REFINITIV

DELTA REPORT

10-Q

SPTN - SPARTANNASH CO

10-Q - OCTOBER 07, 2023 COMPARED TO 10-Q - JULY 15, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	509
CHANGES	252
DELETIONS	109
ADDITIONS	148

REFINITIV

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended July 15, October 7, 2023.

OR

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

For the transition period from to .

Commission File Number: 000-31127

img254361947_0.jpg

SPARTANNASH COMPANY

(Exact Name of Registrant as Specified in Its Charter)

Michigan	**38-0593940**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
850 76th Street, S.W. P.O. Box 8700 Grand Rapids, Michigan	**49518**
(Address of Principal Executive Offices)	**(Zip Code)**

(616) 878-2000

(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, no par value	**SPTN**	**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” and “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 August 15, 2023 November 7, 2023, the registrant had 34,616,396 34,623,737 outstanding shares of common stock, no par value.

FORWARD-LOOKING STATEMENTS

The matters discussed in this Quarterly Report on Form 10-Q, in the Company’s press releases, in the Company's website-accessible conference calls with analysts, and investor presentations include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”), about the plans, strategies, objectives, goals or expectations of SpartanNash Company and subsidiaries (“SpartanNash” or “the Company”). These forward-looking statements may be identifiable by words or phrases indicating that the Company or management "expects," "projects," "anticipates," "plans," "believes," "intends," or "estimates," or that a particular occurrence or event "may," "could," "should," "will" or "will likely" result, occur or be pursued or "continue" in the future, that the "outlook", "trend", "guidance" or "target" is toward a particular result or occurrence, that a development is an "opportunity," "priority," "strategy," "focus," that the Company is "positioned" for a particular result, or similarly stated expectations.

Undue reliance should not be placed on the forward-looking statements contained in this Quarterly Report on Form 10-Q, SpartanNash’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and other periodic reports filed with the Securities and Exchange Commission (“SEC”), which speak only as of the date made. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies may affect actual results and could cause actual results to differ materially. These risks and uncertainties include the Company's ability to compete in an extremely competitive industry; the Company's dependence on certain major customers; the Company's ability to implement its growth strategy and transformation initiatives; changes in relationships with the Company’s vendor base and supply chain disruptions; vulnerability to decreases in the supply and increases in the price of raw materials and labor, manufacturing, distribution and other costs; macroeconomic uncertainty, including rising inflation, potential economic recession, and increasing interest rates; difficulty attracting and retaining well-qualified Associates and effectively managing increased labor costs; customers to whom the Company extends credit or for whom the Company guarantees loans or lease obligations may fail to repay the Company; not achieving the Company’s strategy of growth through acquisitions and encountering difficulties successfully integrating acquired businesses that may not realize the anticipated benefits; the Company's ability to manage its private brand program for U.S. military commissaries, including the termination of the program or not achieving the desired results; disruptions to the Company's information security network, including security breaches and cyber-attacks; changes in the geopolitical conditions, including the Russia-Ukraine conflict; conditions; instances of security threats, severe weather conditions and natural disasters; climate change and an increased focus by stakeholders on environmental sustainability and corporate responsibility; impacts to the Company’s business and reputation due to an increasing focus on environmental, social and governance matters; disruptions associated with disease outbreaks, such as the COVID-19 pandemic; impairment charges for goodwill or other long-lived assets; the Company's ability to successfully manage leadership transitions; interest rate fluctuations; the Company's ability to service its debt and to comply with debt covenants; the Company’s level of indebtedness; changes in government regulations; changes in the military commissary system, including its supply chain, or in the level of governmental funding; product recalls and other product-related safety concerns; labor relations issues; cost increases related to multi-employer pension plans and other postretirement plans; and other risks and uncertainties listed under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's most recent Annual Report on Form 10-K and in subsequent filings with the Securities and Exchange Commission.

