

SANFILIPPO JOHN B & SON INC

FORM 10-Q (Quarterly Report)

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Address	1703 N. RANDALL ROAD ELGIN, IL, 60123-7820
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 26, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 0-19681

JOHN B. SANFILIPPO & SON, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

1703 North Randall Road

Elgin, Illinois

(Address of principal executive offices)

36-2419677

(I.R.S. Employer
Identification No.)

60123-7820

(Zip Code)

(847) 289-1800

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value per share	JBSS	The NASDAQ Stock Market LLC (NASDAQ Global Select Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of January 23, 2025, 9,040,641 shares of the Registrant’s Common Stock, \$0.01 par value per share and 2,597,426 shares of the Registrant’s Class A Common Stock, \$0.01 par value per share, were outstanding.

JOHN B. SANFILIPPO & SON, INC.
FORM 10-Q
FOR THE QUARTER ENDED DECEMBER 26, 2024
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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

JOHN B. SANFILIPPO & SON, INC. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

(Dollars in thousands, except share and per share amounts)

	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Net sales	\$ 301,067	\$ 291,222	\$ 577,263	\$ 525,327
Cost of sales	248,816	233,283	478,468	410,366
Gross profit	52,251	57,939	98,795	114,961
Operating expenses:				
Selling expenses	22,620	21,001	42,459	42,993
Administrative expenses	10,262	11,563	19,960	22,016
Bargain purchase gain, net	—	(2,226)	—	(2,226)
Total operating expenses	32,882	30,338	62,419	62,783
Income from operations	19,369	27,601	36,376	52,178
Other expense:				
Interest expense including \$159, \$175, \$322 and \$353 to related parties, respectively	772	1,055	1,288	1,282
Rental and miscellaneous expense, net	347	260	758	616
Pension expense (excluding service costs)	361	350	722	700
Total other expense, net	1,480	1,665	2,768	2,598
Income before income taxes	17,889	25,936	33,608	49,580
Income tax expense	4,294	6,765	8,354	12,821
Net income and comprehensive income	\$ 13,595	\$ 19,171	\$ 25,254	\$ 36,759
Net income per common share-basic	\$ 1.17	\$ 1.65	\$ 2.17	\$ 3.17
Net income per common share-diluted	\$ 1.16	\$ 1.64	\$ 2.16	\$ 3.15

The accompanying unaudited notes are an integral part of these consolidated financial statements.

JOHN B. SANFILIPPO & SON, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Dollars in thousands, except share and per share amounts)

	December 26, 2024	June 27, 2024	December 28, 2023
ASSETS			
CURRENT ASSETS:			
Cash	\$ 336	\$ 484	\$ 1,975
Accounts receivable, less allowance for doubtful accounts of \$356, \$318 and \$370, respectively	81,200	84,960	77,416
Inventories	205,842	196,563	197,335
Prepaid expenses and other current assets	19,320	12,078	13,040
TOTAL CURRENT ASSETS	306,698	294,085	289,766
PROPERTY, PLANT AND EQUIPMENT:			
Land	13,365	13,365	13,365
Buildings	116,684	115,517	114,708
Machinery and equipment	301,855	295,599	286,317
Furniture and leasehold improvements	5,482	5,423	5,310
Vehicles	1,134	912	790
Construction in progress	19,366	7,569	3,960
	457,886	438,385	424,450
Less: Accumulated depreciation	297,231	287,168	276,987
	160,655	151,217	147,463
Rental investment property, less accumulated depreciation of \$15,649, \$15,246 and \$14,843, respectively	13,474	13,877	14,280
TOTAL PROPERTY, PLANT AND EQUIPMENT	174,129	165,094	161,743
Intangible assets, net	5,057	5,822	6,584
Deferred income taxes	3,900	3,130	562
Goodwill	11,750	11,750	11,750
Operating lease right-of-use assets	29,019	27,404	6,867
Other assets	14,700	8,290	7,187
TOTAL ASSETS	\$ 545,253	\$ 515,575	\$ 484,459

The accompanying unaudited notes are an integral part of these consolidated financial statements.

JOHN B. SANFILIPPO & SON, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Dollars in thousands, except share and per share amounts)

	December 26, 2024	June 27, 2024	December 28, 2023
LIABILITIES & STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Revolving credit facility borrowings	\$ 49,753	\$ 20,420	\$ 32,052
Current maturities of related party long-term debt	834	737	704
Accounts payable	64,585	53,436	62,955
Bank overdraft	1,953	545	1,500
Accrued payroll and related benefits	14,690	35,601	17,479
Other accrued expenses	18,247	15,201	13,601
TOTAL CURRENT LIABILITIES	150,062	125,940	128,291
LONG-TERM LIABILITIES:			
Long-term related party debt, less current maturities	5,969	6,365	6,742
Retirement plan	26,773	26,154	27,338
Long-term operating lease liabilities, net of current portion	25,754	24,877	5,141
Long-term workers' compensation liabilities	7,857	7,673	7,291
Other	3,207	1,953	2,419
TOTAL LONG-TERM LIABILITIES	69,560	67,022	48,931
TOTAL LIABILITIES	219,622	192,962	177,222
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY:			
Class A Common Stock, convertible to Common Stock on a per share basis, cumulative voting rights of ten votes per share, \$.01 par value; 10,000,000 shares authorized, 2,597,426 shares issued and outstanding	26	26	26
Common Stock, non-cumulative voting rights of one vote per share, \$.01 par value; 17,000,000 shares authorized, 9,158,541, 9,123,938 and 9,120,560 shares issued, respectively	92	91	91
Capital in excess of par value	137,858	135,691	133,432
Retained earnings	187,815	186,965	175,096
Accumulated other comprehensive income (loss)	1,044	1,044	(204)
Treasury stock, at cost; 117,900 shares of Common Stock	(1,204)	(1,204)	(1,204)
TOTAL STOCKHOLDERS' EQUITY	325,631	322,613	307,237
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	\$ 545,253	\$ 515,575	\$ 484,459

The accompanying unaudited notes are an integral part of these consolidated financial statements.

JOHN B. SANFILIPPO & SON, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

(Dollars in thousands, except share and per share amounts)

	Class A Common Stock		Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
	Shares	Amount	Shares	Amount					
Balance, June 27, 2024	2,597,426	\$ 26	9,123,938	\$ 91	\$ 135,691	\$ 186,965	\$ 1,044	\$ (1,204)	\$ 322,613
Net income						11,659			11,659
Cash dividends (\$2.10 per share)						(24,404)			(24,404)
Stock-based compensation expense					935				935
Balance, September 26, 2024	2,597,426	\$ 26	9,123,938	\$ 91	\$ 136,626	\$ 174,220	\$ 1,044	\$ (1,204)	\$ 310,803
Net income						13,595			13,595
Equity award exercises, net of shares withheld for employee taxes			34,603	1	(484)				(483)
Stock-based compensation expense					1,716				1,716
Balance, December 26, 2024	<u>2,597,426</u>	<u>\$ 26</u>	<u>9,158,541</u>	<u>\$ 92</u>	<u>\$ 137,858</u>	<u>\$ 187,815</u>	<u>\$ 1,044</u>	<u>\$ (1,204)</u>	<u>\$ 325,631</u>

	Class A Common Stock		Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
	Shares	Amount	Shares	Amount					
Balance, June 29, 2023	2,597,426	\$ 26	9,076,326	\$ 91	\$ 131,986	\$ 161,512	\$ (204)	\$ (1,204)	\$ 292,207
Net income						17,588			17,588
Cash dividends (\$2.00 per share)						(23,175)			(23,175)
Equity award exercises			14,605	—	—				—
Stock-based compensation expense					747				747
Balance, September 28, 2023	2,597,426	\$ 26	9,090,931	\$ 91	\$ 132,733	\$ 155,925	\$ (204)	\$ (1,204)	\$ 287,367
Net income						19,171			19,171
Equity award exercises, net of shares withheld for employee taxes			29,629	—	(684)				(684)
Stock-based compensation expense					1,383				1,383
Balance, December 28, 2023	<u>2,597,426</u>	<u>\$ 26</u>	<u>9,120,560</u>	<u>\$ 91</u>	<u>\$ 133,432</u>	<u>\$ 175,096</u>	<u>\$ (204)</u>	<u>\$ (1,204)</u>	<u>\$ 307,237</u>

The accompanying unaudited notes are an integral part of these consolidated financial statements.

JOHN B. SANFILIPPO & SON, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 25,254	\$ 36,759
Depreciation and amortization	13,153	11,715
Amortization of operating lease right-of-use assets	2,185	877
Loss on disposition of assets, net	671	140
Deferred income tax (benefit) expense	(770)	2,280
Stock-based compensation expense	2,651	2,130
Bargain purchase gain, net	—	(2,226)
Change in assets and liabilities, net of Acquisition:		
Accounts receivable, net	3,798	(4,542)
Inventories	(9,279)	11,101
Prepaid expenses and other current assets	(3,683)	(2,942)
Accounts payable	9,039	20,557
Accrued expenses	(18,628)	(10,310)
Income taxes receivable	(3,559)	(4,180)
Other long-term assets and liabilities	(1,755)	(512)
Other, net	839	325
Net cash provided by operating activities	<u>19,916</u>	<u>61,172</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(25,548)	(10,882)
Business acquisitions, net	—	(58,974)
Other, net	(70)	(53)
Net cash used in investing activities	<u>(25,618)</u>	<u>(69,909)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net short-term borrowings	29,333	32,052
Debt issue costs	—	(316)
Principal payments on long-term debt	(299)	(328)
Increase in bank overdraft	1,408	1,215
Dividends paid	(24,404)	(23,175)
Taxes paid related to net share settlement of equity awards	(484)	(684)
Net cash provided by financing activities	<u>5,554</u>	<u>8,764</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(148)	27
Cash and cash equivalents, beginning of period	484	1,948
Cash, end of period	<u>\$ 336</u>	<u>\$ 1,975</u>

The accompanying unaudited notes are an integral part of these consolidated financial statements.

JOHN B. SANFILIPPO & SON, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(Dollars in thousands, except where noted and per share data)

Note 1 – Basis of Presentation and Description of Business

As used herein, unless the context otherwise indicates, the terms “we”, “us”, “our” or “Company” collectively refer to John B. Sanfilippo & Son, Inc. and our wholly-owned subsidiary, JBSS Ventures, LLC. Our fiscal year ends on the final Thursday of June each year, and typically consists of fifty-two weeks (four thirteen-week quarters). Additional information on the comparability of the periods presented is as follows:

- References herein to fiscal 2025 and fiscal 2024 are to the fiscal year ending June 26, 2025 and the fiscal year ended June 27, 2024, respectively.
- References herein to the second quarter of fiscal 2025 and fiscal 2024 are to the quarters ended December 26, 2024 and December 28, 2023, respectively.
- References herein to the first half or first twenty-six weeks of fiscal 2025 and fiscal 2024 are to the twenty-six weeks ended December 26, 2024 and December 28, 2023, respectively.

We are one of the leading processors and distributors of peanuts, pecans, cashews, walnuts, almonds and other nuts in the United States. These nuts are sold under our *Fisher*, *Orchard Valley Harvest*, *Squirrel Brand* and *Southern Style Nuts* brand names and under a variety of private brands. We also offer our private brand customers a complete portfolio of snack and nutrition bars. We market and distribute, and in most cases, manufacture or process, a diverse product line of food and snack products, including nutrition bars, snack bars, peanut butter, almond butter, cashew butter, candy and confections, snack and trail mixes, sunflower kernels, dried fruit, corn snacks, sesame sticks, other sesame snack products and baked cheese snack products under our brand names, including *Just the Cheese*, and under private brands. Our products are sold through three primary distribution channels, including food retailers in the consumer channel, commercial ingredient users and contract manufacturing customers.

The accompanying unaudited financial statements fairly present the consolidated statements of comprehensive income, consolidated balance sheets, consolidated statements of stockholders' equity and consolidated statements of cash flows, and reflect all adjustments, consisting only of normal recurring adjustments which are necessary for the fair statement of the results of the interim periods. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses.

The interim results of operations are not necessarily indicative of the results to be expected for a full year. The balance sheet data as of June 27, 2024 was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America (“GAAP”). Accordingly, these unaudited financial statements and related notes should be read in conjunction with the audited consolidated financial statements and notes thereto included in our 2024 Annual Report on Form 10-K for the fiscal year ended June 27, 2024.

Note 2 – Revenue Recognition

We recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. For each customer contract, a five-step process is followed in which we identify the contract, identify performance obligations, determine the transaction price, allocate the contract transaction price to the performance obligations, and recognize the revenue when (or as) the performance obligation is transferred to the customer.

When Performance Obligations Are Satisfied

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account for revenue recognition. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company's performance obligations are primarily for the delivery of raw and processed recipe and snack nuts, nut butters, trail mixes and snack and nutrition bars.

Our customer contracts do not include more than one performance obligation. If a contract were to contain more than one performance obligation, we are required to allocate the contract's transaction price to each performance obligation based on its relative standalone selling price. The standalone selling price for each distinct good is generally determined by directly observable data.

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Revenue recognition is generally completed at a point in time when product control is transferred to the customer. For virtually all of our revenues, control transfers to the customer when the product is shipped or delivered to the customer based upon applicable shipping terms. This allows the customer to then direct the use and obtain substantially all of the remaining benefits from the asset at that point in time. Therefore, the timing of our revenue recognition requires little judgment.

Variable Consideration

Some of our products are sold through specific incentive programs consisting of promotional allowances, volume and customer rebates, in-store display incentives and marketing allowances, among others, to consumer and some commercial ingredient customers. The ultimate cost of these programs is dependent on certain factors such as actual purchase volumes or customer activities. It is also dependent on significant management judgment when determining estimates. The Company accounts for these programs as variable consideration and recognizes a reduction in revenue (and a corresponding reduction in the transaction price) in the same period as the underlying program based upon the terms of the specific arrangements.

Trade promotions, consisting primarily of customer pricing allowances, merchandising funds and consumer coupons, are also offered through various programs to customers and consumers. A provision for estimated trade promotions is recorded as a reduction of revenue (and a reduction in the transaction price) in the same period when the sale is recognized. Revenues are also recorded net of expected customer deductions which are provided for based upon past experiences. Evaluating these estimates requires management judgment.

We generally use the most likely amount method to determine the variable consideration. We believe there will not be significant changes to our estimates of variable consideration when any related uncertainties are resolved with our customers. The Company reviews and updates its estimates and related accruals of variable consideration and trade promotions at least quarterly based on the terms of the agreements and historical experience. Any uncertainties in the ultimate resolution of variable consideration due to factors outside of the Company's influence are typically resolved within a short timeframe. Therefore, no additional constraint on the variable consideration is required.

Contract Balances

Contract assets or liabilities result from transactions with revenue recorded over time. If the measure of remaining rights exceeds the measure of the remaining performance obligations, the Company records a contract asset. Conversely, if the measure of the remaining performance obligations exceeds the measure of the remaining rights, the Company records a contract liability. The contract asset balance at December 26, 2024 was \$611 and is recorded in the caption "Prepaid expenses and other current assets" on the Consolidated Balance Sheets. There was no contract asset balance for the other periods presented. The Company generally does not have material deferred revenue or contract liability balances arising from transactions with customers.

Disaggregation of Revenue

Revenue disaggregated by sales channel is as follows:

Distribution Channel	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Consumer	\$ 251,359	\$ 241,362	\$ 480,743	\$ 425,696
Commercial Ingredients	26,589	27,712	53,489	55,847
Contract Manufacturing	23,119	22,148	43,031	43,784
Total	<u>\$ 301,067</u>	<u>\$ 291,222</u>	<u>\$ 577,263</u>	<u>\$ 525,327</u>

Note 3 – Leases

Description of Leases

We lease warehouse space, equipment used in the transportation of goods in our warehouses and a limited number of automobiles and trailers. Our leases generally do not contain any explicit guarantees of residual value and, with the exception of our warehousing and distribution center in Huntley, IL, generally do not contain non-lease components. Our leases for warehouse transportation equipment generally require the equipment to be returned to the lessor in good working order.

