



Farm Fresh Goodness Made Great

Seneca Foods Reports Sales and Earnings for the Quarter and Twelve Months Ended March 31, 2021

MARION, N.Y. June 11, 2021 -- Seneca Foods Corporation (NASDAQ: SENE, SENE) today announced financial results for the fourth quarter and twelve months ended March 31, 2021.

Highlights (vs. year-ago, year-to-date results):

- Net sales for 2021 totaled \$1,467.6 million compared to \$1,335.8 million for the prior year, an increase of \$131.8 million. The overall increase in sales was attributable to increased sales volume of \$74.2 million and higher selling prices/ favorable sales mix of \$57.6 million, both predominantly due to canned vegetables.
- Gross margin as a percentage of net sales increased from 10.6% in 2020 to 15.8% in 2021 due to the favorable impact of higher selling prices and an improved selling mix outweighing the negative impact of a smaller than planned pack and incremental expenditures incurred for precautionary and safety measures taken for COVID-19.

“Fiscal 2021 was a year of contrasts. While increased pandemic demand for our products led to record financial performance it was overshadowed by the suffering and loss from the virus by many of our employees, their families and our communities.” said Paul Palmby, Chief Executive Officer of Seneca Foods.

Mr. Palmby continued to state that “our results speak for themselves but it was the dedication and hard work of our plant employees who truly made the difference through these difficult times”.

Highlights (vs. year-ago, fourth quarter results):

- Net sales for the quarter were \$304.8 million and \$307.9 million for the prior year quarter. The overall decrease in sales of \$3.1 million was attributable to decreased sales volume of \$15.9 million offset by higher selling prices/favorable sales mix of \$12.8 million.
- Gross margin percentage increased from 15.1% for the quarter in 2020 to 18.7% for the quarter in 2021.

About Seneca Foods Corporation

Seneca Foods is one of North America’s leading providers of packaged fruits and vegetables, with facilities located throughout the United States. Its high quality products are primarily sourced from over 1,600 American farms. Seneca holds the largest share of the retail private label, food service, and export canned vegetable markets, distributing to over 90 countries. Products are also sold under the highly regarded brands of Libby’s®, Aunt Nellie’s®, Green Valley®, CherryMan®, READ®, and Seneca labels, including Seneca snack chips. Seneca’s common stock is traded on the Nasdaq Global Stock Market under the symbols “SENEA” and “SENEB”. SENE is included in the S&P SmallCap 600, Russell 2000 and Russell 3000 indices.

Non-GAAP Financial Measures—Operating Income Excluding LIFO and Plant Restructuring Impact, EBITDA and FIFO EBITDA

Operating income excluding LIFO and plant restructuring, EBITDA and FIFO EBITDA are non-GAAP financial measures. The Company believes these non-GAAP financial measures provide a basis for comparison to companies that do not use LIFO or have plant restructuring to enhance the understanding of the Company's historical operating performance. The Company does not intend for this information to be considered in isolation or as a substitute for other measures prepared in accordance with GAAP. Set forth below is a reconciliation of reported Operating Income excluding LIFO and plant restructuring.

Set forth below is a reconciliation of reported net earnings to EBITDA and FIFO EBITDA (earnings before interest, income taxes, depreciation, amortization, non-cash charges and credits related to the LIFO inventory valuation method). The Company does not intend for this information to be considered in isolation or as a substitute for other measures prepared in accordance with GAAP.

Forward-Looking Information

The information contained in this release contains, or may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements appear in a number of places in this release and include statements regarding the intent, belief or current expectations of the Company or its officers (including statements preceded by, followed by or that include the words “believes,” “expects,” “anticipates” or similar expressions) with respect to various matters.

Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Investors are cautioned not to place undue reliance on such statements, which speak only as of the date the statements were made. Among the factors that could cause actual results to differ materially are:

- general economic and business conditions;
- cost and availability of commodities and other raw materials such as vegetables, steel and packaging materials;
- transportation costs;
- climate and weather affecting growing conditions and crop yields;
- availability of financing;
- leverage and the Company’s ability to service and reduce its debt;
- potential impact of COVID-19 related issues at our facilities;
- foreign currency exchange and interest rate fluctuations;
- effectiveness of the Company’s marketing and trade promotion programs;
- changing consumer preferences;
- competition;
- product liability claims;
- the loss of significant customers or a substantial reduction in orders from these customers;
- changes in, or the failure or inability to comply with, United States, foreign and local governmental regulations, including environmental and health and safety regulations; and
- other risks detailed from time to time in the reports filed by the Company with the SEC.

Except for ongoing obligations to disclose material information as required by the federal securities laws, the Company does not undertake any obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of the filing of this report or to reflect the occurrence of unanticipated events.

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