This section and the discussions contained in Item 1A “Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and in Part I, Item 2 “Critical Accounting Policies” of this Quarterly Report on Form 10-Q, are intended to provide meaningful cautionary statements for purposes of the safe harbor provision of the Private Securities Litigation Reform Act of 1995. This should not be construed as a complete list of all the economic, competitive, governmental, technological and other factors that could adversely affect the Company’s expected consolidated financial position, results of operations or liquidity. Additional risks and uncertainties not currently known to SpartanNash or that SpartanNash currently believes are immaterial also may impair its business, operations, liquidity, financial condition and prospects. The Company undertakes no obligation to update or revise its forward-looking statements to reflect developments that occur, or information obtained after the date of this Quarterly Report. In addition, historical information should not be considered as an indicator of future performance.

TABLE OF CONTENTS

PART I

FINANCIAL INFORMATION

ITEM 1. Financial Statements

SPARTANNASH COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, Unaudited)

	July 15, 2023	December 31, 2022	October 7, 2023	December 31, 2022
Assets				
Current assets				
Cash and cash equivalents	$ 16,910	$ 29,086	$ 17,554	$ 29,086
Accounts and notes receivable, net	426,186	404,016	427,275	404,016
Inventories, net	576,859	571,065	579,631	571,065
Prepaid expenses and other current assets	65,402	62,244	63,594	62,244
Total current assets	1,085,357	1,066,411	1,088,054	1,066,411
Property and equipment, net	609,236	610,220	616,320	610,220
Goodwill	182,160	182,160	182,160	182,160
Intangible assets, net	103,795	106,341	102,661	106,341

Operating lease assets	254,146	257,047	251,426	257,047
Other assets, net	92,217	84,382	93,155	84,382
Total assets	$ 2,326,911	$ 2,306,561	$ 2,333,776	$ 2,306,561
<u>Liabilities and Shareholders’ Equity</u>				
Current liabilities				
Accounts payable	$ 500,044	$ 487,215	$ 505,786	$ 487,215
Accrued payroll and benefits	61,344	103,048	71,531	103,048
Other accrued expenses	58,306	62,465	53,267	62,465
Current portion of operating lease liabilities	43,194	45,453	43,372	45,453
Current portion of long-term debt and finance lease liabilities	7,644	6,789	8,410	6,789
Total current liabilities	670,532	704,970	682,366	704,970
Long-term liabilities				
Deferred income taxes	78,472	66,293	78,318	66,293
Operating lease liabilities	235,424	239,062	231,809	239,062
Other long-term liabilities	28,229	33,376	28,212	33,376
Long-term debt and finance lease liabilities	545,857	496,792	535,804	496,792
Total long-term liabilities	887,982	835,523	874,143	835,523
Commitments and contingencies (Note 8)				
Shareholders’ equity				

REFINITIV

Common stock, voting, no par value; 100,000 shares authorized; 34,618 and 35,079 shares outstanding	454,844	468,061		
Common stock, voting, no par value; 100,000 shares authorized; 34,629 and 35,079 shares outstanding			457,830	468,061
Preferred stock, no par value, 10,000 shares authorized; no shares outstanding	—	—	—	—
Accumulated other comprehensive income	2,923	2,979	5,155	2,979
Retained earnings	310,630	295,028	314,282	295,028
Total shareholders' equity	768,397	766,068	777,267	766,068
Total liabilities and shareholders' equity	$ 2,326,911	$ 2,306,561	$ 2,333,776	$ 2,306,561

See accompanying notes to condensed consolidated financial statements.

