

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES
Third Quarter 2023



The Company's results are determined in accordance with U.S. generally accepted accounting principles (GAAP). Certain information presented reflects adjustments to GAAP measures such as amounts related to asset impairment and other charges (credits), net, gain on disposal of property, plant and equipment, net and subsidiary, and other product-related charges. These adjustments result in non-GAAP financial measures and are referred to as Adjusted gross profit, Adjusted gross margin, Adjusted operating income, Adjusted FDP net income, and Adjusted diluted EPS. Management believes these adjustments provide a more comparable analysis of the underlying operating performance of the business.

The measurements we share as part of our earnings call also include non-GAAP measures such as EBITDA, Adjusted EBITDA, EBITDA margin, Adjusted EBITDA margin, and Trailing Twelve Month Leverage Ratio. EBITDA is defined as net income attributable to Fresh Del Monte Produce Inc. excluding interest expense, net, provision for income taxes, depreciation and amortization, and share-based compensation expense. Adjusted EBITDA represents EBITDA with additional adjustments for non-recurring items. EBITDA margin represents EBITDA as a percentage of net sales, and Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of net sales.

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

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

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

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



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

	Quarter ended							
	September 29, 2023				September 30, 2022			
	Gross profit	Operating income	Net income attributable to Fresh Del Monte Produce Inc.	Diluted EPS	Gross profit	Operating income	Net income attributable to Fresh Del Monte Produce Inc.	Diluted EPS
As reported	\$ 74.4	\$ 25.4	\$ 8.4	\$ 0.17	\$ 88.0	\$ 51.0	\$ 33.3	\$ 0.69
Adjustments:								
Other product-related charges ⁽¹⁾	8.4	8.4	8.4	0.17	—	—	—	—
Asset impairment and other charges (credits), net ⁽²⁾	—	2.5	2.5	0.05	—	(9.8)	(9.8)	(0.20)
(Gain) on disposal of property, plant and equipment, net and subsidiary ⁽³⁾	—	(2.0)	(2.0)	(0.04)	—	—	—	—
Tax effects of all adjustments ⁽⁵⁾	—	—	(0.1)	—	—	—	2.4	0.05
As adjusted	<u>\$ 82.8</u>	<u>\$ 34.3</u>	<u>\$ 17.2</u>	<u>\$ 0.35</u>	<u>\$ 88.0</u>	<u>\$ 41.2</u>	<u>\$ 25.9</u>	<u>\$ 0.54</u>

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



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

	Nine months ended							
	September 29, 2023				September 30, 2022			
	Gross profit	Operating income	Net income attributable to Fresh Del Monte Produce Inc.	Diluted EPS	Gross profit	Operating income	Net income attributable to Fresh Del Monte Produce Inc.	Diluted EPS
As reported	\$ 288.2	\$ 171.9	\$ 95.1	\$ 1.97	\$ 258.5	\$ 125.1	\$ 80.3	\$ 1.68
Adjustments:								
Other product-related charges ⁽¹⁾	10.2	10.2	10.2	0.21	—	—	—	—
Asset impairment and other charges (credits), net ⁽²⁾	—	9.5	9.5	0.20	—	(8.1)	(8.1)	(0.17)
(Gain) on disposal of property, plant and equipment, net and subsidiary ⁽³⁾	—	(38.3)	(38.3)	(0.79)	—	(2.0)	(2.0)	(0.04)
Other adjustments ⁽⁴⁾	—	—	7.6	0.16	—	—	—	—
Tax effects of all adjustments ⁽⁵⁾	—	—	5.9	0.12	—	—	2.6	0.05
As adjusted	<u>\$ 298.4</u>	<u>\$ 153.3</u>	<u>\$ 90.0</u>	<u>\$ 1.87</u>	<u>\$ 258.5</u>	<u>\$ 115.0</u>	<u>\$ 72.8</u>	<u>\$ 1.52</u>