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Through a review of our contracts, we determine if an arrangement is a lease at inception and analyze the lease to determine if it is operating or finance. Operating lease right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we use our incremental collateralized borrowing rate based on the information available at the commencement date in determining the present value of lease payments. Implicit rates are used when readily determinable. With the exception of our warehouse leases, none of our other leases currently contain options to extend the term. In the event of an option to extend the term of a lease, the lease term used in measuring the liability would include options to extend or terminate the lease if it is reasonably certain that the Company will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the respective lease term. Our leases have remaining terms of up to 7.1 years.

It is our accounting policy not to apply lease recognition requirements to short-term leases, defined as leases with an initial term of 12 months or less. As such, leases with an initial term of 12 months or less are not recorded in the Consolidated Balance Sheets. We have also made the policy election to not separate lease and non-lease components for all leases.

The following table provides supplemental information related to operating lease right-of-use assets and liabilities:

	December 26, 2024	June 27, 2024	December 28, 2023	Affected Line Item in Consolidated Balance Sheets
Assets				
Operating lease right-of-use assets	\$ 29,019	\$ 27,404	\$ 6,867	Operating lease right-of-use assets
Total lease right-of-use assets	<u>\$ 29,019</u>	<u>\$ 27,404</u>	<u>\$ 6,867</u>	
Liabilities				
Current:				
Operating leases	\$ 4,211	\$ 2,623	\$ 1,751	Other accrued expenses
Noncurrent:				
Operating leases	25,754	24,877	5,141	Long-term operating lease liabilities
Total lease liabilities	<u>\$ 29,965</u>	<u>\$ 27,500</u>	<u>\$ 6,892</u>	

The following tables summarize the Company's total lease costs and other information arising from operating lease transactions:

	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Operating lease costs ^(a)	\$ 1,971	\$ 719	\$ 3,713	\$ 1,389
Variable lease costs ^(b)	134	33	306	(141)
Total lease cost	<u>\$ 2,105</u>	<u>\$ 752</u>	<u>\$ 4,019</u>	<u>\$ 1,248</u>

(a) Includes short-term leases which are immaterial.

(b) Variable lease costs consist of property taxes, sales tax, insurance and lease overtime charges.

Supplemental cash flow and other information related to leases was as follows:

	For the Twenty-Six Weeks Ended		
	December 26, 2024	December 28, 2023	
Operating cash flows information:			
Cash paid for amounts included in measurements for lease liabilities	\$	2,246	\$ 1,210
Non-cash activity:			
Right-of-use assets obtained in exchange for new operating lease obligations	\$	3,800	\$ 1,320
	December 26, 2024	June 27, 2024	December 28, 2023
Weighted average remaining lease term (in years)	6.1	6.6	4.2
Weighted average discount rate	6.7 %	6.8 %	6.9 %

Maturities of operating lease liabilities as of December 26, 2024 are as follows:

Fiscal Year Ending	
June 26, 2025 (excluding the twenty-six weeks ended December 26, 2024)	\$ 3,201
June 25, 2026	5,981
June 24, 2027	6,075
June 29, 2028	5,935
June 28, 2029	5,029
June 27, 2030	4,073
Thereafter	6,414
Total lease payments	36,708
Less imputed interest	(6,743)
Present value of operating lease liabilities	<u>\$ 29,965</u>

At December 26, 2024, the Company has additional operating leases of approximately \$472 that have not yet commenced and therefore are not reflected in the Consolidated Balance Sheet and tables above. The leases are scheduled to commence in the third quarter of fiscal 2025 with initial lease terms ranging from 1 to 6 years.

Lessor Accounting

We lease office space in our four-story office building located in Elgin, IL. As a lessor, we retain substantially all of the risks and benefits of ownership of the investment property and under Topic 842: *Leases* we continue to account for all of our leases as operating leases. Lease agreements may include options to renew. We accrue fixed lease income on a straight-line basis over the terms of the leases. There is generally no variable lease consideration and an immaterial amount of non-lease components such as recurring utility and storage fees. Leases between related parties are immaterial.

Leasing revenue is as follows:

	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Lease income related to lease payments	\$ 478	\$ 533	\$ 957	\$ 977

The future minimum, undiscounted fixed cash flows under non-cancelable tenant operating leases for each of the next five years and thereafter are as follows:

Fiscal Year Ending	
June 26, 2025 (excluding the twenty-six weeks ended December 26, 2024)	\$ 497
June 25, 2026	1,071
June 24, 2027	1,055
June 29, 2028	391
June 28, 2029	336
June 27, 2030	343
Thereafter	1,135
	<u>\$ 4,828</u>

Note 4 – Inventories

Inventories consist of the following:

	December 26, 2024	June 27, 2024	December 28, 2023
Raw material and supplies	\$ 96,109	\$ 85,300	\$ 81,564
Work-in-process and finished goods	109,733	111,263	115,771
Total	<u>\$ 205,842</u>	<u>\$ 196,563</u>	<u>\$ 197,335</u>

Note 5 – Goodwill and Intangible Assets

Identifiable intangible assets that are subject to amortization consist of the following:

	December 26, 2024	June 27, 2024	December 28, 2023
Customer relationships	\$ 21,350	\$ 21,350	\$ 21,350
Brand names	17,070	17,070	17,070
Product formulas	850	850	850
Non-compete agreement	300	300	300
	<u>39,570</u>	<u>39,570</u>	<u>39,570</u>
Less accumulated amortization:			
Customer relationships	(21,004)	(20,680)	(20,356)
Brand names	(13,024)	(12,668)	(12,314)
Product formulas	(202)	(121)	(40)
Non-compete agreement	(283)	(279)	(276)
	<u>(34,513)</u>	<u>(33,748)</u>	<u>(32,986)</u>
Net intangible assets	<u>\$ 5,057</u>	<u>\$ 5,822</u>	<u>\$ 6,584</u>

Customer relationships are being amortized on an accelerated basis. The brand names remaining to be amortized consist of the *Squirrel Brand*, *Southern Style Nuts* and *Just the Cheese* brand names. Product formulas relate to the acquisition of certain snack bar assets completed in fiscal 2024.

Total amortization expense related to intangible assets, which is classified in “administrative expenses” in the Consolidated Statement of Comprehensive Income, was \$384 and \$765 for the quarter and twenty-six weeks ended December 26, 2024, respectively. Amortization expense for the remainder of fiscal 2025 is expected to be approximately \$629 and expected amortization expense the next five fiscal years is as follows:

Fiscal Year Ending	
June 25, 2026	\$ 1,042
June 24, 2027	847
June 29, 2028	677
June 28, 2029	496
June 27, 2030	400

Our net goodwill at December 26, 2024 was comprised of \$9,650 from the Squirrel Brand acquisition completed in fiscal 2018 and \$2,100 from the *Just the Cheese* brand acquisition completed in fiscal 2023. The changes in the carrying amount of goodwill since June 29, 2023 are as follows:

Gross goodwill balance at June 29, 2023	\$ 20,516
Accumulated impairment losses	(8,766)
Net goodwill balance at June 29, 2023	<u>11,750</u>
Goodwill acquired during fiscal 2024	—
Net balance at June 27, 2024	<u>11,750</u>
Goodwill acquired during fiscal 2025	—
Net balance at December 26, 2024	<u>\$ 11,750</u>

Note 6 – Credit Facility

Our Amended and Restated Credit Agreement dated March 5, 2020 provides for a \$117,500 senior secured revolving credit facility (the “Credit Facility”). The Credit Facility is secured by our accounts receivable and inventory.

On September 29, 2023, we entered into the Second Amendment to our Amended and Restated Credit Agreement which, among other things, increased the amount available to borrow under the Credit Facility to \$150,000, extended the maturity date to September 29, 2028 and allows the Company to pay up to \$100,000 in dividends per year, subject to meeting availability tests.

At December 26, 2024, we had \$95,562 of available credit under the Credit Facility which reflects borrowings of \$49,753 and reduced availability as a result of \$4,685 in outstanding letters of credit. As of December 26, 2024, we were in compliance with all financial covenants under the Credit Facility.

Note 7 – Earnings Per Common Share

The following table presents the reconciliation of the weighted average shares outstanding used in computing basic and diluted earnings per share:

	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Weighted average number of shares outstanding – basic	11,647,791	11,611,409	11,640,598	11,603,185
Effect of dilutive securities:				
Restricted stock units	62,300	56,146	73,129	67,964
Weighted average number of shares outstanding – diluted	<u>11,710,091</u>	<u>11,667,555</u>	<u>11,713,727</u>	<u>11,671,149</u>

There were no anti-dilutive awards excluded from the computation of diluted earnings per share for any periods presented.

Note 8 – Stock-Based Compensation Plans

The following is a summary of Restricted Stock Unit (“RSU”) activity for the first twenty-six weeks of fiscal 2025:

Restricted Stock Units	Shares	Weighted Average Grant Date Fair Value
Outstanding at June 27, 2024	147,443	\$ 73.09
Granted	63,414	\$ 75.03
Vested ^(a)	(40,216)	\$ 77.20
Forfeited	(598)	\$ 76.10
Outstanding at December 26, 2024	<u>170,043</u>	\$ 72.83

^(a) The number of RSUs vested includes shares that were withheld on behalf of employees to satisfy statutory tax withholding requirements.

At December 26, 2024, there were 31,495 RSUs outstanding that were vested but deferred.

The following is a summary of Performance Stock Unit (“PSU”) activity for the first twenty-six weeks of fiscal 2025:

Performance Stock Units ^(a)	Shares	Weighted Average Grant Date Fair Value
Outstanding at June 27, 2024	8,031	\$ 82.99
Granted	10,481	\$ 72.08
Vested	—	\$ —
Forfeited	—	\$ —
Outstanding at December 26, 2024	18,512	\$ 76.81

- (a) The PSUs are presented based on reaching target performance. The PSUs vest approximately 33 months from the grant date, with the number of shares earned (ranging from 0% to 200% of the target award) depending on the extent to which we achieve certain performance metrics. Based on current expectations and performance against these metrics, we expect 24,533 PSUs to be earned and thus vest at the end of the applicable vesting periods. The final number of shares that will eventually be earned and vest (if any) has not yet been determined as of December 26, 2024.

The following table summarizes compensation expense charged to earnings for all equity compensation plans for the periods presented:

	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Stock-based compensation expense	\$ 1,716	\$ 1,383	\$ 2,651	\$ 2,130

As of December 26, 2024, there was \$7,819 of total unrecognized compensation expense related to non-vested RSUs and PSUs granted under our stock-based compensation plans. We expect to recognize that cost over a weighted average period of 1.7 years.

Note 9 – Retirement Plan

The Supplemental Employee Retirement Plan (“Retirement Plan”) is an unfunded, non-qualified benefit plan that will provide eligible participants with monthly benefits upon retirement, disability or death, subject to certain conditions. The monthly benefit is based upon each participant’s earnings and his or her number of years of service. The components of net periodic benefit cost are as follows:

	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Service cost	\$ 129	\$ 63	\$ 258	\$ 126
Interest cost	361	350	722	700
Net periodic benefit cost	\$ 490	\$ 413	\$ 980	\$ 826

The components of net periodic benefit cost other than the service cost component are included in the line item “Pension expense (excluding service costs)” in the Consolidated Statements of Comprehensive Income.

Note 10 – Commitments and Contingent Liabilities

We are currently a party to various legal proceedings in the ordinary course of business. While management presently believes that the ultimate outcomes of these proceedings, individually and in the aggregate, will not materially affect our financial position, results of operations or cash flows, legal proceedings are subject to inherent uncertainties, and unfavorable outcomes could occur. Unfavorable outcomes could include substantial monetary damages in excess of any appropriate accruals, which management has established. Were such unfavorable final outcomes to occur, there exists the possibility of a material adverse effect on our financial position, results of operations and cash flows.

Note 11 – Fair Value of Financial Instruments

The Financial Accounting Standards Board (the “FASB”) defines fair value as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The guidance establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels:

- Level 1 – Quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.
- Level 2 – Observable inputs other than quoted prices in active markets. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.
- Level 3 – Unobservable inputs for which there is little or no market data available.

The carrying values of cash, trade accounts receivable and accounts payable approximate their fair values at each balance sheet date because of the short-term maturities and nature of these balances.

The carrying value of our revolving credit facility borrowings approximates fair value at each balance sheet date because interest rates on this instrument approximate current market rates (Level 2 criteria) and because of the short-term maturity and nature of this balance. In addition, there has been no significant change in our inherent credit risk.

The following table summarizes the carrying value and fair value estimate of our current and long-term debt:

	December 26, 2024	June 27, 2024	December 28, 2023
Carrying value of current and long-term debt:	\$ 6,803	\$ 7,102	\$ 7,446
Fair value of current and long-term debt:	6,545	6,496	6,654

The estimated fair value of our long-term debt was determined using a market approach based upon Level 2 observable inputs, which estimates fair value based on interest rates currently offered on loans with similar terms to borrowers of similar credit quality or broker quotes. In addition, there have been no significant changes in the underlying assets securing our long-term debt.

Note 12 – Recent Accounting Pronouncements

The following recent accounting pronouncements have not yet been adopted:

In November 2023, the FASB issued ASU 2023-07 “*Segment Reporting (Topic 280)*”. The amendments in this update modify the disclosure requirements by expanding the disclosures required for reportable segments in annual and interim consolidated financial statements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments require that any entity that has a single reportable segment provide all the disclosures required either in this update or already existing in Topic 280. The amendments are effective for public entities for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments will be applied retrospectively to all prior periods presented in the financial statements. We are currently evaluating the impact of this update but do not expect it to have a material impact on our Consolidated Financial Statements.

In November 2024, the FASB issued ASU 2024-03 “*Disaggregation of Income Statement Expenses*”. The amendments in this update require disaggregated disclosure of certain costs and expenses, including purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The amendments are effective for public entities for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. We are currently evaluating the impact of this update on our related disclosures.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

The following discussion and analysis should be read in conjunction with the unaudited Consolidated Financial Statements and the Notes to Consolidated Financial Statements.

Our fiscal year ends on the final Thursday of June each year, and typically consists of fifty-two weeks (four thirteen-week quarters). Additional information on the comparability of the periods presented is as follows:

- References herein to fiscal 2025 and fiscal 2024 are to the fiscal year ending June 26, 2025 and the fiscal year ended June 27, 2024, respectively.
- References herein to the second quarter of fiscal 2025 and fiscal 2024 are to the quarters ended December 26, 2024 and December 28, 2023, respectively.
- References herein to the first three quarters or first twenty-six weeks of fiscal 2025 and fiscal 2024 are to the twenty-six weeks ended December 26, 2024 and December 28, 2023, respectively.

As used herein, unless the context otherwise indicates, the terms “we”, “us”, “our” or “Company” collectively refer to John B. Sanfilippo & Son, Inc. and our wholly-owned subsidiary, JBSS Ventures, LLC.

We are one of the leading processors and distributors of peanuts, pecans, cashews, walnuts, almonds and other nuts in the United States. These nuts are sold under our *Fisher*, *Orchard Valley Harvest*, *Squirrel Brand* and *Southern Style Nuts* brand names and under a variety of private brands. We also offer our private brand customers a complete portfolio of snack and nutrition bars. We market and distribute, and in most cases, manufacture or process, a diverse product line of food and snack products, including nutrition bars, snack bars, peanut butter, almond butter, cashew butter, candy and confections, snack and trail mixes, sunflower kernels, dried fruit, corn snacks, sesame sticks, other sesame snack products and baked cheese snack products under our brand names, including *Just the Cheese*, and under private brands. We distribute our products in the consumer, commercial ingredients and contract manufacturing distribution channels.