4

SPARTANNASH COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands, except per share amounts)

(Unaudited)

	12 Weeks Ended		28 Weeks Ended		12 Weeks Ended		40 Weeks Ended	
	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022
Net sales	$ 2,312,394	$ 2,273,890	$ 5,219,788	$ 5,037,548	$ 2,264,248	$ 2,296,512	$ 7,484,036	$ 7,334,060
Cost of sales	1,960,012	1,919,647	4,420,740	4,232,722	1,916,709	1,945,302	6,337,449	6,178,024

Gross profit	352,382	354,243	799,048	804,826	347,539	351,210	1,146,587	1,156,036
Operating expenses								
Selling, general and administrative	318,795	338,867	736,991	761,049	322,796	333,373	1,059,787	1,094,422
Acquisition and integration	55	436	129	675				
Acquisition and integration, net					2,130	(577)	2,259	98
Restructuring and asset impairment, net	(2,254)	2,611	1,829	2,624	(458)	(886)	1,371	1,738
Total operating expenses	316,596	341,914	738,949	764,348	324,468	331,910	1,063,417	1,096,258
Operating earnings	35,786	12,329	60,099	40,478	23,071	19,300	83,170	59,778
Other expenses and (income)								
Interest expense, net	9,349	4,528	20,938	8,713	9,280	6,051	30,218	14,764
Other, net	(685)	600	(1,724)	384	(786)	(768)	(2,510)	(384)
Total other expenses, net	8,664	5,128	19,214	9,097	8,494	5,283	27,708	14,380

Earnings before income taxes	27,122	7,201	40,885	31,381	14,577	14,017	55,462	45,398
Income tax expense	7,654	2,086	10,080	6,977	3,450	4,553	13,530	11,530
Net earnings	$ 19,468	$ 5,115	$ 30,805	$ 24,404	$ 11,127	$ 9,464	$ 41,932	$ 33,868
Net earnings per basic common share	$ 0.57	$ 0.14	$ 0.90	$ 0.69	$ 0.33	$ 0.27	$ 1.22	$ 0.96
Net earnings per diluted common share	$ 0.56	$ 0.14	$ 0.88	$ 0.67	$ 0.32	$ 0.26	$ 1.20	$ 0.93
Weighted average shares outstanding:								
Basic	34,125	35,564	34,366	35,565	34,020	35,160	34,262	35,444
Diluted	34,641	36,528	35,116	36,470	34,523	36,145	34,967	36,398

See accompanying notes to condensed consolidated financial statements.

SPARTANNASH COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands, Unaudited)

	12 Weeks Ended	28 Weeks Ended	12 Weeks Ended	40 Weeks Ended

	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022
Net earnings	$ 19,468	$ 5,115	$ 30,805	$ 24,404	$ 11,127	$ 9,464	$ 41,932	$ 33,868
Other comprehensive income (loss), before tax								
Change in interest rate swap	2,281	—	1,145	—	3,625	—	4,770	—
Postretirement liability adjustment	(326)	7,258	(1,237)	7,288	(720)	(687)	(1,957)	6,601
Total other comprehensive income (loss), before tax	1,955	7,258	(92)	7,288	2,905	(687)	2,813	6,601
Income tax (expense) benefit related to items of other comprehensive income (loss)	(454)	(1,780)	36	(1,787)	(673)	168	(637)	(1,619)
Total other comprehensive income (loss), after tax	1,501	5,478	(56)	5,501	2,232	(519)	2,176	4,982
Comprehensive income	$ 20,969	$ 10,593	$ 30,749	$ 29,905	$ 13,359	$ 8,945	$ 44,108	$ 38,850

See accompanying notes to condensed consolidated financial statements.

SPARTANNASH COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(In thousands, Unaudited)

