Income tax expense	Net (loss) income from continuing operations
As reported (GAAP)	\$ 522.4	\$ 535.0	\$ (12.6)	\$ (13.7)	\$ 10.3	\$ (9.2)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	0.5	(84.6)	85.1	—	—	85.1
Divestiture, acquisition, integration, and related costs ⁽³⁾	1.6	(12.2)	13.8	—	—	13.8
Mark-to-market adjustments ⁽⁴⁾	—	—	—	75.1	—	(75.1)
Shareholder activism ⁽⁵⁾	—	(2.7)	2.7	—	—	2.7
Foreign currency loss on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	(0.8)	—	0.8
Central services and conveyed employee costs ⁽⁸⁾	14.9	(50.1)	65.0	—	—	65.0
Loss on extinguishment of debt ⁽⁹⁾	—	—	—	(4.5)	—	4.5
Litigation matter ⁽¹⁰⁾	—	(0.4)	0.4	—	—	0.4
Taxes on adjusting items	—	—	—	—	15.4	(15.4)
As adjusted (Non-GAAP)	\$ 539.4	\$ 385.0	\$ 154.4	\$ 56.1	\$ 25.7	\$ 72.6
As reported (% of net sales)	15.8 %	16.2 %	(0.4)%	(0.4)%	0.3 %	(0.3)%
As adjusted (% of net sales)	16.4 %	11.7 %	4.7 %	1.7 %	0.8 %	2.2 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ (0.16)
Adjusted diluted						\$ 1.28
Weighted average common shares:						
Diluted for net loss from continuing operations						56.0
Diluted for adjusted net income from continuing operations						56.5

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

	Year Ended December 31, 2021					
	Gross profit	Total operating expenses	Operating (loss) income	Total other expense	Income tax (benefit) expense	Net (loss) income from continuing operations
As reported (GAAP)	\$ 471.6	\$ 515.8	\$ (44.2)	\$ 42.0	\$ (17.6)	\$ (68.6)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(83.4)	83.4	—	—	83.4
Divestiture, acquisition, integration, and related costs ⁽³⁾	0.5	(3.5)	4.0	—	—	4.0
Mark-to-market adjustments ⁽⁴⁾	—	—	—	37.3	—	(37.3)
Shareholder activism ⁽⁵⁾	—	(4.6)	4.6	—	—	4.6
Tax indemnification ⁽⁶⁾	—	—	—	(1.6)	—	1.6
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	0.5	—	(0.5)
Central services and conveyed employee costs ⁽⁸⁾	18.1	(63.5)	81.6	—	—	81.6
Loss on extinguishment of debt ⁽⁹⁾	—	—	—	(14.4)	—	14.4
COVID-19 ⁽¹¹⁾	12.4	—	12.4	—	(1.9)	14.3
Change in regulatory requirements ⁽¹³⁾	(0.1)	—	(0.1)	—	—	(0.1)
Taxes on adjusting items	—	—	—	—	39.7	(39.7)
As adjusted (Non-GAAP)	\$ 502.5	\$ 360.8	\$ 141.7	\$ 63.8	\$ 20.2	\$ 57.7
As reported (% of net sales)	16.8 %	18.3 %	(1.6)%	1.5 %	(0.6)%	(2.4)%
As adjusted (% of net sales)	17.9 %	12.8 %	5.0 %	2.3 %	0.7 %	2.1 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ (1.23)
Adjusted diluted						\$ 1.03
Weighted average common shares:						
Diluted for net loss from continuing operations						55.9
Diluted for adjusted net income from continuing operations						56.2

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

	Year Ended December 31, 2020					
	Gross profit	Total operating expenses	Operating income	Total other expense	Income tax (benefit) expense	Net (loss) income from continuing operations
As reported (GAAP)	\$ 543.0	\$ 539.4	\$ 3.6	\$ 118.6	\$ (61.1)	\$ (53.9)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	0.9	(68.3)	69.2	—	—	69.2
Divestiture, acquisition, integration, and related costs ⁽³⁾	0.1	(1.9)	2.0	—	—	2.0
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(30.0)	—	30.0
Tax indemnification ⁽⁶⁾	—	—	—	(3.7)	—	3.7
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	0.2	—	(0.2)
Central services and conveyed employee costs ⁽⁸⁾	19.5	(66.5)	86.0	—	—	86.0
Loss on extinguishment of debt ⁽⁹⁾	—	—	—	(1.2)	—	1.2
Litigation matter ⁽¹⁰⁾	—	(9.0)	9.0	—	—	9.0
COVID-19 ⁽¹¹⁾	41.9	(3.4)	45.3	0.7	29.8	14.8
Change in regulatory requirements ⁽¹³⁾	(0.1)	(1.1)	1.0	—	—	1.0
Executive management transition ⁽¹⁴⁾	—	(0.4)	0.4	—	—	0.4
Taxes on adjusting items	—	—	—	—	61.5	(61.5)
As adjusted (Non-GAAP)	\$ 605.3	\$ 388.8	\$ 216.5	\$ 84.6	\$ 30.2	\$ 101.7
As reported (% of net sales)	19.0 %	18.9 %	0.1 %	4.2 %	(2.1)%	(1.9)%
As adjusted (% of net sales)	21.2 %	13.6 %	7.6 %	3.0 %	1.1 %	3.6 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ (0.95)
Adjusted diluted						\$ 1.79
Weighted average common shares:						
Diluted for net loss from continuing operations						56.5
Diluted for adjusted net income from continuing operations						56.7