Our Long-Range Plan defines our future growth priorities and focuses on growing our private brand business across key customers, as well as transforming *Fisher*, *Orchard Valley Harvest* and *Squirrel Brand* into leading brands while increasing distribution and diversifying our portfolio into high growth snacking segments. We will execute on our Long-Range Plan by providing our private brand customers value-added solutions and innovative products based on our extensive industry and consumer expertise, such as our newly developed product line of private brand nutrition bars. We will focus on growing our branded business by reaching new consumers via product expansion and packaging innovation, expanding distribution across current and alternative channels, diversifying our product offerings and focusing on new ways for consumers to buy our products, including sales via e-commerce platforms. Our Long-Range Plan also contemplates increasing our sales through product innovation and targeted, opportunistic acquisitions, such as the acquisition of certain snack bar assets including inventory, product formulas, a manufacturing facility and related equipment located in Lakeville, Minnesota, (the “Lakeville Acquisition”) which we completed the first day of the second quarter of fiscal 2024. The Lakeville Acquisition expanded our ability to produce private brand snack bars, increased our overall production capabilities and allows us to provide our private brand customers with a complete snack bar portfolio. In addition, we also acquired additional snack bar production assets in the first quarter of fiscal 2025 that will expand our manufacturing capacity and support further growth in our bar business. Beginning in the current fiscal quarter and continuing into the next fiscal year, we plan to allocate significant additional capital to purchase new equipment (and incur related expenses) in order to further expand our production capabilities, increase our efficiency and enhance our product offerings for our customers.

We will continue to focus our promotional and advertising activity to invest in our brands to achieve sales volume growth. We intend to execute on an omnichannel approach to win in key categories including recipe nuts, snack nuts, trail mix and other snacking categories. We continue to see e-commerce sales volume growth across our branded portfolio and anticipate taking various actions with the goal of maintaining that growth across a variety of established e-commerce platforms. We continue to face the ongoing challenges and/or regulations specific to our business, such as food safety and regulatory matters, the maintenance and growth of our customer base and overall category growth for branded and private brand products and varying consumer demand for nut and nut-related products and snack bars in a challenging snack food environment.

We face a number of challenges in the future, which include the impacts of higher prices in food, in part due to underlying commodity acquisition costs, uncertainty over interest rates that may negatively impact economic growth, consumers reducing their snack purchases, including branded nut products or products with lower gross profit margin, potential for economic downturn in the markets in which we operate and supply chain challenges. To stay compliant with recent changes in employment laws across states where we operate and remain competitive in attracting qualified talent, we expect our labor costs to continue to increase in the 2025 fiscal year and beyond.

Inflation and Consumer Trends

We face changing industry trends as consumers' purchasing preferences evolve. We have continued to see higher selling prices at retail, with price increases starting to moderate for some products, including snack nuts and trail mix, and decrease for other products. While moderated, these higher prices across our categories and the broader food market, coupled with a potential economic downturn and tightening of consumer finances due to reduced government support through programs such as SNAP or a variety of other macroeconomic reasons, are causing consumers to purchase fewer snack products. We have seen sales volume stabilize for snack nuts, trail mix and snack bars while sales volume for recipe nuts has continued to decline given higher prices. Consumers continue to shift their preferences to private brands or lower priced nuts or snack bars or purchase snack products outside the snack nut, trail mix and snack bar categories. We are also seeing signs of consumers shifting to more value-focused retailers, such as mass merchandising retailers and club stores, not all of which we distribute or sell to. Additionally, the increased use and/or prevalence of certain weight loss drugs, which may suppress a person's appetite and/or impact a person's preferences, may impact the demand or consumption patterns for certain of our products. We have responded by focusing on our strengths, including our knowledge of the snack and trail nut categories, product innovation and judicious use of trade spending and pricing actions.

Supply Chain and Transportation

Global supply chain pressures have eased compared to fiscal 2024, but pockets of challenges, delays and extended lead-times still exist. While we do not have direct exposure to suppliers in Russia, Ukraine or Israel, the conflicts and prospects for conflict in these regions could continue to result in volatile commodity markets, supply chain disruptions and increased costs. Overall packaging and ingredient inflation appears to be moderating or leveling off in the 2025 fiscal year. With the change in the presidential administration, there is a risk of new tariffs being levied on products we purchase from foreign countries such as China, Canada and Mexico. These tariffs could lead to an increase in the cost of certain raw materials we use in our business and our financial performance may be adversely impacted if we cannot pass on the cost increases in the form of price increases to our customers.

Trucking capacity continues to decline, potentially leading to further instability in the transportation industry in the 2025 fiscal year. While indicators suggest transportation prices are stabilizing, the overall transportation environment remains unpredictable.

Our most significant ingredient requirements include cocoa products, dried fruits, sweeteners, vegetable oils, oats, flour and dairy. Many of these materials and their associated costs are subject to price fluctuations from several factors, including changing commodity markets, other market conditions, demand for raw materials, weather, growing and harvesting conditions, climate change, energy costs, currency fluctuations, supplier capacities, governmental actions, import and export requirements (including tariffs), and on-going political instability and other factors beyond our control.

We have remained agile by proactively identifying risks, modifying inventory plans and diversifying our supplier base to mitigate risk of customer order shortages and maintain our supply chain. We continue to proactively manage our business in response to the evolving global economic environment and related uncertainty and intend to take steps to further mitigate impacts to our supply chain as they develop. If these supply chain pressures continue or worsen, or we cannot obtain the transportation and labor services needed to obtain raw materials or fulfill customer orders, such shortages and supply chain issues could have an unfavorable impact on net sales and our operations in the remainder of fiscal 2025. Furthermore, record cocoa prices have been fueled by a third-consecutive short crop in calendar 2024. Cocoa market prices have continued to be volatile and have reached new highs. Cocoa production was down significantly in Ivory Coast and Ghana due to a combination of inclement weather, crop disease and lack of farm investment. Despite higher cocoa prices, consumption remained strong, leading to predictions of a large production deficit. Additionally, as costs increase due to these circumstances or due to overall inflationary pressures, there is a further risk of our not being able to pass (in part or in full) such potential cost increases on to our customers or in a timely manner. If we cannot align costs with prices for our products, our financial performance could be adversely impacted.

QUARTERLY HIGHLIGHTS

Our net sales of \$301.1 million for the second quarter of fiscal 2025 increased \$9.8 million, or 3.4%, from our net sales of \$291.2 million for the second quarter of fiscal 2024. Net sales for the first twenty-six weeks of fiscal 2025 increased by \$51.9 million, or 9.9%, to \$577.3 million compared to the first twenty-six weeks of fiscal 2024.

Sales volume, measured as pounds sold to customers, increased 7.1% compared to the second quarter of fiscal 2024. Sales volume for the first twenty-six weeks of fiscal 2025 increased 14.9% compared to the first twenty-six weeks of fiscal 2024.

Gross profit decreased \$5.7 million, and our gross profit margin, as a percentage of net sales, decreased to 17.4% for the second quarter of fiscal 2025 compared to 19.9% for the second quarter of fiscal 2024. Gross profit decreased \$16.2 million, and our gross profit margin decreased to 17.1% from 21.9% for the first twenty-six weeks of fiscal 2025 compared to the first twenty-six weeks of fiscal 2024.

Total operating expenses for the second quarter of fiscal 2025 increased by \$2.5 million, or 8.4%, compared to the second quarter of fiscal 2024. As a percentage of net sales, total operating expenses in the second quarter of fiscal 2025 increased to 10.9% from 10.4% for the second quarter of fiscal 2024. Total operating expenses for the first twenty-six weeks of fiscal 2025 decreased by \$0.4 million, or 0.6%, compared to the first twenty-six weeks of fiscal 2024. As a percentage of net sales, total operating expenses for the first twenty-six weeks of fiscal 2025 decreased to 10.8% from 12.0% for the first twenty-six weeks of fiscal 2024.

The total value of inventories on hand at the end of the second quarter of fiscal 2025 increased \$8.5 million, or 4.3%, in comparison to the total value of inventories on hand at the end of the second quarter of fiscal 2024.

We have seen acquisition costs for walnuts increase significantly and cashew and pecan costs increase modestly, and we have seen acquisition costs for peanuts slightly decrease in the 2024 crop year (which falls into our current 2025 fiscal year). We completed procurement of inshell walnuts during the first half of fiscal 2025. During the third quarter, we will determine the final prices to be paid to the walnut growers based upon current market prices and other factors such as crop size and export demand. We have estimated the liability to our walnut growers and our walnut inventory costs using currently available information. Any difference between our estimated liability and the actual final liability will be determined during the third quarter of fiscal 2025 and will be recognized in our financial results at that time.

RESULTS OF OPERATIONS

Net Sales

In the second quarter of fiscal 2025, our net sales increased 3.4% to \$301.1 million compared to net sales of \$291.2 million for the second quarter of fiscal 2024. Sales volume, which is defined as pounds sold to customers, increased 7.1%. The weighted average sales price per pound decreased 3.4% primarily due to higher sales volume of lower priced snack bars, granola and private brand recipe nuts (pecans and walnuts). Additionally, strategic pricing decisions and competitive pricing pressures contributed to the overall decrease in weighted average selling price.

For the first twenty-six weeks of fiscal 2025 our net sales were \$577.3 million, an increase of \$51.9 million, or 9.9%, compared to the same period of fiscal 2024 primarily due to the Lakeville Acquisition. Excluding the fiscal 2025 first quarter's impact of the Lakeville Acquisition, net sales increased 2.2% to \$536.8 million, which was primarily attributable to a 4.1% increase in sales volume which was offset by a 1.9% decrease in weighted average selling price per pound.

The following table summarizes sales by product type as a percentage of total gross sales. The information is based upon gross sales, rather than net sales, because certain adjustments, such as promotional discounts, are not allocable to product type.

Product Type	For the Quarter Ended		For the Twenty-Six Weeks Ended	
	December 26, 2024	December 28, 2023	December 26, 2024	December 28, 2023
Peanuts & Peanut Butter	15.2 %	16.3 %	15.8 %	18.0 %
Pecans	15.5	14.2	11.7	12.0
Cashews & Mixed Nuts	17.4	17.7	17.3	19.1
Walnuts	5.5	5.3	4.9	5.1
Almonds	6.7	7.4	6.8	8.2
Trail & Snack Mixes	21.5	23.4	24.0	25.5
Snack & Nutrition Bars	12.3	9.8	13.6	5.7
Other	5.9	5.9	5.9	6.4
Total	100.0 %	100.0 %	100.0 %	100.0 %

The following table shows a comparison of net sales by distribution channel (dollars in thousands):

Distribution Channel	For the Quarter Ended		For the Quarter Ended		\$ Change	% Change
	December 26, 2024	Percentage of Total	December 28, 2023	Percentage of Total		
Consumer ⁽¹⁾	\$ 251,359	83.5 %	\$ 241,362	82.9 %	\$ 9,997	4.1 %
Commercial Ingredients	26,589	8.8	27,712	9.5	(1,123)	(4.1)
Contract Manufacturing	23,119	7.7	22,148	7.6	971	4.4
Total	\$ 301,067	100.0 %	\$ 291,222	100.0 %	\$ 9,845	3.4 %

⁽¹⁾ Sales of branded products were approximately 21% and 22% of total consumer sales during the second quarter of fiscal 2025 and fiscal 2024, respectively. *Fisher* branded products were approximately 72% and 73% of branded sales during the second quarter of fiscal 2025 and fiscal 2024, respectively, with *Orchard Valley Harvest* branded products accounting for the majority of the remaining branded product sales.

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The following table shows a comparison of net sales by distribution channel (dollars in thousands):

Distribution Channel	For the Twenty-Six Weeks Ended					
	December 26, 2024	Percentage of Total	December 28, 2023	Percentage of Total	\$ Change	% Change
Consumer ⁽¹⁾	\$ 480,743	83.2 %	\$ 425,696	81.1 %	\$ 55,047	12.9 %
Commercial Ingredients	53,489	9.3	55,847	10.6	(2,358)	(4.2)
Contract Manufacturing	43,031	7.5	43,784	8.3	(753)	(1.7)
Total	\$ 577,263	100.0 %	\$ 525,327	100.0 %	\$ 51,936	9.9 %

(1) Sales of branded products were approximately 19% and 21% of total consumer sales during the first twenty-six weeks of fiscal 2025 and fiscal 2024, respectively. *Fisher* branded products were approximately 66% and 69% of branded sales during the first twenty-six weeks of fiscal 2025 and fiscal 2024, respectively, with *Orchard Valley Harvest* branded products accounting for the majority of the remaining branded product sales.

Net sales in the consumer distribution channel increased \$10.0 million, or 4.1%, and sales volume increased 2.9% in the second quarter of fiscal 2025 compared to the second quarter of fiscal 2024. The sales volume increase was driven by a 27.6% increase in bars volume due to a mass merchandising retailer returning to normalized inventory levels. In addition, the sales volume increase was due to higher sales volume of pecans, walnuts and snack and trail mix, mainly due to new distribution, which was partially offset by a sales volume decrease due to soft consumer demand, as well as downsized pack sizes and the discontinuation of peanut butter, all at the same mass merchandising retailer. Furthermore, this sales volume increase was also partially offset by soft consumer demand and decreased seasonal nut and trail mix volume at another mass merchandising retailer. Sales volume of *Fisher* recipe nuts increased 3.8% due to increased merchandising activity at several customers. Sales volume of *Southern Style Nuts* increased 11.8% due to the return normalized inventory levels and increased sales velocity at a club store customer.

In the first twenty-six weeks of fiscal 2025, net sales in the consumer distribution channel increased \$55.0 million, or 12.9%, and sales volume increased 15.0% compared to the same period of fiscal 2024 due to the Lakeville Acquisition. Excluding the fiscal 2025 first quarter's impact of the Lakeville Acquisition, net sales in the consumer distribution channel increased \$17.3 million, or 4.1%, and sales volume increased 3.1%. Private brand sales volume increased 18.0% largely due to the Lakeville Acquisition. Excluding the fiscal 2025 first quarter's impact of the Lakeville Acquisition, private brand sales volume increased 3.9% due to growth in bars from a mass merchandising retailer returning to normalized inventory levels. These increases were partially offset by soft consumer demand at another mass merchandising retailer, in addition to decreased seasonal nut and trail mix volume.

Net sales in the commercial ingredients distribution channel decreased \$1.1 million, or 4.1%, and sales volume increased 1.4% in the second quarter of fiscal 2025 compared to the second quarter of fiscal 2024. The sales volume increase was primarily driven by higher sales of peanut crushing stock to peanut oil processors and higher sales from new distribution to a foodservice customer, partially offset by lost business to another customer.

In the first twenty-six weeks of fiscal 2025, net sales in the commercial ingredients distribution channel decreased \$2.4 million, or 4.2%, and sales volume increased 1.3% compared to the same period of fiscal 2024. Excluding the fiscal 2025 first quarter's impact of the Lakeville Acquisition, net sales in the commercial ingredients channel decreased \$2.6 million, or 4.7%, and sales volume increased 0.4%. The net sales decrease was due to lost business at a customer and the sales volume increase was attributable to the same reasons cited in the quarterly comparison.

Net sales in the contract manufacturing distribution channel increased \$1.0 million, or 4.4%, and sales volume increased 55.6% in the second quarter of fiscal 2025 compared to the second quarter of fiscal 2024. The increase in sales volume was due to increased granola volume processed in our Lakeville facility. This increase was partially offset by reduced peanut and cashews sales volume to a major customer due to soft consumer demand.