	Shares Outstanding	Common Stock	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Balance at December 31, 2022	35,079	$ 468,061	$ 2,979	$ 295,028	$ 766,068
Net earnings	—	—	—	11,337	11,337
Other comprehensive loss	—	—	(1,557)	—	(1,557)
Dividends - $0.215 per share	—	—	—	(7,679)	(7,679)
Share repurchases	(435)	(10,910)	—	—	(10,910)
Stock-based compensation	—	5,147	—	—	5,147
Stock warrant	—	607	—	—	607
Issuances of common stock for associate stock purchase plan	17	358	—	—	358
Issuances of restricted stock	425	—	—	—	—
Cancellations of stock-based awards	(151)	(3,917)	—	—	(3,917)
Balance at April 22, 2023	34,935	$ 459,346	$ 1,422	$ 298,686	$ 759,454
Net earnings	—	—	—	19,468	19,468
Other comprehensive income	—	—	1,501	—	1,501
Dividends - $0.215 per share	—	—	—	(7,524)	(7,524)
Share repurchases	(330)	(7,617)	—	—	(7,617)
Stock-based compensation	—	2,465	—	—	2,465
Stock warrant	—	353	—	—	353
Issuances of common stock for associate stock purchase plan and other stock-based awards	18	328	—	—	328
Issuances of restricted stock	10	—	—	—	—
Cancellations of stock-based awards	(15)	(31)	—	—	(31)
Balance at July 15, 2023	34,618	$ 454,844	$ 2,923	$ 310,630	$ 768,397

Shar es	Commo n	Accum ulated Other Compre hensive	Retaine d		Shar es	Commo n	Accum ulated Other Compre hensive	Retaine d	

	Outstanding	Stock	(Loss) Income	Earnings	Total	Outstanding	Stock	Income (Loss)	Earnings	Total
Balance at January 1, 2022	35,948	$ 493,783	$ (1,455)	$ 290,541	$ 782,869					
Balance at December 31, 2022						35,079	$ 468,061	$ 2,979	$ 295,028	$ 766,068
Net earnings	—	—	—	19,289	19,289	—	—	—	11,337	11,337
Other comprehensive income	—	—	23	—	23					
Dividends - $0.21 per share	—	—	—	(7,665)	(7,665)					
Other comprehensive loss						—	—	(1,557)	—	(1,557)
Dividends - $0.215 per share						—	—	—	(7,679)	(7,679)
Share repurchases						(435)	(10,910)	—	—	(10,910)
Stock-based compensation	—	4,295	—	—	4,295	—	5,147	—	—	5,147
Stock warrant	—	673	—	—	673	—	607	—	—	607

Issuances of common stock for associate stock purchase plan	3	108	—	—	108	17	358	—	—	358
Issuances of restricted stock	369	—	—	—	—	425	—	—	—	—
Cancellations of stock-based awards	(180)	(4,288)	—	—	(4,288)	(151)	(3,917)	—	—	(3,917)
Balance at April 23, 2022	36,140	$ 494,571	$ (1,432)	$ 302,165	$ 795,304					
Balance at April 22, 2023						34,935	$ 459,346	$ 1,422	$ 298,686	$ 759,454
Net earnings	—	—	—	5,115	5,115	—	—	—	19,468	19,468
Other comprehensive income	—	—	5,478	—	5,478	—	—	1,501	—	1,501
Dividends - $0.21 per share	—	—	—	(7,561)	(7,561)					
Dividends - $0.215 per share						—	—	—	(7,524)	(7,524)
Share repurchases	(215)	(6,573)	—	—	(6,573)	(330)	(7,617)	—	—	(7,617)
Stock-based compensation	—	1,397	—	—	1,397	—	2,465	—	—	2,465
Stock warrant	—	481	—	—	481	—	353	—	—	353

Issuance of common stock for associate stock purchase plan	4	104	—	—	104					
Issuances of common stock for associate stock purchase plan and other stock-based awards						18	328	—	—	328
Issuances of restricted stock	14	—	—	—	—	10	—	—	—	—
Cancellations of stock-based awards	(30)	(23)	—	—	(23)	(15)	(31)	—	—	(31)
Balance at July 16, 2022	35,913	$ 489,957	$ 4,046	$ 299,719	$ 793,722					
Balance at July 15, 2023						34,618	$ 454,844	$ 2,923	$ 310,630	$ 768,397
Net earnings						—	—	—	11,127	11,127
Other comprehensive income						—	—	2,232	—	2,232
Dividends - $0.215 per share						—	—	—	(7,475)	(7,475)
Stock-based compensation						—	2,348	—	—	2,348
Stock warrant						—	319	—	—	319

Issuances of common stock for associate stock purchase plan	19	348	—	—	348
Issuances of restricted stock	11	—	—	—	—
Cancellations of stock-based awards	(19)	(29)	—	—	(29)
Balance at October 7, 2023	34,629	$ 457,830	$ 5,155	$ 314,282	$ 777,267

See accompanying notes to condensed consolidated financial statements.