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

	Year Ended December 31, 2019					
	Gross profit	Total operating expenses	Operating (loss) income	Total other expense	Income tax (benefit) expense	Net (loss) income from continuing operations
As reported (GAAP)	\$ 553.3	\$ 657.7	\$ (104.4)	\$ 119.5	\$ (62.0)	\$ (161.9)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	3.1	(95.0)	98.1	—	—	98.1
Divestiture, acquisition, integration, and related costs ⁽³⁾	—	(0.4)	0.4	—	—	0.4
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(47.0)	—	47.0
Tax indemnification ⁽⁶⁾	—	—	—	(1.9)	—	1.9
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	1.7	—	(1.7)
Central services and conveyed employee costs ⁽⁸⁾	17.9	(63.2)	81.1	—	—	81.1
Litigation matter ⁽¹⁰⁾	—	(25.0)	25.0	—	—	25.0
Impairment ⁽¹²⁾	—	(83.4)	83.4	—	—	83.4
Change in regulatory requirements ⁽¹³⁾	8.5	(2.2)	10.7	—	—	10.7
Executive management transition ⁽¹⁴⁾	—	(2.9)	2.9	—	—	2.9
Multiemployer pension plan withdrawal ⁽¹⁵⁾	4.3	—	4.3	—	—	4.3
Taxes on adjusting items	—	—	—	—	88.5	(88.5)
As adjusted (Non-GAAP)	\$ 587.1	\$ 385.6	\$ 201.5	\$ 72.3	\$ 26.5	\$ 102.7
As reported (% of net sales)	19.4 %	23.1 %	(3.7)%	4.2 %	(2.2)%	(5.7)%
As adjusted (% of net sales)	20.6 %	13.5 %	7.1 %	2.5 %	0.9 %	3.6 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ (2.88)
Adjusted diluted						\$ 1.82
Weighted average common shares:						
Diluted for net loss from continuing operations						56.2
Diluted for adjusted net income from continuing operations						56.5

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended December 31, 2023

	Gross profit	Total operating expenses	Operating income	Total other expense	Income tax expense	Net income from continuing operations
As reported (GAAP)	\$ 151.8	\$ 109.7	\$ 42.1	\$ 31.3	\$ 4.4	\$ 6.4
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(12.2)	12.2	—	—	12.2
Product recall and related costs ⁽²⁾	18.0	—	18.0	—	—	18.0
Divestiture, acquisition, integration, and related costs ⁽³⁾	(0.2)	(3.4)	3.2	—	—	3.2
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(16.6)	—	16.6
Tax indemnification ⁽⁶⁾	—	—	—	0.1	—	(0.1)
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	1.5	—	(1.5)
Taxes on adjusting items	—	—	—	—	12.0	(12.0)
As adjusted (Non-GAAP)	\$ 169.6	\$ 94.1	\$ 75.5	\$ 16.3	\$ 16.4	\$ 42.8
As reported (% of net sales)	16.7 %	12.0 %	4.6 %	3.4 %	0.5 %	0.7 %
As adjusted (% of net sales)	18.6 %	10.3 %	8.3 %	1.8 %	1.8 %	4.7 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ 0.12
Adjusted diluted						\$ 0.77
Weighted average common shares:						
Diluted for net income from continuing operations						55.3
Diluted for adjusted net income from continuing operations						55.3