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



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

	Quarter ended					
	September 29, 2023			September 30, 2022		
	Fresh and value-added products	Banana	Other products and services	Fresh and value-added products	Banana	Other products and services
Gross profit (as reported)	\$ 36.2	\$ 31.9	\$ 6.3	\$ 55.1	\$ 22.6	\$ 10.3
Adjustments:						
Other product-related charges ⁽¹⁾	8.4	—	—	—	—	—
Adjusted Gross profit	<u>\$ 44.6</u>	<u>\$ 31.9</u>	<u>\$ 6.3</u>	<u>\$ 55.1</u>	<u>\$ 22.6</u>	<u>\$ 10.3</u>
Net Sales	\$ 574.0	\$ 384.7	\$ 44.4	\$ 599.8	\$ 388.4	\$ 65.3
Gross margin ^(a)	6.3 %	8.3 %	14.2 %	9.2 %	5.8 %	15.7 %
Adjusted Gross margin ^(b)	7.8 %	8.3 %	14.2 %	9.2 %	5.8 %	15.7 %

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

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

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



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

	Nine months ended					
	September 29, 2023			September 30, 2022		
	Fresh and value-added products	Banana	Other products and services	Fresh and value-added products	Banana	Other products and services
Gross profit (as reported)	\$ 145.3	\$ 125.7	\$ 17.2	\$ 148.9	\$ 82.6	\$ 27.0
Adjustments:						
Other product-related charges ⁽¹⁾	10.1	0.1	—	—	—	—
Adjusted Gross profit	<u>\$ 155.4</u>	<u>\$ 125.8</u>	<u>\$ 17.2</u>	<u>\$ 148.9</u>	<u>\$ 82.6</u>	<u>\$ 27.0</u>
Net Sales	\$ 1,895.0	\$ 1,258.6	\$ 158.5	\$ 2,004.9	\$ 1,216.1	\$ 181.4
Gross margin ^(a)	7.7 %	10.0 %	10.9 %	7.4 %	6.8 %	14.9 %
Adjusted Gross margin ^(b)	8.2 %	10.0 %	10.9 %	7.4 %	6.8 %	14.9 %

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

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

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



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

	Quarter ended		Nine months ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Net income attributable to Fresh Del Monte Produce Inc.	\$ 8.4	\$ 33.3	\$ 95.1	\$ 80.3
Interest expense, net	5.4	6.0	19.4	17.1
Income tax provision	4.1	3.3	24.9	13.9
Depreciation & amortization	21.2	22.9	64.9	70.2
Share-based compensation expense	2.4	2.1	7.6	4.9
EBITDA	\$ 41.5	\$ 67.6	\$ 211.9	\$ 186.4
Adjustments:				
Other product-related charges ⁽¹⁾	8.4	—	10.2	—
Asset impairment and other charges (credits), net ⁽²⁾	2.5	(9.8)	9.5	(8.1)
(Gain) on disposal of property, plant and equipment, net and subsidiary ⁽³⁾	(2.0)	—	(38.3)	(2.0)
Other adjustments ⁽⁴⁾	—	—	7.6	—
Adjusted EBITDA	\$ 50.4	\$ 57.8	\$ 200.9	\$ 176.3
Net sales	\$ 1,003.1	\$ 1,053.5	\$ 3,312.1	\$ 3,402.4
Net income margin ^(a)	0.8 %	3.2 %	2.9 %	2.4 %
<i>(a) Calculated as Net income attributable to Fresh Del Monte Produce Inc. as a percentage of net sales.</i>				
EBITDA margin ^(b)	4.1 %	6.4 %	6.4 %	5.5 %
<i>(b) Calculated as EBITDA as a percentage of net sales.</i>				
Adjusted EBITDA margin ^(c)	5.0 %	5.5 %	6.1 %	5.2 %
<i>(c) Calculated as Adjusted EBITDA as a percentage of net sales.</i>				

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



Trailing Twelve Months Leverage Ratio Q3 2023 (U.S. dollars in millions) - Unaudited