SPARTANNASH COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWSSHAREHOLDERS' EQUITY, CONTINUED

(In thousands, Unaudited)

	28 Weeks Ended	
	July 15, 2023	July 16, 2022
Cash flows from operating activities		
Net earnings	$ 30,805	$ 24,404
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Non-cash restructuring, asset impairment, and other charges	1,735	2,570
Depreciation and amortization	52,203	50,441
Non-cash rent	(2,044)	(2,462)
LIFO expense	15,839	28,032
Postretirement benefits (income) expense	(1,149)	392
Deferred income taxes	12,214	9,071
Stock-based compensation expense	7,612	5,692
Stock warrant	960	1,154

Loss (gain) on disposals of assets	46	(131)
Other operating activities	879	1,051
Changes in operating assets and liabilities:		
Accounts receivable	(20,163)	(49,528)
Inventories	(25,313)	(93,919)
Prepaid expenses and other assets	2,068	(128)
Accounts payable	32,252	67,874
Accrued payroll and benefits	(46,469)	(369)
Current income taxes	(7,645)	(7,501)
Other accrued expenses and other liabilities	(4,174)	(8,124)
Net cash provided by operating activities	49,656	28,519
Cash flows from investing activities		
Purchases of property and equipment	(60,824)	(46,431)
Net proceeds from the sale of assets	3,996	4,422
Acquisitions, net of cash acquired	(780)	(9,408)
Payments from customers on loans	740	849
Other investing activities	(189)	(139)
Net cash used in investing activities	(57,057)	(50,707)
Cash flows from financing activities		
Proceeds from senior secured credit facility	781,075	720,800
Payments on senior secured credit facility	(743,132)	(658,197)
Repayment of other long-term debt and finance lease liabilities	(4,366)	(3,771)
Share repurchases	(18,527)	(6,573)
Net payments related to stock-based award activities	(3,948)	(4,311)
Dividends paid	(15,117)	(15,165)
Other financing activities	(760)	(44)
Net cash (used in) provided by financing activities	(4,775)	32,739
Net (decrease) increase in cash and cash equivalents	(12,176)	10,551
Cash and cash equivalents at beginning of period	29,086	10,666
Cash and cash equivalents at end of period	$ 16,910	$ 21,217

			Accumulated	
			Other	
	Shares	**Common**	**Comprehensive**	**Retained**

	Outstanding	Stock	(Loss) Income	Earnings	Total
Balance at January 1, 2022	35,948	$ 493,783	$ (1,455)	$ 290,541	$ 782,869
Net earnings	—	—	—	19,289	19,289
Other comprehensive income	—	—	23	—	23
Dividends - $0.21 per share	—	—	—	(7,665)	(7,665)
Stock-based compensation	—	4,295	—	—	4,295
Stock warrant	—	673	—	—	673
Issuances of common stock for associate stock purchase plan	3	108	—	—	108
Issuances of restricted stock	369	—	—	—	—
Cancellations of stock-based awards	(180)	(4,288)	—	—	(4,288)
Balance at April 23, 2022	36,140	$ 494,571	$ (1,432)	$ 302,165	$ 795,304
Net earnings	—	—	—	5,115	5,115
Other comprehensive income	—	—	5,478	—	5,478
Dividends - $0.21 per share	—	—	—	(7,561)	(7,561)
Share repurchases	(215)	(6,573)	—	—	(6,573)
Stock-based compensation	—	1,397	—	—	1,397
Stock warrant	—	481	—	—	481
Issuance of common stock for associate stock purchase plan	4	104	—	—	104
Issuances of restricted stock	14	—	—	—	—
Cancellations of stock-based awards	(30)	(23)	—	—	(23)
Balance at July 16, 2022	35,913	$ 489,957	$ 4,046	$ 299,719	$ 793,722
Net earnings	—	—	—	9,464	9,464
Other comprehensive loss	—	—	(519)	—	(519)
Dividends - $0.21 per share	—	—	—	(7,436)	(7,436)
Share repurchases	(543)	(16,716)	—	—	(16,716)
Stock-based compensation	—	1,280	—	—	1,280
Stock warrant	—	505	—	—	505
Issuances of common stock for associate stock purchase plan	5	121	—	—	121
Issuances of restricted stock	4	—	—	—	—
Cancellations of stock-based awards	(20)	(11)	—	—	(11)
Balance at October 8, 2022	35,359	$ 475,136	$ 3,527	$ 301,747	$ 780,410