In the first twenty-six weeks of fiscal 2025, net sales in the contract manufacturing distribution channel decreased \$0.8 million, or 1.7%, and sales volume increased 34.4% compared to the same period of fiscal 2024. The sales volume increase was due to increased granola volume. Excluding the fiscal 2025 first quarter's impact of the Lakeville Acquisition, net sales in the contract manufacturing channel decreased \$3.1 million, or 7.3%, and sales volume increased 17.8% for the reason cited in the quarterly comparison.

Gross Profit

Gross profit decreased by \$5.7 million, or 9.8%, to \$52.3 million for the second quarter of fiscal 2025 compared to \$57.9 million for the second quarter of fiscal 2024. The decrease in gross profit was due to lower selling prices caused by competitive pricing pressures and strategic pricing decisions along with higher commodity acquisition costs for most tree nuts. This decrease was partially offset by improved profitability of bars due to operational efficiencies we implemented since the Lakeville Acquisition last year. Our gross profit margin, as a percentage of net sales, decreased to 17.4% for the second quarter of fiscal 2025 compared to 19.9% for the second quarter of fiscal 2024.

Gross profit was \$98.8 million for the first twenty-six weeks of fiscal 2025 compared to \$115.0 million for the first twenty-six weeks of fiscal 2024 for the same reason cited in the quarterly comparison. Our gross profit margin, as a percentage of net sales, decreased to 17.1% for the first twenty-six weeks of fiscal 2025 compared to 21.9% for the first twenty-six weeks of fiscal 2024.

Operating Expenses

Total operating expenses for the second quarter of fiscal 2025 increased by \$2.5 million, or 8.4%, to \$32.9 million. Operating expenses increased to 10.9% of net sales for the second quarter of fiscal 2025 compared to 10.4% of net sales for the second quarter of fiscal 2024. The increase in total operating expenses is net of the \$2.2 million net gain on bargain purchase that occurred in the second quarter of fiscal 2024 due to the Lakeville Acquisition.

Selling expenses for the second quarter of fiscal 2025 were \$22.6 million, an increase of \$1.6 million, or 7.7%, from the second quarter of fiscal 2024. The increase was driven by a \$1.0 million increase in rent expense related to our new Huntley facility lease, a \$0.9 million increase in freight expense and a \$0.6 million increase in compensation-related expenses. These increases were partially offset by a \$0.6 million decrease in incentive compensation expense.

Administrative expenses for the second quarter of fiscal 2025 decreased \$1.3 million, or 11.3%, to \$10.3 million compared to \$11.6 million for the second quarter of fiscal 2024. The decrease was due to a \$1.0 million decrease in incentive compensation expense and a \$0.4 million decrease in consulting expense, primarily related to the prior year Lakeville Acquisition.

Total operating expenses for the first twenty-six weeks of fiscal 2025 decreased by \$0.4 million, or 0.6%, to \$62.4 million. Operating expenses decreased to 10.8% of net sales for the first twenty-six weeks of fiscal 2025 compared to 12.0% of net sales for the first twenty-six weeks of fiscal 2024. The decrease in total operating expenses is net of the \$2.2 million net gain on bargain purchase that occurred in the second quarter of fiscal 2024 due to the Lakeville Acquisition.

Selling expenses for the first twenty-six weeks of fiscal 2025 were \$42.5 million, a decrease of \$0.5 million, or 1.2%, from the first twenty-six weeks of fiscal 2024. The decrease was driven primarily by a \$4.0 million decrease in advertising and consumer insight research expense, and a \$1.5 million decrease in incentive compensation expense. These decreases were largely offset by a \$2.0 million increase in rent expense related to our new Huntley facility lease, a \$1.8 million increase in freight expense due to an increase in delivered sales pounds, and a \$1.1 million increase in compensation-related expenses.

Administrative expenses for the first twenty-six weeks of fiscal 2025 decreased \$2.1 million, or 9.3%, to \$20.0 million compared the first twenty-six weeks of fiscal 2024. The decrease was primarily due to a \$2.5 million decrease in incentive compensation expense and a \$0.7 million decrease in legal expenses, primarily related to the Lakeville Acquisition. These were partially offset by a \$0.4 million increase in equity compensation expense due to more retirement-eligible award recipients and a \$0.5 million increase in loss on asset disposals.

Income from Operations

Due to the factors discussed above, income from operations was \$19.4 million, or 6.4% of net sales, for the second quarter of fiscal 2025 compared to \$27.6 million, or 9.5% of net sales, for the second quarter of fiscal 2024.

Due to the factors discussed above, income from operations was \$36.4 million, or 6.3% of net sales, for the first twenty-six weeks of fiscal 2025 compared to \$52.2 million, or 9.9% of net sales, for the first twenty-six weeks of fiscal 2024.

Interest Expense

Interest expense was \$0.8 million for the second quarter of fiscal 2025 compared to \$1.1 million for the second quarter of fiscal 2024.

Interest expense was \$1.3 million for both the first twenty-six weeks of fiscal 2025 and fiscal 2024.

Rental and Miscellaneous Expense, Net

Net rental and miscellaneous expense was \$0.3 million for both the second quarter of fiscal 2025 and fiscal 2024.

Net rental and miscellaneous expense was \$0.8 million for the first twenty-six weeks of fiscal 2025 and \$0.6 million for the first twenty-six weeks of fiscal 2024.

Pension Expense (Excluding Service Costs)

Pension expense (excluding service costs) was \$0.4 million for both the second quarter of fiscal 2025 and fiscal 2024 and \$0.7 million for both the first twenty-six weeks of fiscal 2025 and fiscal 2024.

Income Tax Expense

Income tax expense was \$4.3 million, or 24.0% of income before income taxes (“effective tax rate”), for the second quarter of fiscal 2025 compared to \$6.8 million, or 26.1% of income before income taxes, for the second quarter of fiscal 2024. The decrease in the effective tax rate is primarily due to a larger than anticipated research and development credit for the current fiscal year. Additionally, there is a reduction in the disallowed deduction related to officer compensation. These factors, along with the impact of lower pretax income, contributed to the decrease in effective tax rate.

Income tax expense was \$8.4 million, or 24.9% of income before income taxes, for the first twenty-six weeks of fiscal 2025 compared to \$12.8 million, or 25.9% of income before income taxes, for the first twenty-six weeks of fiscal 2024.

Net Income

Net income was \$13.6 million, or \$1.17 per common share basic and \$1.16 per common share diluted, for the second quarter of fiscal 2025, compared to \$19.2 million, or \$1.65 per common share basic and \$1.64 per common share diluted, for the second quarter of fiscal 2024.

Net income was \$25.3 million, or \$2.17 per common share basic and \$2.16 per common share diluted, for the first twenty-six weeks of fiscal 2025, compared to \$36.8 million, or \$3.17 per common share basic and \$3.15 per common share diluted, for the first twenty-six weeks of fiscal 2024.

LIQUIDITY AND CAPITAL RESOURCES

General

The primary uses of cash are to fund our current operations, fulfill contractual obligations, pursue our Long-Range Plan through growing our branded and private brand programs, modernize and expand our equipment, consummate and integrate business acquisitions, return cash to our stockholders through dividends, repay indebtedness and pay amounts owed under the Retirement Plan. Also, various uncertainties, including cost uncertainties, could result in additional uses of cash. The primary sources of cash are results of operations and availability under our Credit Facility. Beginning in the current fiscal quarter and continuing into the next fiscal year, we plan to invest approximately \$90.0 million in capital expenditures (and related expenses) to acquire and install equipment, and make related infrastructure improvements to expand our production capabilities, increase our efficiency, and further enhance our product offerings to our customers. We intend to obtain one or more equipment loans to finance a portion of this capital investment, and for the remainder we may fund with borrowings under our Credit Facility and/or use available cash generated from our operations. We anticipate that expected net cash flow generated from operations and amounts available pursuant to the Credit Facility and the aforementioned equipment loan or loans will be sufficient to fund our operations and capital expenditures for the next twelve months. Our available credit under our Credit Facility has allowed us to devote more funds to promote our products, increase consumer insight capabilities and promotional efforts, reinvest in the Company through capital expenditures, develop new products, pay cash dividends, consummate strategic investments and business acquisitions, such as the Lakeville Acquisition, and explore and pursue other growth strategies outlined in our Long-Range Plan.

Cash flows from operating activities have historically been driven by net income but are also significantly influenced by inventory requirements, which can change based upon fluctuations in both quantities and market prices of the various nuts and nut products we buy and sell. Current market trends in nut prices and crop estimates also impact nut procurement.

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The following table sets forth certain cash flow information for the first half of fiscal 2025 and 2024, respectively (dollars in thousands):

	December 26, 2024	December 28, 2023	\$ Change
Operating activities	\$ 19,916	\$ 61,172	\$ (41,256)
Investing activities	(25,618)	(69,909)	44,291
Financing activities	5,554	8,764	(3,210)
Total change in cash	\$ (148)	\$ 27	\$ (175)

Operating Activities Net cash provided by operating activities was \$19.9 million for the first twenty-six weeks of fiscal 2025 compared to net cash provided by operating activities of \$61.2 million for the comparative period of fiscal 2024. The decrease in operating cash flow was primarily due to changes in working capital and a lower net income.

Total inventories were \$205.8 million at December 26, 2024, an increase of \$9.3 million, or 4.7%, from the inventory balance at June 27, 2024, and an increase of \$8.5 million, or 4.3%, from the inventory balance at December 28, 2023. The increase in inventories at December 26, 2024 compared to December 28, 2023 was primarily due to higher commodity acquisition cost for almost all major tree nuts and chocolate as well as higher on hand quantities of almonds and cashews. These increases were partially offset by decreased snack bar related inventory.

Raw nut and dried fruit input stocks, some of which are classified as work-in-process, decreased by 4.9 million pounds, or 7.6%, at December 26, 2024 compared to December 28, 2023 due to lower quantities of walnuts, pecans and peanuts on hand partially offset by higher quantities of almonds and cashews on hand. The weighted average cost per pound of raw nut input stocks on hand at the end of the second quarter of fiscal 2025 increased 33.7% compared to the end of the second quarter of fiscal 2024 primarily due to higher commodity acquisition costs for almost all major tree nuts.

Investing Activities Cash used in investing activities was \$25.6 million during the first twenty-six weeks of fiscal 2025 compared to \$69.9 million for the same period last year. The decrease in cash used in investing activities was primarily due to the \$59.0 million net purchase price for the Lakeville Acquisition in second quarter of fiscal 2024. Capital asset purchases were \$25.5 million during the first twenty-six weeks of fiscal 2025 compared to \$10.9 million for the first twenty-six weeks of fiscal 2024. We expect total capital expenditures for new equipment, including progress payments, facility upgrades and food safety enhancements to be approximately \$65.0 million for fiscal 2025. A significant amount of the fiscal 2025 capital expenditures will be for the planned purchase of equipment to expand our production capabilities and related infrastructure improvements as described above. We expect to fund these capital purchases through a combination of borrowings under our existing Credit Facility, use of available cash from our operations and equipment loans expected to be incurred in the second half of fiscal 2025. Absent any additional material acquisitions or other significant investments, we believe that cash on hand, combined with cash provided by operations, borrowings available under the Credit Facility and equipment financing, will be sufficient to meet the cash requirements for planned capital expenditures.

Financing Activities Cash provided by financing activities was \$5.6 million during the first twenty-six weeks of fiscal 2025 compared to \$8.8 million for the same period last year. Net borrowings under our Credit Facility were \$29.3 million during the first twenty-six weeks of fiscal 2025 compared to \$32.1 million for the first twenty-six weeks of fiscal 2024. Dividends paid in the first twenty-six weeks of fiscal 2025 were approximately \$1.2 million more than dividends paid in the same period last year.

Real Estate Matters

In August 2008, we completed the consolidation of our Chicago-based facilities into our Elgin headquarters (“Elgin Site”). The Elgin Site includes both an office building and a warehouse. We are currently attempting to find additional tenants for the available space in the office building at the Elgin Site. Until additional tenant(s) are found, we will not receive the benefit of rental income associated with such space. Approximately 68% of the rentable area in the office building is currently vacant. Approximately 29% of the rentable area has not been built-out. There can be no assurance that we will be able to lease the unoccupied space and further capital expenditures will likely be necessary to lease the remaining space.

In April 2024, the Company executed a 7.5 year lease for approximately 445,000 square feet of warehouse space. The warehouse is located in Huntley, IL near the Elgin Site and is utilized to store finished goods inventory and as a distribution center.

Financing Arrangements

On February 7, 2008, we entered into the Former Credit Agreement (as defined below) with a bank group (the “Bank Lenders”) providing a \$117.5 million revolving loan commitment and letter of credit subfacility.

On March 5, 2020, we entered into an Amended and Restated Credit Agreement (the “Amended and Restated Credit Agreement”) which amended and restated our Credit Agreement (the “Former Credit Agreement”) with bank lenders. The Amended and Restated Credit Agreement provided for a \$117.5 million senior secured revolving credit facility with the same borrowing capacity, interest rates and applicable margin as the Former Credit Agreement and extended the term of the Former Credit Agreement from July 7, 2021 to March 5, 2025.

On May 8, 2023, we entered into the First Amendment to our Amended and Restated Credit Facility (the “First Amendment”) which replaced the London interbank offered rate interest rate option with the Secured Overnight Financing Rate (“SOFR”). The First Amendment updated the accrued interest rate to a rate based on SOFR plus an applicable margin based upon the borrowing base calculation, ranging from 1.35% to 1.85%.

On September 29, 2023, we entered into the Second Amendment to our Amended and Restated Credit Facility (the “Second Amendment”) which, among other things, increased the amount available to borrow under the Credit Facility to \$150.0 million, extended the maturity date to September 29, 2028 and allows the Company to pay up to \$100 million in dividends per year, subject to meeting availability tests.

The Amended and Restated Credit Facility is secured by our accounts receivable and inventory.

Credit Facility

At our election, borrowings under the Credit Facility currently accrue interest at either (i) a rate determined pursuant to the administrative agent’s prime rate plus an applicable margin determined by reference to the amount of loans which may be advanced under the borrowing base calculation, ranging from 0.25% to 0.75% or (ii) a rate based on SOFR plus an applicable margin as noted above.

At December 26, 2024, the weighted average interest rate for the Credit Facility was 6.7%. The terms of the Credit Facility contain covenants that, among other things, require us to restrict investments, indebtedness, acquisitions and certain sales of assets and limit annual cash dividends or distributions, transactions with affiliates, redemptions of capital stock and prepayment of indebtedness (if such prepayment, among other things, is of a subordinate debt). If loan availability under the borrowing base calculation falls below \$25.0 million, we will be required to maintain a specified fixed charge coverage ratio, tested on a monthly basis, until loan availability equals or exceeds \$25.0 million for three consecutive months. All cash received from customers is required to be applied against the Credit Facility. The Bank Lenders have the option to accelerate and demand immediate repayment of our obligations under the Credit Facility in the event of default on the payments required under the Credit Facility, a change in control in the ownership of the Company, non-compliance with the financial covenant or upon the occurrence of other defaults by us under the Credit Facility. As of December 26, 2024, we were in compliance with all covenants under the Credit Facility and we currently expect to be in compliance with the financial covenant in the Credit Facility for the foreseeable future. At December 26, 2024, we had \$95.6 million of available credit under the Credit Facility. If this entire amount were borrowed at December 26, 2024, we would still be in compliance with all restrictive covenants under the Credit Facility.