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended September 30, 2023

	Gross profit	Total operating expenses	Operating income	Total other expense	Income tax expense	Net income from continuing operations
As reported (GAAP)	\$ 137.5	\$ 103.9	\$ 33.6	\$ 20.1	\$ 3.7	\$ 9.8
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(9.7)	9.7	—	—	9.7
Product recall and related costs ⁽²⁾	11.2	—	11.2	—	—	11.2
Divestiture, acquisition, integration, and related costs ⁽³⁾	1.0	(3.9)	4.9	—	—	4.9
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(2.0)	—	2.0
Foreign currency loss on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	(2.5)	—	2.5
Taxes on adjusting items	—	—	—	—	7.7	(7.7)
As adjusted (Non-GAAP)	\$ 149.7	\$ 90.3	\$ 59.4	\$ 15.6	\$ 11.4	\$ 32.4
As reported (% of net sales)	15.9 %	12.0 %	3.9 %	2.3 %	0.4 %	1.1 %
As adjusted (% of net sales)	17.3 %	10.5 %	6.9 %	1.8 %	1.3 %	3.8 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ 0.17
Adjusted diluted						\$ 0.57
Weighted average common shares:						
Diluted for net income from continuing operations						56.4
Diluted for adjusted net income from continuing operations						56.4

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended June 30, 2023

	Gross profit	Total operating expenses	Operating income	Total other (income) expense	Income tax expense	Net income from continuing operations
As reported (GAAP)	\$ 133.2	\$ 102.9	\$ 30.3	\$ (1.1)	\$ 9.0	\$ 22.4
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(8.9)	8.9	—	—	8.9
Divestiture, acquisition, integration, and related costs ⁽³⁾	—	(4.8)	4.8	—	—	4.8
Mark-to-market adjustments ⁽⁴⁾	—	—	—	9.4	—	(9.4)
Tax indemnification ⁽⁶⁾	—	—	—	(0.1)	—	0.1
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	2.5	—	(2.5)
Taxes on adjusting items	—	—	—	—	—	—
As adjusted (Non-GAAP)	\$ 133.2	\$ 89.2	\$ 44.0	\$ 10.7	\$ 9.0	\$ 24.3
As reported (% of net sales)	16.6 %	12.8 %	3.8 %	(0.1)%	1.1 %	2.8 %
As adjusted (% of net sales)	16.6 %	11.1 %	5.5 %	1.3 %	1.1 %	3.0 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ 0.39
Adjusted diluted						\$ 0.43
Weighted average common shares:						
Diluted for net income from continuing operations						56.8
Diluted for adjusted net income from continuing operations						56.8

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended March 31, 2023

	Gross profit	Total operating expenses	Operating income	Total other expense	Income tax expense	Net income from continuing operations
As reported (GAAP)	\$ 153.6	\$ 112.7	\$ 40.9	\$ 13.2	\$ 7.3	\$ 20.4
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(15.3)	15.3	—	—	15.3
Divestiture, acquisition, integration, and related costs ⁽³⁾	—	(3.8)	3.8	—	—	3.8
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(5.9)	—	5.9
Shareholder activism ⁽⁵⁾	—	(0.3)	0.3	—	—	0.3
Tax indemnification ⁽⁶⁾	—	—	—	(0.2)	—	0.2
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	0.2	—	(0.2)
Taxes on adjusting items	—	—	—	—	6.0	(6.0)
As adjusted (Non-GAAP)	\$ 153.6	\$ 93.3	\$ 60.3	\$ 7.3	\$ 13.3	\$ 39.7
As reported (% of net sales)	18.0 %	13.2 %	4.8 %	1.5 %	0.9 %	2.4 %
As adjusted (% of net sales)	18.0 %	10.9 %	7.1 %	0.9 %	1.6 %	4.6 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ 0.36
Adjusted diluted						\$ 0.70
Weighted average common shares:						
Diluted for net income from continuing operations						56.7
Diluted for adjusted net income from continuing operations						56.7

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended December 31, 2022

	Gross profit	Total operating expenses	Operating income	Total other expense	Income tax expense	Net income from continuing operations
As reported (GAAP)	\$ 175.0	\$ 105.5	\$ 69.5	\$ 16.9	\$ 12.9	\$ 39.7
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	0.5	(18.2)	18.7	—	—	18.7
Divestiture, acquisition, integration, and related costs ⁽³⁾	—	4.6	(4.6)	—	—	(4.6)
Mark-to-market adjustments ⁽⁴⁾	—	—	—	(4.3)	—	4.3
Shareholder activism ⁽⁵⁾	—	(0.6)	0.6	—	—	0.6
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	0.6	—	(0.6)
Loss on extinguishment of debt ⁽⁹⁾	—	—	—	(4.5)	—	4.5
Taxes on adjusting items	—	—	—	—	7.5	(7.5)
As adjusted (Non-GAAP)	\$ 175.5	\$ 91.3	\$ 84.2	\$ 8.7	\$ 20.4	\$ 55.1
As reported (% of net sales)	18.3 %	11.0 %	7.3 %	1.8 %	1.3 %	4.1 %
As adjusted (% of net sales)	18.3 %	9.5 %	8.8 %	0.9 %	2.1 %	5.8 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ 0.70
Adjusted diluted						\$ 0.97
Weighted average common shares:						
Diluted for net income from continuing operations						56.7
Diluted for adjusted net income from continuing operations						56.7