See accompanying notes to condensed consolidated financial statements.

8

SPARTANNASH COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands, Unaudited)

	40 Weeks Ended	
	October 7, 2023	**October 8, 2022**
Cash flows from operating activities		
Net earnings	$ 41,932	$ 33,868
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Non-cash restructuring, asset impairment, and other charges	1,273	1,664
Depreciation and amortization	75,245	72,274
Non-cash rent	(2,760)	(3,428)
LIFO expense	22,445	42,916
Postretirement benefits income	(1,990)	(367)
Deferred income taxes	11,388	5,299
Stock-based compensation expense	9,960	6,972
Stock warrant	1,279	1,659
Loss (gain) on disposals of assets	304	(68)
Other operating activities	1,308	1,501
Changes in operating assets and liabilities:		
Accounts receivable	(23,071)	(68,142)
Inventories	(32,688)	(140,698)
Prepaid expenses and other assets	(3,558)	(2,043)
Accounts payable	37,517	54,682
Accrued payroll and benefits	(34,960)	16,348
Current income taxes	(3,564)	(350)
Other accrued expenses and other liabilities	(4,380)	(14,633)
Net cash provided by operating activities	95,680	7,454
Cash flows from investing activities		

Purchases of property and equipment	(86,212)	(66,282)
Net proceeds from the sale of assets	4,055	28,981
Acquisitions, net of cash acquired	(780)	(9,408)
Payments from customers on loans	1,097	1,103
Other investing activities	(163)	(350)
Net cash used in investing activities	(82,003)	(45,956)
Cash flows from financing activities		
Proceeds from senior secured credit facility	1,044,242	1,057,633
Payments on senior secured credit facility	(1,017,484)	(955,456)
Repayment of other long-term debt and finance lease liabilities	(6,279)	(5,116)
Share repurchases	(18,527)	(23,289)
Net payments related to stock-based award activities	(3,977)	(4,322)
Dividends paid	(22,381)	(22,458)
Other financing activities	(803)	(192)
Net cash (used in) provided by financing activities	(25,209)	46,800
Net (decrease) increase in cash and cash equivalents	(11,532)	8,298
Cash and cash equivalents at beginning of period	29,086	10,666
Cash and cash equivalents at end of period	$ 17,554	$ 18,964

See accompanying notes to condensed consolidated financial statements.

SPARTANNASH COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1 – Summary of Significant Accounting Policies and Basis of Presentation

The accompanying unaudited condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and include the accounts of SpartanNash Company and its subsidiaries (“SpartanNash” or “the Company”). Intercompany accounts and transactions have been eliminated. For further information, refer to the consolidated financial statements and footnotes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

In the opinion of management, the accompanying condensed consolidated financial statements, taken as a whole, contain all adjustments, including normal recurring items, necessary to present fairly the financial position of SpartanNash as of July 15, 2023 October 7, 2023, and the results of its operations and cash flows for the interim periods presented. The preparation of the condensed consolidated financial statements and related notes to the financial statements requires management to make estimates. Estimates are based on historical experience, where applicable, and expectations of future outcomes which management believes are reasonable under the circumstances. Interim results are not necessarily indicative of results for a full year.