Selma Property

In September 2006, we sold our Selma, Texas properties (the “Selma Properties”) to two related party partnerships for \$14.3 million and are leasing them back. The selling price was determined by an independent appraiser to be the fair market value which also approximated our carrying value. The lease for the Selma Properties has a ten-year term at a fair market value rent with three five-year renewal options. In September 2015, we exercised two of the five-year renewal options which extended the lease term to September 2026. The lease extension also reduced the monthly lease payment on the Selma Properties, beginning in September 2016, to reflect then current market conditions. At the end of each five-year renewal option, the base monthly lease amounts are reassessed, and the monthly payments increased to \$114 beginning in September 2021. One five-year renewal option remains. Also, we have an option to purchase the Selma Properties from the owner at 95% (100% in certain circumstances) of the then fair market value, but not less than the original \$14.3 million purchase price. The provisions of the arrangement are not eligible for sale-leaseback accounting and the \$14.3 million was recorded as a debt obligation. No gain or loss was recorded on the Selma Properties transaction. As of December 26, 2024, \$6.8 million of the debt obligation was outstanding.

Critical Accounting Policies and Estimates

For information regarding our Critical Accounting Policies and Estimates, see the “Critical Accounting Policies and Estimates” section of “Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Form 10-K for the fiscal year ended June 27, 2024.

Recent Accounting Pronouncements

Refer to Note 12 – “Recent Accounting Pronouncements” of the Notes to Consolidated Financial Statements, contained in Part I, Item 1 of this form 10-Q, for a discussion of recently issued and adopted accounting pronouncements.

FORWARD LOOKING STATEMENTS

Some of the statements in this release are forward-looking. These forward-looking statements may be generally identified by the use of forward-looking words and phrases such as “will”, “intends”, “may”, “believes”, “anticipates”, “should” and “expects” and are based on the Company’s current expectations or beliefs concerning future events and involve risks and uncertainties. Consequently, the Company’s actual results could differ materially. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or other factors that affect the subject of these statements, except where expressly required to do so by law. Among the factors that could cause results to differ materially from current expectations are: (i) sales activity for the Company’s products, such as a decline in sales to one or more key customers, or to customers or in the nut category generally, in some or all channels, a change in product mix to lower price products, a decline in sales of private brand products or changing consumer preferences, including a shift from higher margin products to lower margin products; (ii) changes in the availability and costs of raw materials and ingredients and the impact of fixed price commitments with customers; (iii) the ability to pass on price increases to customers if commodity costs rise and the potential for a negative impact on demand for, and sales of, our products from price increases; (iv) the ability to measure and estimate bulk inventory, fluctuations in the value and quantity of the Company’s nut inventories due to fluctuations in the market prices of nuts and bulk inventory estimation adjustments, respectively; (v) the Company’s ability to appropriately respond to, or lessen the negative impact of, competitive and pricing pressures; (vi) losses associated with product recalls, product contamination, food labeling or other food safety issues, or the potential for lost sales or product liability if customers lose confidence in the safety of the Company’s products or in nuts or nut products in general, or are harmed as a result of using the Company’s products; (vii) the ability of the Company to control costs (including inflationary costs) and manage shortages or other disruptions in areas such as inputs, transportation and labor; (viii) uncertainty in economic conditions, including the potential for inflation or economic downturn leading to decreased consumer demand; (ix) the timing and occurrence (or nonoccurrence) of other transactions and events which may be subject to circumstances beyond the Company’s control; (x) the adverse effect of labor unrest or disputes, litigation and/or legal settlements, including potential unfavorable outcomes exceeding any amounts accrued; (xi) losses due to significant disruptions at any of our production or processing facilities or employee unavailability due to labor shortages; (xii) the ability to implement our Long-Range Plan, including growing our branded and private brand product sales, diversifying our product offerings (including by the launch of new products) and expanding into alternative sales channels; (xiii) technology disruptions or failures or the occurrence of cybersecurity incidents or breaches; (xiv) the inability to protect the Company’s brand value, intellectual property or avoid intellectual property disputes; (xv) our ability to manage the impacts of changing weather patterns on raw material availability due to climate change; and (xvi) our ability to operate the acquired snack bar related assets of TreeHouse and realize efficiencies and synergies from such acquisition.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no material change in our assessment of our sensitivity to market risk since our presentation set forth in Part I - Item 7A “Quantitative and Qualitative Disclosures About Market Risk,” in our Annual Report on Form 10-K for the fiscal year ended June 27, 2024.

Item 4. Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) as of December 26, 2024. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of December 26, 2024, the Company’s disclosure controls and procedures were effective.

In connection with the evaluation by our management, including our Chief Executive Officer and Chief Financial Officer, there were no changes in our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) during the quarter ended December 26, 2024 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

For a discussion of legal proceedings, see Note 10 – “Commitments and Contingent Liabilities” in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors

In addition to the other information set forth in this report on Form 10-Q, you should also consider the factors, risks and uncertainties which could materially affect our Company’s business, financial condition or future results as discussed in Part I, Item 1A – “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended June 27, 2024. Other than noted below, there were no significant changes to the risk factors identified on the Form 10-K for the fiscal year ended June 27, 2024 during the first twenty-six weeks of fiscal 2025.

Increases in Labor Costs or Work Stoppages, Strikes or Other Labor Events Could Materially and Adversely Affect Our Financial Condition and Results of Operations

As the number of our employees has grown, personnel costs, including the costs of medical and other employee health and welfare benefits, have increased. These costs can vary substantially as a result of an increase in the number, mix and experience of our employees and changes in health care and other employment-related laws. There are no assurances that we will succeed in reducing future increases in such costs, particularly if government regulations require us to change our health and welfare benefits, government regulations impose additional benefits or monitoring and compliance expenses, or we need to attract and retain additional qualified personnel or provide extra compensation due to other reasons. Increases in personnel costs can also be amplified by low unemployment rates, increased inflation, our preferences among workers in the labor market and general tight labor market conditions in any of the areas where we operate. Increases in labor costs at any of our suppliers, transportation providers, third parties that we do business with or third parties within our supply chain may also adversely impact the cost of our raw materials and other inputs and thus increase the cost of our products. Our inability to control such costs could materially and adversely affect our financial condition and results of operations.

Although we consider our labor relations to be good, if a significant number of our employees engaged in a work slowdown or stoppage, strike, boycott, or other type of labor unrest, it could impair our ability to source, manufacture and supply our products to customers. In addition, if there is a work slowdown or stoppage, strike, boycott or similar labor unrest event at a customer, supplier, transportation provider, road, port or dock, third party within our supply chain or government agency, it could similarly impact our ability to obtain raw materials, manufacture, ship, supply, or to otherwise provide our products to our customers. Any of these events could result in reduced sales and may distract our management from focusing on our business and strategic priorities. Any of these activities could materially and adversely affect our financial condition and results of operations.

See Part I, Item 2 — “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources” in this Form 10-Q, and see Part II, Item 7 — “Management’s Discussion and Analysis of Financial Condition and

Results of Operations — Liquidity and Capital Resources” in the Company’s Annual Report on Form 10-K for the fiscal year ended June 27, 2024.

Item 5. Other Information

Rule 10b5-1 Trading Arrangement

During the quarter ended December 26, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

The exhibits filed herewith are listed in the exhibit index below.

EXHIBIT INDEX
(Pursuant to Item 601 of Regulation S-K)

Exhibit No.	Description
2.1	Asset Purchase Agreement, dated as of September 5, 2023, by and among John B. Sanfilippo & Son, Inc. and TreeHouse Foods, Inc., Bay Valley Foods, LLC and TreeHouse Private Brands, Inc. (incorporated by reference from Exhibit 2.1 to the Form 8-K filed on September 8, 2023)
3.1	Restated Certificate of Incorporation of the Company (incorporated by reference from Exhibit 3.1 to the Form 10-Q for the quarter ended March 24, 2005)
3.2	Amended and Restated Bylaws of the Company (incorporated by reference from Exhibit 3.2 to the Form 10-K for the fiscal year ended June 25, 2015)
3.3	Certificate of Amendment to the Restated Certificate of Incorporation of the Company filed on December 11, 2024
*10.1	Amended and Restated John B. Sanfilippo & Son, Inc. Split-Dollar Insurance Agreement Number Two among Michael J. Valentine, as trustee of the Valentine Life Insurance Trust, Mathias Valentine, Mary Valentine and the Company, dated December 31, 2003 (incorporated by reference from Exhibit 10.35 to the Form 10-Q for the quarter ended December 25, 2003)
*10.2	Amendment, dated February 12, 2004, to Amended and Restated John B. Sanfilippo & Son, Inc. Split-Dollar Insurance Agreement Number Two among Michael J. Valentine, as trustee of the Valentine Life Insurance Trust, Mathias Valentine, Mary Valentine and the Company, dated December 31, 2003 (incorporated by reference from Exhibit 10.47 to the Form 10-Q for the quarter ended March 25, 2004)
*10.3	Restated Supplemental Retirement Plan (incorporated by reference from Exhibit 10.16 to the Form 10-K for the fiscal year ended June 28, 2007)
*10.4	Form of Indemnification Agreement (incorporated by reference from Exhibit 10.01 to the Form 8-K filed on May 5, 2009)
*10.5	2014 Omnibus Incentive Plan (incorporated by reference from Exhibit 4.1 to the Registration Statement on Form S-8 filed on October 28, 2014)
*10.6	Amendment No. 1 to the 2014 Omnibus Incentive Plan (incorporated by reference from Exhibit 10.12 to the Form 10-K for the year ended June 30, 2016)
*10.7	Form of Non-Employee Director Restricted Stock Unit Award Agreement (non-deferral) under 2014 Omnibus Plan (fiscal 2022 and 2023 awards cycle) (incorporated by reference from Exhibit 10.38 to the Form 10-Q for the quarter ended December 24, 2015)
*10.8	Form of Non-Employee Director Restricted Stock Unit Award Agreement (deferral) under 2014 Omnibus Plan (fiscal 2022 awards cycle) (incorporated by reference from Exhibit 10.39 to the Form 10-Q for the quarter ended December 24, 2015)
*10.9	Form of Employee Restricted Stock Unit Award Agreement under 2014 Omnibus Plan (fiscal 2022 awards cycle) (incorporated by reference from Exhibit 10.10 to the Form 10-Q for the quarter ended December 24, 2020)
*10.10	Form of Employee Restricted Stock Unit Award Agreement under 2014 Omnibus Plan (fiscal 2023 awards cycle) (incorporated by reference from Exhibit 10.10 to the Form 10-Q for the quarter ended December 29, 2022)
*10.11	2023 Omnibus Incentive Plan (incorporated by reference from Annex A to the form DEF 14A filed on September 12, 2023)
*10.12	Amended and Restated Sanfilippo Value Added Plan, dated August 23, 2023 (incorporated by reference from Exhibit 10.12 to the Form 10-Q for the quarter ended September 28, 2023)
*10.13	Form of Non-Employee Director Restricted Stock Unit Award Agreement under 2023 Omnibus Plan (fiscal 2024 awards cycle) (incorporated by reference from Exhibit 10.13 to the Form 10-Q for the quarter ended December 28, 2023)
*10.14	Form of Employee Restricted Stock Unit Award Agreement under 2023 Omnibus Plan (fiscal 2024 awards cycle) (incorporated by reference from Exhibit 10.14 to the Form 10-Q for the quarter ended December 28, 2023)
*10.15	Form of Employee Performance Restricted Stock Unit Award Agreement under 2023 Omnibus Plan (fiscal 2024 awards cycle) (incorporated by reference from Exhibit 10.15 to the Form 10-Q for the quarter ended December 28, 2023)

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Exhibit No.	Description
*10.16	Form of Non-Employee Director Restricted Stock Unit Award Agreement under 2023 Omnibus Plan (fiscal 2025 awards cycle)
*10.17	Form of Employee Restricted Stock Unit Award Agreement under 2023 Omnibus Plan (fiscal 2025 awards cycle)
*10.18	Form of Employee Performance Restricted Stock Unit Award Agreement under 2023 Omnibus Plan (fiscal 2025 awards cycle)
10.19	Amended and restated Credit Agreement dated as of March 5, 2020, by and among John B. Sanfilippo & Son, Inc., Wells Fargo Capital Finance, LLC (f/k/a WFF), as a lender and the administrative agent, and Southwest Georgia Farm Credit, ACA, as a lender. (incorporated by reference from Exhibit 10.1 to the Form 8-K filed on March 11, 2020)
10.20	First Amendment to Amended and Restated Credit Agreement dated as of May 8, 2023 (incorporated by reference from Exhibit 10.13 to the Form 10-K filed on August 23, 2023)
10.21	Second Amendment to Amended and Restated Credit Agreement dated as of September 29, 2023 (incorporated by reference from Exhibit 10.1 to the Form 8-K filed on October 2, 2023)
*10.22	Nonqualified Deferred Compensation Plan Adoption Agreement of the Company dated as of November 22, 2022 (incorporated by reference from Exhibit 10.18 to the Form 10-Q for the quarter ended December 29, 2022)
*10.23	John B. Sanfilippo & Son, Inc. Nonqualified Deferred Compensation Plan dated as of November 22, 2022 (incorporated by reference from Exhibit 10.19 to the Form 10-Q for the quarter ended December 29, 2022)
31.1	Certification of Jeffrey T. Sanfilippo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as amended
31.2	Certification of Frank S. Pellegrino pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as amended
32.1	Certification of Jeffrey T. Sanfilippo pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended
32.2	Certification of Frank S. Pellegrino pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended
101.INS	Inline eXtensible Business Reporting Language (XBRL) Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Link Base Documents
104	Cover Page Interactive Data File (embedded within the Inline XBL document)

* Indicates a management contract or compensatory plan or arrangement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on January 29, 2025.

JOHN B. SANFILIPPO & SON, INC.

By

/s/ FRANK S. PELLEGRINO

Frank S. Pellegrino

Chief Financial Officer, Executive

Vice President, Finance and Administration

CERTIFICATE OF AMENDMENT
OF
RESTATED CERTIFICATE OF INCORPORATION
OF
JOHN B. SANFILIPPO & SON, INC.

Pursuant to Section 242 of the General Corporation Law of the State of Delaware, John B. Sanfilippo & Son, Inc., a corporation duly organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify that:

1. The Corporation's Restated Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on December 10, 1991.
2. The Restated Certificate of Incorporation of the Corporation is hereby amended by deleting Article NINTH thereof in its entirety and inserting the following in lieu thereof:

"NINTH: To the fullest extent permitted by the General Corporation Law of the State of Delaware (including, without limitation, Section 102(b)(7)), as amended from time to time, no director or officer of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer. Any repeal or amendment of this Article NINTH or adoption of any provision of the Certificate of Incorporation inconsistent with this Article NINTH shall have prospective effect only and shall not adversely affect the liability of a director or officer of the Corporation with respect to any act or omission occurring at or before the time of such appeal, amendment or adoption of an inconsistent provision. Solely for purposes of this Article NINTH, "officer" shall have the meaning provided in Section 102(b)(7) of the General Corporation Law of the State of Delaware, as amended from time to time."

3. The foregoing amendment to the Restated Certificate of Incorporation of the Corporation was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment to the Restated Certificate of Incorporation on this 10th day of December, 2024.

JOHN B. SANFILIPPO & SON, INC.

/s/ Gina Lakatos

Gina Lakatos

Vice President, General Counsel and Secretary

John B. Sanfilippo & Son, Inc. 2023 Omnibus Incentive Plan

Restricted Stock Unit Award Agreement

[date]

[Insert Name of Participant]

In accordance with the terms of the John B. Sanfilippo & Son, Inc. 2023 Omnibus Incentive Plan (the “Plan”), pursuant to action of the Board of John B. Sanfilippo & Son, Inc. (the “Company”), the Company hereby grants to you (the “Recipient”), subject to the terms and conditions set forth in this Restricted Stock Unit Award Agreement (including Annex A hereto) (the “RSU Award Agreement”), Restricted Stock Units as set forth below.

Unless otherwise specified, capitalized terms used herein or in Annex A shall have the meanings specified in the Plan. The terms and conditions of the Plan are incorporated by reference and govern except to the extent that, when permitted by the Plan, this RSU Award Agreement provides otherwise.