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended September 30, 2022

	Gross profit	Total operating expenses	Operating (loss) income	Total other expense	Income tax expense	Net (loss) income from continuing operations
As reported (GAAP)	\$ 132.9	\$ 138.6	\$ (5.7)	\$ 3.5	\$ 2.8	\$ (12.0)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(22.4)	22.4	—	—	22.4
Divestiture, acquisition, integration, and related costs ⁽³⁾	—	(8.2)	8.2	—	—	8.2
Mark-to-market adjustments ⁽⁴⁾	—	—	—	17.1	—	(17.1)
Shareholder activism ⁽⁵⁾	—	(0.4)	0.4	—	—	0.4
Foreign currency loss on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	(1.8)	—	1.8
Central services and conveyed employee costs ⁽⁸⁾	5.0	(16.5)	21.5	—	—	21.5
Taxes on adjusting items	—	—	—	—	5.1	(5.1)
As adjusted (Non-GAAP)	\$ 137.9	\$ 91.1	\$ 46.8	\$ 18.8	\$ 7.9	\$ 20.1
As reported (% of net sales)	16.0 %	16.6 %	(0.7)%	0.4 %	0.3 %	(1.4)%
As adjusted (% of net sales)	16.6 %	10.9 %	5.6 %	2.3 %	0.9 %	2.4 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ (0.21)
Adjusted diluted						\$ 0.36
Weighted average common shares:						
Diluted for net loss from continuing operations						56.1
Diluted for adjusted net income from continuing operations						56.5

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

Three Months Ended June 30, 2022

	Gross profit	Total operating expenses	Operating (loss) income	Total other expense	Income tax benefit	Net (loss) income from continuing operations
As reported (GAAP)	\$ 111.2	\$ 136.3	\$ (25.1)	\$ 6.1	\$ (4.3)	\$ (26.9)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(13.9)	13.9	—	—	13.9
Divestiture, acquisition, integration, and related costs ⁽³⁾	0.5	(6.7)	7.2	—	—	7.2
Mark-to-market adjustments ⁽⁴⁾	—	—	—	11.5	—	(11.5)
Shareholder activism ⁽⁵⁾	—	(1.1)	1.1	—	—	1.1
Foreign currency loss on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	(0.4)	—	0.4
Central services and conveyed employee costs ⁽⁸⁾	4.9	(16.8)	21.7	—	—	21.7
Taxes on adjusting items	—	—	—	—	3.1	(3.1)
As adjusted (Non-GAAP)	\$ 116.6	\$ 97.8	\$ 18.8	\$ 17.2	\$ (1.2)	\$ 2.8
As reported (% of net sales)	14.5 %	17.8 %	(3.3)%	0.8 %	(0.6)%	(3.5)%
As adjusted (% of net sales)	15.2 %	12.8 %	2.5 %	2.2 %	(0.2)%	0.4 %
Earnings (loss) per share from continuing operations:						
Diluted						\$ (0.48)
Adjusted diluted						\$ 0.05
Weighted average common shares:						
Diluted for net loss from continuing operations						56.0
Diluted for adjusted net income from continuing operations						56.3

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited, in millions, except per share amounts)

	Three Months Ended March 31, 2022					
	Gross profit	Total operating expenses	Operating (loss) income	Total other (income) expense	Income tax benefit	Net loss from continuing operations
As reported (GAAP)	\$ 103.3	\$ 154.6	\$ (51.3)	\$ (40.2)	\$ (1.1)	\$ (10.0)
Adjustments:						
Growth, reinvestment, and restructuring programs, including accelerated depreciation ⁽¹⁾	—	(30.1)	30.1	—	—	30.1
Divestiture, acquisition, integration, and related costs ⁽³⁾	1.1	(1.9)	3.0	—	—	3.0
Mark-to-market adjustments ⁽⁴⁾	—	—	—	50.8	—	(50.8)
Shareholder activism ⁽⁵⁾	—	(0.6)	0.6	—	—	0.6
Foreign currency gain on remeasurement of intercompany notes ⁽⁷⁾	—	—	—	0.8	—	(0.8)
Central services and conveyed employee costs ⁽⁸⁾	5.0	(16.8)	21.8	—	—	21.8
Litigation matter ⁽¹⁰⁾	—	(0.4)	0.4	—	—	0.4
Taxes on adjusting items	—	—	—	—	(0.3)	0.3
As adjusted (Non-GAAP)	\$ 109.4	\$ 104.8	\$ 4.6	\$ 11.4	\$ (1.4)	\$ (5.4)
As reported (% of net sales)	13.9 %	20.8 %	(6.9)%	(5.4)%	(0.1)%	(1.3)%
As adjusted (% of net sales)	14.7 %	14.1 %	0.6 %	1.5 %	(0.2)%	(0.7)%
Earnings (loss) per share from continuing operations:						
Diluted						\$ (0.18)
Adjusted diluted						\$ (0.10)
Weighted average common shares:						
Diluted for net loss from continuing operations						55.8
Diluted for adjusted net loss from continuing operations						55.8