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Trailing Twelve Months September 29, 2023
Net income attributable to Fresh Del Monte Produce Inc.	\$ 18.3	\$ 39.0	\$ 47.7	\$ 8.4	\$ 113.4
Interest expense, net	6.6	7.9	6.1	5.4	26.0
Income tax provision	6.1	9.5	11.3	4.1	31.0
Depreciation & amortization	22.3	22.1	21.6	21.2	87.2
Share-based compensation expense	2.0	2.3	2.9	2.4	9.6
EBITDA	\$ 55.3	\$ 80.8	\$ 89.6	\$ 41.5	\$ 267.2
Adjustments:					
Other product-related charges ⁽¹⁾	\$ -	\$ 1.8	\$ -	\$ 8.4	\$ 10.2
Asset impairment and other charges (credits), net ⁽²⁾	3.3	2.4	4.6	2.5	12.8
(Gain) on disposal of property, plant and equipment, net and subsidiary ⁽³⁾	(0.3)	(27.5)	(8.8)	(2.0)	(38.6)
Other adjustments ⁽⁴⁾	0.2	7.6	-	-	7.8
Adjusted EBITDA	\$ 58.5	\$ 65.1	\$ 85.4	\$ 50.4	\$ 259.4
Long-term debt and finance leases					\$ 407.2
Add: Current maturities of debt and finance leases					1.4
Add: Current portion of letters of credit					16.4
Less: Cash and cash equivalents					(77.9)
Net Debt					\$ 347.1
Leverage ratio ^(a)					1.30x
Adjusted leverage ratio ^(b)					1.34x

(a) Calculated as net debt divided by EBITDA.

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

FRESH DEL MONTE PRODUCE INC. AND SUBSIDIARIES RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES



- (1) Other product-related charges for the quarter ended September 29, 2023, primarily consisted of an inventory write-off and clean-up costs of \$8.4 million due to severe flooding caused by heavy rainstorms in Greece that impacted a seasonal production facility. For the nine months ended September 29, 2023, other product-related charges also included inventory write-offs of \$1.8 million, which were primarily related to the sale of two distribution centers in Saudi Arabia.
- (2) For the quarter ended September 29, 2023, asset impairment and other charges (credits), net primarily consisted of impairment charges related to low-yielding banana farms in the Philippines of \$3.7 million, property, plant and equipment damage of \$0.9 million due to severe flooding caused by heavy rainstorms in Greece, and impairment of right-of-use asset in South America of \$0.7 million, partially offset by insurance reimbursement and other credits of \$2.8 million in connection with a cybersecurity incident, which occurred during early 2023. Asset impairment and other charges (credits), net for the nine months ended September 29, 2023, also included impairment charges due to low productivity grape vines in South America, idle land in Central America, and expenses incurred in connection with a cybersecurity incident which occurred during early 2023. The cybersecurity incident temporarily impacted certain of the Company's operational and information technology systems and resulted in incremental costs primarily related to the engagement of specialized legal counsel and other incident response advisors. The Company's critical operational data and business systems were promptly recovered and accordingly, the incident did not have a material impact on the Company's financial results for the nine months ended September 29, 2023, and is not expected to have a material impact on future quarters. For the quarter ended September 30, 2022, asset impairment and other charges (credits), net primarily consisted of a \$(9.9) million adjustment to the Company's environmental liability related to Kunia Well Site (refer to the Form 10-Q for the quarter ended September 30, 2022 for further information on this matter). For the nine months ended September 30, 2022, asset impairment and other charges (credits), net also included severance expense in connection with (i) the departure of the Company's former President and Chief Operating Officer and (ii) the planned exit from a European facility.
- (3) Gain on disposal of property, plant and equipment, net and subsidiary for the quarter ended September 29, 2023, primarily consisted of a gain of \$2.4 million related to the sale of a carrier vessel, partially offset by the loss of \$0.4 million related to disposals of a farm in the Philippines and a plantation in Costa Rica. For the nine months ended September 29, 2023, gain on disposal of property, plant and equipment, net and subsidiary also included a \$20.5 million gain on the sale of two distribution centers and related assets in Saudi Arabia, a \$7.0 million gain on the sale of an idle facility in North America, a \$3.8 million gain on the sale of the Company's plastics business subsidiary in South America and gains on the sales of land assets in South and Central America. For the nine months ended September 30, 2022, gain on disposal of property, plant and equipment, net and subsidiary primarily related to a \$1.4 million gain on the sale of vacant land in Mexico.
- (4) Other adjustments for the nine months ended September 29, 2023, primarily related to the portions of the gain on disposal of property, plant and equipment, net and other product-related charges which were attributable to a minority interest partner, reflected in net income (loss) attributable to redeemable and noncontrolling interests.
- (5) Tax effects are calculated in accordance with ASC 740, Income Taxes, using the same methodology as the GAAP provision of income taxes. Income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for each jurisdiction in which such adjustments were incurred, except for those items which are non-taxable for which the tax provision was calculated at 0%. Certain non-GAAP adjustments were subject to valuation allowances and therefore were calculated at 0%.