Each RSU corresponds to one Share and is an unfunded and unsecured promise by the Company to deliver such Share on a future date as set forth herein. Until such delivery, you only have the rights of a general unsecured creditor of the Company and not as a stockholder with respect to the Shares underlying your RSUs.

Number of RSUs Granted: [#]

Date of Grant: [date]

Period of Restriction: Date of Grant through the date of the Company’s fiscal Annual Meeting of stockholders.

Share Payment Date: Each RSU will convert to the right to receive one Share on the day following the date the Period of Restriction ends (including due to accelerated vesting as contemplated in Annex A) with respect to that RSU, with the Share being delivered to the Recipient as soon as administratively possible thereafter (but no later than 60 days thereafter).

RSUs are subject to cancellation as provided herein (including Annex A) and the Plan.

Further terms and conditions of your Award of RSUs are set forth in Annex A, which is an integral part of this RSU Award Agreement.

By accepting this Award, you hereby acknowledge the receipt of a copy of this RSU Award Agreement, including Annex A, and a copy of the Plan and agree to be bound by all terms and provisions hereof (including those in Annex A) and thereto.

John B. Sanfilippo & Son, Inc.

Recipient:

Print Name:

Annex A

Restricted Stock Unit Award Agreement

Further Terms and Conditions of Award. It is understood and agreed that the Award of RSUs evidenced by the RSU Award Agreement to which this is annexed is subject to the following additional terms and conditions:

1. **Termination of Service.** Upon the Recipient's Termination of Service, unvested RSUs (i.e., RSUs for which the Period of Restriction has not lapsed) shall be treated as follows:
 - a. **Death or Disability** – If the Recipient's Termination of Service is on account of death or Disability, then all of the unvested RSUs shall immediately become nonforfeitable and the restrictions with respect to such RSUs shall lapse as of the date of death or the date the Compensation and Human Resources Committee (the "Committee") determines that the Disability occurred, as applicable.
 - b. **Retirement**– If the Recipient's Termination of Service is on account of Retirement, then all unvested RSUs shall immediately become nonforfeitable and the restrictions with respect to such RSUs shall lapse as of the date of such Termination of Service.
 - c. **Any Other Reason** – If the Recipient's Termination of Service is on account of any other reason, then all unvested RSUs shall be cancelled as of the end of the day of such Termination of Service.
2. **Fractional Shares.** If any calculation of Shares to be awarded or to be cancelled or to be released from restrictions or limitations would result in a fraction, any fraction of 0.5 or greater will be rounded to one, and any fraction of less than 0.5 will be rounded to zero.
3. **Ratification of Actions.** By accepting the RSU Award or other benefit under the Plan, the Recipient and each person claiming under or through him shall be conclusively deemed to have indicated the Recipient's acceptance and ratification of, and consent to, any action taken under the Plan or the RSU Award by the Company, the Board or the Committee.
4. **Notices.** Any notice hereunder to the Company shall be addressed to the head of the Company's Human Resources Department, and any notice hereunder to Recipient shall be addressed to him or her at the address contained in the Company's records, subject to the right of either party to designate at any time hereafter in writing some other address.
5. **Nontransferability.** Recipient may not sell, transfer, assign, pledge or otherwise dispose of the RSUs covered by this RSU Award Agreement, other than by will or by the laws of descent and distribution.
6. **Governing Law and Severability.** This RSU Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. To the extent not preempted by Federal law, the RSU Award Agreement will be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law provisions. The provisions

of this RSU Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

7. **Definitions.** Capitalized terms not otherwise defined in the RSU Award Agreement or in this Annex A attached thereto shall have the meanings given them in the Plan.
8. **Code Section 409A.** It is intended that this RSU Award Agreement will either comply with or be exempt from Code Section 409A to the extent applicable, and the Plan and the RSU Award Agreement shall be interpreted and construed on a basis consistent with such intent. The RSU Award Agreement may be amended in any respect deemed necessary (including retroactively) by the Committee in order to preserve compliance with (or exemption from) Code Section 409A. The preceding shall not be construed as a guarantee of any particular tax effect for any benefits or amounts paid pursuant to this RSU Award Agreement.
9. **Waiver.** The Recipient and every person claiming under or through the Recipient hereby waives to the fullest extent permitted by applicable law any right to a trial by jury with respect to any litigation directly or indirectly arising out of, under, or in connection with the Plan or this RSU Award Agreement issued pursuant to the Plan.
10. **Interpretation.** The Committee shall have final authority to interpret and construe the Plan and this RSU Award Agreement and Annex A and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Recipient and his/her legal representative in respect of any questions arising under the Plan or this RSU Award Agreement and Annex A.
11. **Securities Laws.** The Recipient acknowledges that certain restrictions under state or federal securities laws may apply with respect to the Shares underlying the RSUs granted pursuant to this RSU Award Agreement, even after the Shares have been delivered to the Recipient. Specifically, Recipient acknowledges that, to the extent he or she is an "affiliate" of the Company (as that term is defined by the Securities Act of 1933), the Shares underlying the RSUs granted pursuant to this RSU Award Agreement are subject to certain trading restrictions under applicable securities laws (including particularly the Securities and Exchange Commission's Rule 144). Recipient hereby agrees to execute such documents and take such actions as the Company may reasonably require with respect to state and federal securities laws and any restrictions on the resale of such shares which may pertain under such laws.
12. **Data Collection.** The Recipient hereby explicitly and unambiguously consents to the collection, use, holding and transfer, in electronic or other form, of his or her personal data as described in this RSU Award Agreement by the Company for the exclusive purpose of implementing, administering and managing the Recipient's participation in the Plan. The Recipient understands that the Company may hold certain personal information about the Recipient, including his or her name, home address and telephone number, date of birth, social security number or other identification number, salary, nationality, job title, any Shares held in the Company, details of all options or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding in the Recipient's favor, for the purpose of implementing, administering and managing the Plan ("Data"). Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan. The Recipient may request a list with the names and addresses of any recipients of the

Data by contacting the head of the Company's Human Resources Department. The Recipient authorizes any such third parties to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Recipient may elect to deposit any shares acquired upon settlement of the RSUs. Data will be held only as long as is necessary to implement, administer and manage the Recipient's participation in the Plan. The Recipient may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the head of the Company's Human Resources Department. Refusing or withdrawing his or her consent may affect the Recipient's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Recipient may contact the head of the Company's Human Resources Department.

John B. Sanfilippo & Son, Inc. 2023 Omnibus Incentive Plan

Restricted Stock Unit Award Agreement

[date]

[Insert Name of Participant]

In accordance with the terms of the John B. Sanfilippo & Son, Inc. 2023 Omnibus Incentive Plan (the “Plan”), pursuant to action of the Compensation and Human Resources Committee (the “Committee”) of the Board of John B. Sanfilippo & Son, Inc. (the “Company”), the Company hereby grants to you (the “Recipient”), subject to the terms and conditions set forth in this Restricted Stock Unit Award Agreement (including Annex A hereto) (the “RSU Award Agreement”), Restricted Stock Units as set forth below.

Unless otherwise specified, capitalized terms used herein or in Annex A shall have the meanings specified in the Plan. The terms and conditions of the Plan are incorporated by reference and govern except to the extent that, when permitted by the Plan, this RSU Award Agreement provides otherwise.

Each RSU corresponds to one Share and is an unfunded and unsecured promise by the Company to deliver such Share on a future date as set forth herein. Until such delivery, you only have the rights of a general unsecured creditor of the Company and not as a stockholder with respect to the Shares underlying your RSUs.

Number of RSUs Granted: [#]

Date of Grant: [date]

Period of Restriction: Date of Grant through [date]

Share Payment Date: Each RSU will convert to the right to receive one Share on the day following the date the Period of Restriction ends (including due to accelerated vesting as contemplated in Annex A) with respect to that RSU, with the Share being delivered to the Recipient as soon as administratively possible thereafter (but no later than 60 days thereafter), or as may be required pursuant to Section 3 of Annex A.

RSUs are subject to cancellation as provided herein (including Annex A) and the Plan.

Further terms and conditions of your Award of RSUs are set forth in Annex A, which is an integral part of this RSU Award Agreement.

By accepting this Award, you hereby acknowledge the receipt of a copy of this RSU Award Agreement, including Annex A, and a copy of the Plan and agree to be bound by all terms and provisions hereof (including those in Annex A) and thereto.

John B. Sanfilippo & Son, Inc.

Recipient:

Print Name:

Annex A

Restricted Stock Unit Award Agreement

Further Terms and Conditions of Award. It is understood and agreed that the Award of RSUs evidenced by the RSU Award Agreement to which this is annexed is subject to the following additional terms and conditions:

1. **Termination of Service.** Notwithstanding anything to the contrary contained in Article 13 of the Plan, upon the Recipient's Termination of Service, unvested RSUs (i.e., RSUs for which the Period of Restriction has not lapsed) shall be treated as follows:
 - a. **Death or Disability** – If the Recipient's Termination of Service is on account of death or Disability, then all of the unvested RSUs shall immediately become nonforfeitable and the restrictions with respect to such RSUs shall lapse as of the date of death or the date the Committee determines that the Disability occurred, as applicable.
 - b. **Normal Retirement with Proper Advance Notice** – If the Recipient's Termination of Service is on account of Normal Retirement (as defined below) and the Recipient provided at least [60][365]¹ days advance written notice of the Recipient's intent to exercise this Normal Retirement provision to the head of the Company's Human Resources Department, then all unvested RSUs shall immediately become nonforfeitable and the restrictions with respect to such RSUs shall lapse as of the date of such Termination of Service. For the purposes of this RSU Award Agreement, "Normal Retirement" shall mean the Recipient's Termination of Service, other than death or Disability, after the date the Recipient has (i) been continuously employed by the Company or any Subsidiary of the Company for at least seven (7) years and (ii) achieved the age of at least 62.
 - c. **Early Retirement with Proper Advance Notice** – If the Recipient's Termination of Service is on account of Early Retirement (as defined below) and the Recipient provided at least [60][365] days advance written notice to the head of the Company's Human Resources Department of the Recipient's intent to exercise this Early Retirement provision, then the restrictions with respect to such RSUs shall lapse as of the date of such Termination of Service with respect to the number of RSUs subject to this RSU Award Agreement multiplied by a fraction (which shall not be greater than 1), the numerator of which is the number of whole months that have elapsed from the Date of Grant to the date of Termination of Service and the denominator of which is 36. The remainder of the RSUs shall be cancelled as of the date of the Participant's Termination of Service. For the purposes of this RSU Award Agreement, "Early Retirement" shall mean the Recipient's Termination of Service, other than death or Disability, after the date the Recipient has (i) been continuously employed by the

¹ Employees with a director, senior director and vice president title are required to provide 60 days' notice under this RSU Award Agreement. Employees with a senior vice president or higher title (including the CEO, CFO and COO) must provide 365 days' notice under this RSU Award Agreement.

Company or any Subsidiary of the Company for at least ten (10) years and (ii) achieved the age of at least 55.

- d. **Normal Retirement or Early Retirement without Proper Advance Notice** – If the Recipient's Termination of Service is on account of Normal Retirement or Early Retirement and the Recipient failed to provide at least [60][365] days advance written notice to the head of the Company's Human Resources Department in accordance with this RSU Award Agreement, then all unvested RSUs shall be cancelled as of the end of the day of such Termination of Service unless the Committee, in its sole discretion, determines that all or some portion of such unvested RSUs shall become nonforfeitable and the restrictions with respect to such RSUs shall lapse as of the date of Normal Retirement or Early Retirement.
- e. **Any Other Reason** – If the Recipient's Termination of Service is on account of any other reason, then all unvested RSUs shall be cancelled as of the end of the day of such Termination of Service.

2. **[Reserved].**

- 3. **Six-Month Delay Due to Code Section 409A.** Notwithstanding anything else herein to the contrary, if Recipient is a "specified employee" for purposes of Code Section 409A at the time of the Recipient's Termination of Service and if an exception under Code Section 409A does not apply, any payment to the Recipient under this RSU Award Agreement that is payable on account of a Termination of Service (other than death or Disability) shall be delayed until six (6) months after the Recipient's Termination of Service (other than death or Disability) as required by Code Section 409A. Normal and Early Retirements with proper notice may be subject to this six-month delay.
- 4. **Fractional Shares.** If any calculation of Shares to be awarded or to be cancelled or to be released from restrictions or limitations would result in a fraction, any fraction of 0.5 or greater will be rounded to one, and any fraction of less than 0.5 will be rounded to zero.
- 5. **Tax Withholding.** With respect to the minimum statutory tax withholding required upon the date the Period of Restriction ends or as otherwise required by applicable law, the Company may satisfy such withholding requirements by (a) withholding from other wages, compensation and amounts otherwise owed to the Recipient or, (b) at the written election of the Participant, by withholding Shares upon the date that the restrictions lapse to such RSUs, in whole or in part, but only with regard to that portion of the RSUs for which the Period of Restriction has ended. Unless the withholding of such Shares is not allowed under applicable tax or securities law or has materially adverse accounting consequences, the Recipient may elect, in writing, for the Company to withhold additional Shares beyond the number required to satisfy the minimum statutory tax withholding, up to the maximum applicable federal and state tax rates. If the obligation for any taxes is satisfied by withholding in Shares, for tax purposes, the Recipient is deemed to have been issued the full number of Shares subject to the RSUs, notwithstanding that a number of the Shares are so withheld.
- 6. **Ratification of Actions.** By accepting the RSU Award or other benefit under the Plan, the Recipient and each person claiming under or through him shall be conclusively deemed to have indicated the Recipient's acceptance and ratification of, and consent to, any action taken under the Plan or the RSU Award by the Company, the Board or the Committee.

7. **Notices.** Any notice hereunder to the Company shall be addressed to the head of the Company's Human Resources Department, and any notice hereunder to Recipient shall be addressed to him or her at the address contained in the Company's records, subject to the right of either party to designate at any time hereafter in writing some other address.
8. **Nontransferability.** Recipient may not sell, transfer, assign, pledge or otherwise dispose of the RSUs covered by this RSU Award Agreement, other than by will or by the laws of descent and distribution.
9. **No Employment Rights.** This RSU Award Agreement does not provide Recipient with any rights to continued employment with the Company or a Subsidiary. The Company and its Subsidiaries reserve the right to terminate Recipient's employment at any time, with or without cause.
10. **Trade Secrets and Confidential Information.** Recipient shall not at any time directly or indirectly, either during or after the term of employment with the Company, divulge any Trade Secrets (as defined below) or any Confidential Information (as defined below) to any other person or business entity, nor use or permit the use of any Trade Secrets or any Confidential Information, other than on behalf of the Company and pursuant to the discharge of the responsibilities of Recipient as an employee. Upon the cessation of Recipient's employment with the Company under any circumstances, Recipient shall promptly tender to the Company all documents, lists, records, cellular devices, computers, computer stored media and data (with accompanying passwords) and any other items, and reproductions thereof, of any kind in Recipient's possession or control containing Trade Secrets or Confidential Information. Recipient agrees to carefully guard (a) the Trade Secrets and Confidential Information and (b) similar information owned by others (including customers and vendors) which Recipient knows the Company is obligated by contract or other duty to keep confidential.
 - a. **Trade Secrets** – As used herein, the term "Trade Secrets" shall include any information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons or business entities who can obtain economic value from its disclosure or use. As used herein, Trade Secrets shall not include information which is known, or shall become known through no fault of the Recipient, to the public or generally known within the industry of businesses comparable to the Company. All Trade Secrets imparted to Recipient by the Company, or otherwise obtained by Recipient, at any time, relating to the Company's business operations, product data, customer or prospect lists or information, procurement data or practices, customer specification information and related data, pricing and cost data, marketing information, computer programs, business strategies, information regarding products under research and development, recipes, product formulae, manufacturing processes and any other such proprietary and confidential information is revealed and entrusted to Recipient in confidence, solely in connection with and for the purpose of employment on behalf of the Company. Recipient agrees that Trade Secrets are and remain the sole property of the Company.
 - b. **Confidential Information** – As used herein, the term "Confidential Information" shall include Trade Secrets and all other confidential and/or proprietary information that does not rise to the level of Trade Secrets that is imparted, revealed and/or

entrusted to Recipient by the Company in confidence. Confidential Information that is not Trade Secrets includes, but is not limited to, information regarding the Company's operations, procurement processes, product information regarding products under research and development, methods of doing business, supplier and grower information, and accounting and legal information. As used herein, Confidential Information shall not include any information that is (a) generally known within the industry of businesses comparable to the Company or to the public, other than as a result of the breach of this RSU Award Agreement by Recipient or any breach of confidentiality obligations or other duties by third parties, (b) made legitimately available to Recipient by a third party without breach of any confidentiality obligation or other duty, or (c) required by law or legal process to be disclosed; provided that Recipient shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and cooperate with any attempts by the Company to obtain a protective order or similar treatment. All Confidential Information imparted to Recipient by the Company, or otherwise obtained by Recipient, at any time, is revealed and entrusted to Recipient in confidence, solely in connection with and for the purpose of employment on behalf of the Company. Recipient agrees that Confidential Information is and remains the sole property of the Company.