During the periods presented, the Company entered into transactions that affected the year-over-year comparison of its financial results from continuing operations as follows:

- (1) The Company's growth, reinvestment, and restructuring activities are part of an enterprise-wide transformation to improve long-term growth and profitability for the Company.
- (2) The Company incurred costs associated with a voluntary recall of certain broth products produced at its Cambridge, Maryland facility. These costs included non-cash plant shutdown costs, non-cash inventory write-offs and other costs, including product returns, logistics and third-party costs. Additionally, the Company recognized non-cash inventory write-off adjustments for a packaging quality matter.
- (3) Divestiture, acquisition, integration, and related costs represent costs associated with completed and potential divestitures, completed and potential acquisitions, and the related integration of the acquisitions.
- (4) The Company's derivative contracts are marked-to-market each period. The non-cash unrealized changes in fair value recognized in Other (income) expense, net within the Unaudited Condensed Consolidated Statements of Operations are treated as Non-GAAP adjustments. As the contracts are settled, realized gains and losses are recognized, and only the mark-to-market impacts are treated as Non-GAAP adjustments.
- (5) The Company incurred fees related to shareholder activism which include directly applicable third-party advisory and professional service fees.
- (6) Tax indemnification represents the non-cash write off of indemnification assets that were recorded in connection with acquisitions from prior years. These write-offs arose as a result of the related uncertain tax position being released due to the statute of limitation lapse or settlement with taxing authorities.
- (7) The Company has foreign currency denominated intercompany loans and incurred foreign currency gains or losses to re-measure the loans at each period end. These charges are non-cash and the loans are eliminated in consolidation.
- (8) As a result of the sale of a significant portion of the Meal Preparation business, the Company identified two items affecting comparability – 1) central service costs and 2) conveyed employee costs.
 - 1) The Company has historically provided central services to the Meal Preparation business including, but not limited to, IT and financial shared services, procurement and order processing, customer service, warehousing, logistics, and customs. These costs were historically incurred by TreeHouse and include employee and non-employee expenses to support the services.
 - 2) Conveyed employee costs represent compensation costs for employees that were not historically dedicated to the sold business and transferred to the buyer after the sale.
- (9) During the fourth quarter of 2022, the Company incurred a loss on extinguishment of debt representing the write-off of deferred financing costs in connection with the debt prepayment and revolving credit commitment reduction in October 2022. During 2021, the Company incurred a loss on extinguishment of debt in connection with the 2024 Notes Redemption and Credit Agreement refinancing. During 2020, the Company incurred a loss on extinguishment of debt representing the write-off of deferred financing costs in connection with the redemption of its 2022 Notes.

- (10) The Company recognized expense for the settlement related to a litigation matter challenging wage and hour practices at three former manufacturing facilities in California.
- (11) The Company incurred incremental expenses directly attributable to our response to the COVID-19 pandemic, which included additional protective equipment for employees and additional sanitation measures. Additionally, the Company incurred income tax (benefit) expense due to the enactment of the CARES Act.
- (12) During 2019, the Company incurred non-cash impairment charges related to the Cookies asset group and to the expected disposal loss related to two In-Store Bakery facilities.
- (13) The Company incurred regulatory compliance costs related to changes in nutrition labeling requirements. These costs included both consulting services and inventory write-downs.
- (14) Executive management transition includes costs associated with the 2019 CFO transition. The CFO transition costs primarily relate to severance and consulting fees.
- (15) During 2019, the Company executed a complete withdrawal from the Retail, Wholesale, and Department Store International Union and Industry Pension Fund. The Company settled the withdrawal in the fourth quarter of 2019.

The tax impact on adjusting items is calculated based upon the tax laws and statutory tax rates applicable in the tax jurisdiction of the underlying Non-GAAP adjustments.