- c. **Notice of Immunity** – Pursuant to the Defend Trade Secrets Act of 2016, Recipient understands that: Recipient shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Trade Secrets that are made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law. Recipient shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Trade Secrets that are made in a complaint or other document that is filed in a lawsuit or other proceeding, if such filing is made under seal. Recipient who files a lawsuit for retaliation by the Company for reporting a suspected violation of law may disclose Trade Secrets to the attorney of Recipient and use the Trade Secrets information in the court proceeding if Recipient (a) files any document containing the Trade Secrets under seal, and (b) does not disclose the Trade Secrets, except pursuant to court order.

11. Non-Solicitation and Non-Disparagement.

- a. **Restrictions as to Solicitation of Employees** – Recipient agrees that, during his employment with the Company and for a period of 12 months from the cessation of Recipient's employment with the Company for any reason, including retirement, voluntary resignation, cessation as a result of performance or for or without cause, Recipient shall not solicit, hire or cause to be hired any employees of the Company for employment in any line of business or attempt to induce or encourage any such employee to leave the employ of the Company. Recipient also agrees not to make such solicitations indirectly. Recipient also shall not, directly or indirectly, aid or assist any other person, firm, corporation or other business entity in performing any of the aforesaid acts. This applies to actions Recipient may take in any capacity, including, but not limited to, as proprietor, partner, joint venturer, stockholder, member, director, manager, officer, trustee, principal, agent, servant, employee, or in any other

capacity. It is agreed this restriction is reasonable and necessary to protect the goodwill and confidential information of the Company.

- b. **Non-Disparagement** – Recipient agrees not to willingly or knowingly make any statement or criticism that would reasonably be expected to cause the Company's customers, suppliers or other business partners embarrassment, humiliation or otherwise cause or contribute to the Company's customers, suppliers or other business partners being held in disrepute by the public or by the customers, suppliers, other business partners or employees of the Company, except as required by law. Recipient agrees not to willingly or knowingly make any statement or criticism that would reasonably be expected to cause the Company embarrassment, humiliation or otherwise cause or contribute to the Company being held in disrepute by the public or the customers, suppliers, other business partners or employees of the Company, or otherwise disparage or harm the reputation of the Company. However, nothing in this RSU Award Agreement will be construed to prohibit Recipient from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the Equal Employment Opportunity Commission, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination or antiretaliation provisions of federal, state or local law or regulation; provided, that Recipient may not disclose Company information that is protected by the attorney-client privilege, except as expressly authorized by law; provided further, Recipient does not need the prior authorization of the Company to make any such reports or disclosures, and Recipient is not required to notify the Company that Recipient has made such reports or disclosures.
12. **Cooperation.** At any time subsequent to the cessation of Recipient's employment with the Company for any reason, Recipient agrees to cooperate fully with the Company in the defense, prosecution or conduct of any claims, actions, investigations, or reviews now in existence or which may be initiated in the future against, involving or on behalf of the Company or any Subsidiary which relate to events or occurrences that transpired during Recipient's employment with the Company ("**Matters**"). Recipient's cooperation in connection with such Matters will include, but not be limited to, being available for telephone conferences with outside counsel and/or personnel of the Company, being available for interviews, depositions and/or to act as a witness on behalf of the Company, if reasonably requested. The Company will reimburse Recipient for all reasonable out-of-pocket expenses incurred by Recipient in connection with such cooperation with respect to such Matters.
13. **Remedies.** Recipient understands and agrees that money damages would not be a sufficient remedy for any breach of this RSU Award Agreement and that if Recipient should breach, or threaten to commit a breach, of any of the provisions of this RSU Award Agreement, the Company is entitled to seek equitable relief, including injunction and specific performance, as a remedy of such breach, in each case without any requirement to post a bond or other surety. Such remedies shall not be deemed to be the exclusive remedies for a breach of this RSU Award Agreement, but shall be in addition to all other remedies available at law or equity to the Company. The restrictions contained in this RSU Award Agreement do not supersede or reduce any rights that the Company may have pursuant to Federal or State law pertaining to any Trade Secrets or Confidential Information and, in the event that any such law provides

greater protections with respect to any Trade Secrets or Confidential Information than the protections contained in this RSU Award Agreement, such greater protections shall apply.

14. **Governing Law and Severability.** This RSU Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. To the extent not preempted by Federal law, the RSU Award Agreement will be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law provisions. The provisions of this RSU Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.
15. **Definitions.** Capitalized terms not otherwise defined in the RSU Award Agreement or in this Annex A attached thereto shall have the meanings given them in the Plan.
16. **Code Section 409A.** It is intended that this RSU Award Agreement will either comply with or be exempt from Code Section 409A to the extent applicable, and the Plan and the RSU Award Agreement shall be interpreted and construed on a basis consistent with such intent. The RSU Award Agreement may be amended in any respect deemed necessary (including retroactively) by the Committee in order to preserve compliance with (or exemption from) Code Section 409A. The preceding shall not be construed as a guarantee of any particular tax effect for any benefits or amounts deferred or paid pursuant to this RSU Award Agreement.
17. **Waiver.** The Recipient and every person claiming under or through the Recipient hereby waives to the fullest extent permitted by applicable law any right to a trial by jury with respect to any litigation directly or indirectly arising out of, under, or in connection with the Plan or this RSU Award Agreement issued pursuant to the Plan.
18. **Interpretation.** The Committee shall have final authority to interpret and construe the Plan and this RSU Award Agreement and Annex A and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Recipient and his/her legal representative in respect of any questions arising under the Plan or this RSU Award Agreement and Annex A.
19. **Securities Laws.** The Recipient acknowledges that certain restrictions under state or federal securities laws may apply with respect to the Shares underlying the RSUs granted pursuant to this RSU Award Agreement, even after the Shares have been delivered to the Recipient. Specifically, Recipient acknowledges that, to the extent he or she is an "affiliate" of the Company (as that term is defined by the Securities Act of 1933), the Shares underlying the RSUs granted pursuant to this RSU Award Agreement are subject to certain trading restrictions under applicable securities laws (including particularly the Securities and Exchange Commission's Rule 144). Recipient hereby agrees to execute such documents and take such actions as the Company may reasonably require with respect to state and federal securities laws and any restrictions on the resale of such shares which may pertain under such laws.
20. **Compensation Recovery.** This RSU Award Agreement shall be subject to any compensation recovery policy adopted by the Company, including any policy required to comply with applicable law or listing standards, as such policy may be amended from time to time in the

sole discretion of the Company. As consideration for and by accepting the RSUs, the Recipient agrees that all prior equity awards made by the Company to the Recipient shall become subject to the terms and conditions of the provisions of this Section 20.

21. **Data Collection.** The Recipient hereby explicitly and unambiguously consents to the collection, use, holding and transfer, in electronic or other form, of his or her personal data as described in this RSU Award Agreement by the Company for the exclusive purpose of implementing, administering and managing the Recipient's participation in the Plan. The Recipient understands that the Company may hold certain personal information about the Recipient, including his or her name, home address and telephone number, date of birth, social security number or other identification number, salary, nationality, job title, any Shares held in the Company, details of all options or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding in the Recipient's favor, for the purpose of implementing, administering and managing the Plan ("Data"). Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan. The Recipient may request a list with the names and addresses of any recipients of the Data by contacting the head of the Company's Human Resources Department. The Recipient authorizes any such third parties to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Recipient may elect to deposit any shares acquired upon settlement of the RSUs. Data will be held only as long as is necessary to implement, administer and manage the Recipient's participation in the Plan. The Recipient may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the head of the Company's Human Resources Department. Refusing or withdrawing his or her consent may affect the Recipient's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Recipient may contact the head of the Company's Human Resources Department.

John B. Sanfilippo & Son, Inc. 2023 Omnibus Incentive Plan

Performance Restricted Stock Unit Award Agreement

[Insert Date]

[Insert Name of Participant]

In accordance with the terms of the John B. Sanfilippo & Son, Inc. 2023 Omnibus Incentive Plan (the "Plan"), pursuant to action of the Compensation and Human Resources Committee (the "Committee") of the Board of John B. Sanfilippo & Son, Inc. (the "Company"), the Company hereby grants to you (the "Recipient"), subject to the terms and conditions set forth in this Performance Restricted Stock Unit Award Agreement (including Annexes A and B hereto) (the "PSU Award Agreement"), Restricted Stock Units subject to performance vesting ("PSUs"), as set forth below.

Unless otherwise specified, capitalized terms used in this PSU Award Agreement shall have the meanings specified in the Plan. The terms and conditions of the Plan are incorporated by reference and govern except to the extent that, when permitted by the Plan, this PSU Award Agreement provides otherwise.

Each PSU corresponds to one Share and is an unfunded and unsecured promise by the Company to deliver such Share on a future date as set forth herein, subject to the terms and conditions set forth herein. Until such delivery, you only have the rights of a general unsecured creditor of the Company and not as a stockholder with respect to the Shares underlying your PSUs.

Number of PSUs Granted:	Target number of PSUs [#] (the "Target PSUs"), subject to adjustment as set forth in Annex B.
Date of Grant:	[date]
Vesting Date:	As defined in Section 1 of Annex B hereto.
Performance Period:	Three fiscal years of the Company commencing on [date], corresponding to the Company's [number] fiscal year(s).
Share Payment Date:	As set forth in Section 5 of Annex B hereto.
Dividend Equivalents:	During the period from the first day after the Vesting Date through the Share Payment Date, each vested PSU shall include a right to Dividend Equivalents, if any, in respect of such period and for which the applicable record date occurs during such period. Such Dividend Equivalents shall be paid to the Recipient on a current basis (less applicable withholding). "Dividend Equivalents" are a right to receive an amount equal to the dividends or property distributions that

[Employee PSU]

would have been made in respect of each Share underlying an PSU (other than dividends or distributions of securities to the extent covered in Section 4.4 of the Plan) for the period described above. For the avoidance of doubt, no Dividend Equivalents are granted with respect to any dividend record date prior to the Vesting Date.

PSUs are subject to cancellation as provided herein (including Annexes A and B) and the Plan.

Further terms and conditions of your Award of PSUs are set forth in Annexes A and B, which are integral parts of this PSU Award Agreement.

By accepting this Award, you hereby acknowledge the receipt of a copy of this PSU Award Agreement, including Annexes A and B, and a copy of the Plan and agree to be bound by all terms and provisions hereof (including those in Annexes A and B) and thereto.

John B. Sanfilippo & Son, Inc.

Recipient:

Print Name:

Annex A

Performance Restricted Stock Unit Award Agreement

Further Terms and Conditions of Award. It is understood and agreed that the Award of PSUs evidenced by the PSU Award Agreement to which this is annexed is subject to the following additional terms and conditions:

1. **Termination of Service.** Notwithstanding anything to the contrary contained in Article 13 of the Plan, upon the Recipient's Termination of Service, unvested PSUs shall be treated as follows:
 - a. **Death or Disability** – If the Recipient's Termination of Service is on account of death or Disability, the PSUs shall not be cancelled and instead shall remain eligible to vest notwithstanding such Termination of Service and shall remain subject to adjustment pursuant to Annex B.
 - b. **Normal Retirement with Proper Advance Notice** – If the Recipient's Termination of Service is on account of Normal Retirement (as defined below) and the Recipient provided at least [60][365]¹ days advance written notice of the Recipient's intent to exercise this Normal Retirement provision to the head of the Company's Human Resources Department, then all unvested PSUs shall remain eligible to vest notwithstanding such Termination of Service and shall remain subject to adjustment pursuant to Annex B. For the purposes of this PSU Award Agreement, "Normal Retirement" shall mean the Recipient's Termination of Service, other than death or Disability, after the date the Recipient has (i) been continuously employed by the Company or any Subsidiary of the Company for at least seven (7) years and (ii) achieved the age of at least 62.
 - c. **Early Retirement with Proper Advance Notice** – If the Recipient's Termination of Service is on account of Early Retirement (as defined below) and the Recipient provided at least [60][365] days advance written notice to the head of the Company's Human Resources Department of the Recipient's intent to exercise this Early Retirement provision, then a pro-rated portion of the unvested PSUs shall remain eligible to vest notwithstanding such Termination of Service, with the proration determined by multiplying the number of PSUs granted by a fraction (which shall not be greater than 1), the numerator of which is the number of whole months that the Recipient was in service during the Performance Period and the denominator of which is 36. The prorated, unvested PSUs shall remain subject to adjustment pursuant to Annex B. The remainder of the PSUs shall be cancelled as of the date of the Participant's Termination of Service. For the purposes of this PSU Award

¹ Employees with a director, senior director and vice president title are required to provide 60 days' notice under this PSU Award Agreement. Employees with a senior vice president or higher title (including the CEO, CFO and COO) must provide 365 days' notice under this PSU Award Agreement

Agreement, "Early Retirement" shall mean the Recipient's Termination of Service, other than death or Disability, after the date the Recipient has (i) been continuously employed by the Company or any Subsidiary of the Company for at least ten (10) years and (ii) achieved the age of at least 55.

- d. **Normal Retirement or Early Retirement without Proper Advance Notice** – If the Recipient's Termination of Service is on account of Normal Retirement or Early Retirement and the Recipient failed to provide at least [60][365] days advance written notice to the head of the Company's Human Resources Department in accordance with this PSU Award Agreement, then all unvested PSUs shall be cancelled as of the end of the day of such Termination of Service unless the Committee, in its sole discretion, determines that all or some portion of such unvested PSUs shall remain eligible to vest notwithstanding such Termination of Service and (if the Committee so determines) shall remain subject to adjustment pursuant to Annex B.
- e. **Any Other Reason** – If the Recipient's Termination of Service is on account of any other reason, then all unvested PSUs shall be cancelled as of the end of the day of such Termination of Service.

2. **[Reserved].**

- 3. **Six-Month Delay Due to Code Section 409A.** Notwithstanding anything else herein to the contrary, if Recipient is a "specified employee" for purposes of Code Section 409A at the time of the Recipient's Termination of Service and if an exception under Code Section 409A does not apply, any payment to the Recipient under this PSU Award Agreement that is payable on account of a Termination of Service (other than death or Disability) shall be delayed until six (6) months after the Recipient's Termination of Service (other than death or Disability) as required by Code Section 409A. Normal and Early Retirements with proper notice may be subject to this six-month delay.
- 4. **Fractional Shares.** If any calculation of Shares to be awarded or to be cancelled or to be released from restrictions or limitations would result in a fraction, any fraction of 0.5 or greater will be rounded to one, and any fraction of less than 0.5 will be rounded to zero.
- 5. **Tax Withholding.** With respect to the minimum statutory tax withholding required upon the Vesting Date or as otherwise required by applicable law, the Company may satisfy such withholding requirements by (a) withholding from other wages, compensation and amounts otherwise owed to the Recipient or, (b) at the written election of the Participant, by withholding Shares otherwise deliverable in connection with the applicable PSU, in whole or in part. Unless the withholding of such Shares is not allowed under applicable tax or securities law or has materially adverse accounting consequences, the Recipient may elect, in writing, for the Company to withhold additional Shares beyond the number required to satisfy the minimum statutory tax withholding, up to the maximum applicable federal and state tax rates. If the obligation for any taxes is satisfied by withholding in Shares, for tax purposes, the Recipient is deemed to have been issued the full number of Shares subject to the PSUs, notwithstanding that a number of the Shares are so withheld.
- 6. **Ratification of Actions.** By accepting the PSU Award or other benefit under the Plan, the Recipient and each person claiming under or through him shall be conclusively deemed to

have indicated the Recipient's acceptance and ratification of, and consent to, any action taken under the Plan or the PSU Award by the Company, the Board or the Committee.

7. **Notices.** Any notice hereunder to the Company shall be addressed to the head of the Company's Human Resources Department, and any notice hereunder to Recipient shall be addressed to him or her at the address contained in the Company's records, subject to the right of either party to designate at any time hereafter in writing some other address.
8. **Nontransferability.** Recipient may not sell, transfer, assign, pledge or otherwise dispose of the PSUs covered by this PSU Award Agreement, other than by will or by the laws of descent and distribution.
9. **No Employment Rights.** This PSU Award Agreement does not provide Recipient with any rights to continued employment with the Company or a Subsidiary. The Company and its Subsidiaries reserve the right to terminate Recipient's employment at any time, with or without cause.
10. **Trade Secrets and Confidential Information.** Recipient shall not at any time directly or indirectly, either during or after the term of employment with the Company, divulge any Trade Secrets (as defined below) or any Confidential Information (as defined below) to any other person or business entity, nor use or permit the use of any Trade Secrets or any Confidential Information, other than on behalf of the Company and pursuant to the discharge of the responsibilities of Recipient as an employee. Upon the cessation of Recipient's employment with the Company under any circumstances, Recipient shall promptly tender to the Company all documents, lists, records, cellular devices, computers, computer stored media and data (with accompanying passwords) and any other items, and reproductions thereof, of any kind in Recipient's possession or control containing Trade Secrets or Confidential Information. Recipient agrees to carefully guard (a) the Trade Secrets and Confidential Information and (b) similar information owned by others (including customers and vendors) which Recipient knows the Company is obligated by contract or other duty to keep confidential.
 - a. **Trade Secrets** – As used herein, the term "Trade Secrets" shall include any information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons or business entities who can obtain economic value from its disclosure or use. As used herein, Trade Secrets shall not include information which is known, or shall become known through no fault of the Recipient, to the public or generally known within the industry of businesses comparable to the Company. All Trade Secrets imparted to Recipient by the Company, or otherwise obtained by Recipient, at any time, relating to the Company's business operations, product data, customer or prospect lists or information, procurement data or practices, customer specification information and related data, pricing and cost data, marketing information, computer programs, business strategies, information regarding products under research and development, recipes, product formulae, manufacturing processes and any other such proprietary and confidential information is revealed and entrusted to Recipient in confidence, solely in connection with and for the purpose of employment on behalf of the Company. Recipient agrees that Trade Secrets are and remain the sole property of the Company.

- b. **Confidential Information** – As used herein, the term “Confidential Information” shall include Trade Secrets and all other confidential and/or proprietary information that does not rise to the level of Trade Secrets that is imparted, revealed and/or entrusted to Recipient by the Company in confidence. Confidential Information that is not Trade Secrets includes, but is not limited to, information regarding the Company’s operations, procurement processes, product information regarding products under research and development, methods of doing business, supplier and grower information, and accounting and legal information. As used herein, Confidential Information shall not include any information that is (a) generally known within the industry of businesses comparable to the Company or to the public, other than as a result of the breach of this PSU Award Agreement by Recipient or any breach of confidentiality obligations or other duties by third parties, (b) made legitimately available to Recipient by a third party without breach of any confidentiality obligation or other duty, or (c) required by law or legal process to be disclosed; provided that Recipient shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and cooperate with any attempts by the Company to obtain a protective order or similar treatment. All Confidential Information imparted to Recipient by the Company, or otherwise obtained by Recipient, at any time, is revealed and entrusted to Recipient in confidence, solely in connection with and for the purpose of employment on behalf of the Company. Recipient agrees that Confidential Information is and remains the sole property of the Company.
- c. **Notice of Immunity** – Pursuant to the Defend Trade Secrets Act of 2016, Recipient understands that: Recipient shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Trade Secrets that are made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law. Recipient shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Trade Secrets that are made in a complaint or other document that is filed in a lawsuit or other proceeding, if such filing is made under seal. Recipient who files a lawsuit for retaliation by the Company for reporting a suspected violation of law may disclose Trade Secrets to the attorney of Recipient and use the Trade Secrets information in the court proceeding if Recipient (a) files any document containing the Trade Secrets under seal, and (b) does not disclose the Trade Secrets, except pursuant to court order.

11. Non-Solicitation and Non-Disparagement.

- a. **Restrictions as to Solicitation of Employees** – Recipient agrees that, during his employment with the Company and for a period of 12 months from the cessation of Recipient’s employment with the Company for any reason, including retirement, voluntary resignation, cessation as a result of performance or for or without cause, Recipient shall not solicit, hire or cause to be hired any employees of the Company for employment in any line of business or attempt to induce or encourage any such employee to leave the employ of the Company. Recipient also agrees not to make such solicitations indirectly. Recipient also shall not, directly or indirectly, aid or assist any other person, firm, corporation or other business entity in performing any of the

aforesaid acts. This applies to actions Recipient may take in any capacity, including, but not limited to, as proprietor, partner, joint venturer, stockholder, member, director, officer, manager, trustee, principal, agent, servant, employee, or in any other capacity. It is agreed this restriction is reasonable and necessary to protect the goodwill and confidential information of the Company.

- b. **Non-Disparagement** – Recipient agrees not to willingly or knowingly make any statement or criticism that would reasonably be expected to cause the Company's customers, suppliers or other business partners embarrassment, humiliation or otherwise cause or contribute to the Company's customers, suppliers or other business partners being held in disrepute by the public or by the customers, suppliers, other business partners or employees of the Company, except as required by law. Recipient agrees not to willingly or knowingly make any statement or criticism that would reasonably be expected to cause the Company embarrassment, humiliation or otherwise cause or contribute to the Company being held in disrepute by the public or the customers, suppliers, other business partners or employees of the Company, or otherwise disparage or harm the reputation of the Company. However, nothing in this PSU Award Agreement will be construed to prohibit Recipient from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the Equal Employment Opportunity Commission, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination or antiretaliation provisions of federal, state or local law or regulation; provided, that Recipient may not disclose Company information that is protected by the attorney-client privilege, except as expressly authorized by law; provided further, Recipient does not need the prior authorization of the Company to make any such reports or disclosures, and Recipient is not required to notify the Company that Recipient has made such reports or disclosures.
12. **Cooperation.** At any time subsequent to the cessation of Recipient's employment with the Company for any reason, Recipient agrees to cooperate fully with the Company in the defense, prosecution or conduct of any claims, actions, investigations, or reviews now in existence or which may be initiated in the future against, involving or on behalf of the Company or any Subsidiary which relate to events or occurrences that transpired during Recipient's employment with the Company ("Matters"). Recipient's cooperation in connection with such Matters will include, but not be limited to, being available for telephone conferences with outside counsel and/or personnel of the Company, being available for interviews, depositions and/or to act as a witness on behalf of the Company, if reasonably requested. The Company will reimburse Recipient for all reasonable out-of-pocket expenses incurred by Recipient in connection with such cooperation with respect to such Matters.
13. **Remedies.** Recipient understands and agrees that money damages would not be a sufficient remedy for any breach of this PSU Award Agreement and that if Recipient should breach, or threaten to commit a breach, of any of the provisions of this PSU Award Agreement, the Company is entitled to seek equitable relief, including injunction and specific performance, as a remedy of such breach, in each case without any requirement to post a bond or other surety. Such remedies shall not be deemed to be the exclusive remedies for a breach of this PSU Award Agreement, but shall be in addition to all other remedies available at law or equity

to the Company. The restrictions contained in this PSU Award Agreement do not supersede or reduce any rights that the Company may have pursuant to Federal or State law pertaining to any Trade Secrets or Confidential Information and, in the event that any such law provides greater protections with respect to any Trade Secrets or Confidential Information than the protections contained in this PSU Award Agreement, such greater protections shall apply.

14. **Governing Law and Severability.** This PSU Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. To the extent not preempted by Federal law, the PSU Award Agreement will be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law provisions. The provisions of this PSU Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.
15. **Definitions.** Capitalized terms not otherwise defined in the PSU Award Agreement or in this Annex A attached thereto shall have the meanings given them in the Plan.
16. **Code Section 409A.** It is intended that this PSU Award Agreement will either comply with or be exempt from Code Section 409A to the extent applicable, and the Plan and the PSU Award Agreement shall be interpreted and construed on a basis consistent with such intent. The PSU Award Agreement may be amended in any respect deemed necessary (including retroactively) by the Committee in order to preserve compliance with (or exemption from) Code Section 409A. The preceding shall not be construed as a guarantee of any particular tax effect for any benefits or amounts deferred or paid pursuant to this PSU Award Agreement.
17. **Waiver.** The Recipient and every person claiming under or through the Recipient hereby waives to the fullest extent permitted by applicable law any right to a trial by jury with respect to any litigation directly or indirectly arising out of, under, or in connection with the Plan or this PSU Award Agreement issued pursuant to the Plan.
18. **Interpretation.** The Committee shall have final authority to interpret and construe the Plan and this PSU Award Agreement and Annexes A and B and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Recipient and his/her legal representative in respect of any questions arising under the Plan or this PSU Award Agreement and Annexes A and B.
19. **Securities Laws.** The Recipient acknowledges that certain restrictions under state or federal securities laws may apply with respect to the Shares underlying the PSUs granted pursuant to this PSU Award Agreement, even after the Shares have been delivered to the Recipient. Specifically, Recipient acknowledges that, to the extent he or she is an "affiliate" of the Company (as that term is defined by the Securities Act of 1933), the Shares underlying the PSUs granted pursuant to this PSU Award Agreement are subject to certain trading restrictions under applicable securities laws (including particularly the Securities and Exchange Commission's Rule 144). Recipient hereby agrees to execute such documents and take such actions as the Company may reasonably require with respect to state and federal securities laws and any restrictions on the resale of such shares which may pertain under such laws.

20. **Compensation Recovery.** This PSU Award Agreement shall be subject to any compensation recovery policy adopted by the Company, including any policy required to comply with applicable law or listing standards, as such policy may be amended from time to time in the sole discretion of the Company. As consideration for and by accepting the PSUs, the Recipient agrees that all prior equity awards made by the Company to the Recipient shall become subject to the terms and conditions of the provisions of this Section 20.
21. **Data Collection.** The Recipient hereby explicitly and unambiguously consents to the collection, use, holding and transfer, in electronic or other form, of his or her personal data as described in this PSU Award Agreement by the Company for the exclusive purpose of implementing, administering and managing the Recipient's participation in the Plan. The Recipient understands that the Company may hold certain personal information about the Recipient, including his or her name, home address and telephone number, date of birth, social security number or other identification number, salary, nationality, job title, any Shares held in the Company, details of all options or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding in the Recipient's favor, for the purpose of implementing, administering and managing the Plan ("Data"). Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan. The Recipient may request a list with the names and addresses of any recipients of the Data by contacting the head of the Company's Human Resources Department. The Recipient authorizes any such third parties to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Recipient may elect to deposit any shares acquired upon settlement of the PSUs. Data will be held only as long as is necessary to implement, administer and manage the Recipient's participation in the Plan. The Recipient may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the head of the Company's Human Resources Department. Refusing or withdrawing his or her consent may affect the Recipient's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Recipient may contact the head of the Company's Human Resources Department.

Annex B

Performance Restricted Stock Unit Award Agreement

Further Terms and Conditions of Award. It is understood and agreed that the Award of PSUs evidenced by the PSU Award Agreement to which this Annex B applies is subject to the following additional terms and conditions:

1. Vesting and Cancellation. Achievement of the following performance goal will result in cliff vesting of the PSUs, adjusted as set forth below, on the date following the Performance Period on which the Committee meets and determines if and to what extent the performance goals set forth below have been achieved (the "Vesting Date"). Except as set forth in Annex A, unvested PSUs shall be cancelled upon the Recipient's Termination of Service prior to the Vesting Date.
2. Performance Criteria. Upon completion of the Performance Period, the number of Target PSUs shall be adjusted (including to zero, if applicable) by multiplying the number of Target PSUs by the Total Performance Percentage. "Total Performance Percentage" means a percentage equal to the [performance criteria] multiplied by 1.00. Any calculation of Total Performance Percentage shall be rounded to the nearest hundredth of a percentage point (i.e. 1.496% would round to 1.50%).
3. [Performance Criteria]
4. Award Settlement. Subject to the Plan, as soon as reasonably practicable following the Vesting Date, but in no event later than the fifteenth day of the third month following the end of the Performance Period (the "Share Payment Date"), the Company shall deliver to the Participant one (1) share of Common Stock for each vested PSU, as adjusted pursuant to this Annex B, to the extent not otherwise cancelled pursuant to the terms of this PSU Award Agreement.
5. Adjustment. In accordance with the Plan, the Committee may, in its sole discretion, adjust the [performance criteria] , to reflect any (a) acquisition; (b) disposition; (c) joint venture; (d) entry into or launch of a new product or product line; (e) exit of, or shutting down, an existing product or product line; (f) significant co-manufacturing or co-packaging arrangement or agreement; (g) unforeseen gain or loss of a material customer; (h) plant closure, equipment shutdown or food safety or quality event caused by forces outside of the Company's control or other act of God; (i) not currently planned significant capital investment to expand production; or (j) any other business transaction or event which may have an impact on the [performance criteria] in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under this Award. Such adjustment shall be promptly communicated to the Recipients.

6. [Performance Goals].

CERTIFICATION

I, Jeffrey T. Sanfilippo, certify that:

1. I have reviewed this Report on Form 10-Q of John B. Sanfilippo & Son, Inc. for the quarter ended December 26, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

January 29, 2025

/s/ Jeffrey T. Sanfilippo
Jeffrey T. Sanfilippo
Chairman of the Board and
Chief Executive Officer

CERTIFICATION

I, Frank S. Pellegrino, certify that:

1. I have reviewed this Report on Form 10-Q of John B. Sanfilippo & Son, Inc. for the quarter ended December 26, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

January 29, 2025

/s/ Frank S. Pellegrino
Frank S. Pellegrino
Chief Financial Officer, Executive Vice President, Finance and Administration

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of John B. Sanfilippo & Son, Inc. (the "Company") on Form 10-Q for the quarter ended December 26, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey T. Sanfilippo, Chief Executive Officer and Chairman of the Board, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

January 29, 2025

/s/ Jeffrey T. Sanfilippo
Jeffrey T. Sanfilippo
Chief Executive Officer and Chairman of the Board

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of John B. Sanfilippo & Son, Inc. (the "Company") on Form 10-Q for the quarter ended December 26, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Frank S. Pellegrino, Chief Financial Officer, Executive Vice President, Finance and Administration, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

January 29, 2025

/s/ Frank S. Pellegrino

Frank S. Pellegrino

Chief Financial Officer, Executive Vice President, Finance and Administration