The unaudited information in the condensed consolidated financial statements for the second third quarter and year-to-date periods of 2023 and 2022 include the results of operations of the Company for the 12- and 28-week 40-week periods ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022, respectively.

Segment Change

At the beginning of the third quarter of 2022, the Company combined the previous Food Distribution and Military operating segments into one operating segment: Wholesale. Accordingly, the Company's business now consists of two reportable segments: Wholesale and Retail. Segment financial information for the comparative prior year periods within this quarterly report has been recast to reflect this update.

Note 2 – Adoption of New Accounting Standards and Recently Issued Accounting Standards

As of July 15, 2023 October 7, 2023 and for the period then ended, there were no recently adopted accounting standards that had a material impact on the Company’s condensed consolidated financial statements. There were no recently issued accounting standards not yet adopted which would have a material effect on the Company’s condensed consolidated financial statements.

Note 3 – Revenue

Disaggregation of Revenue

The following table provides information about disaggregated revenue by type of products and customers for each of the Company’s reportable segments:

	12 Weeks Ended July 15, 2023			28 Weeks Ended July 15, 2023			12 Weeks Ended October 7, 2023			40 Weeks Ended October 7, 2023		
(In thousands)	Whole sale	Retail	Total	Whole sale	Retail	Total	Whole sale	Retail	Total	Whole sale	Retail	Total
Type of products:												

Center store (a)	$ 603,441	$ 260,838	$ 864,279	$ 1,431,142	$ 575,652	$ 2,006,794	$ 623,273	$ 256,550	$ 879,823	$ 2,054,415	$ 832,202	$ 2,886,617
Fresh (b)	508,004	257,915	765,919	1,162,262	568,627	1,730,889	488,929	243,198	732,127	1,651,191	811,825	2,463,016
Non-food (c)	499,440	119,245	618,685	1,070,407	266,844	1,337,251	465,473	120,149	585,622	1,535,880	386,993	1,922,873
Fuel	—	40,787	40,787	—	89,053	89,053	—	42,114	42,114	—	131,167	131,167

Other	22,479	245	22,724	55,237	564	55,801	24,325	237	24,562	79,562	801	80,363
Total	$ 1,633,364	$ 679,030	$ 2,312,394	$ 3,719,048	$ 1,500,740	$ 5,219,788	$ 1,602,000	$ 662,248	$ 2,264,248	$ 5,321,048	$ 2,162,988	$ 7,484,036
Type of customers:												
Individuals	$ —	$ 678,785	$ 678,785	$ —	$ 1,500,177	$ 1,500,177	$ —	$ 662,011	$ 662,011	$ —	$ 2,162,188	$ 2,162,188
Independent retailers (d)	563,412	—	563,412	1,266,218	—	1,266,218	548,656	—	548,656	1,814,874	—	1,814,874

	12 Weeks Ended July 16, 2022			28 Weeks Ended July 16, 2022			12 Weeks Ended October 8, 2022			40 Weeks Ended October 8, 2022		
National accounts	554,451	—	554,451	1,236,436	—	1,236,436	504,971	—	504,971	1,741,407	—	1,741,407
Military (e)	504,736	—	504,736	1,190,431	—	1,190,431	538,790	—	538,790	1,729,221	—	1,729,221
Other	10,765	245	11,010	25,963	563	26,526	9,583	237	9,820	35,546	800	36,346
Total	$ 1,633,364	$ 679,030	$ 2,312,394	$ 3,719,048	$ 1,500,740	$ 5,219,788	$ 1,602,000	$ 662,248	$ 2,264,248	$ 5,321,048	$ 2,162,988	$ 7,484,036

(In thousands)	Wholesale	Retail	Total	Wholesale	Retail	Total	Wholesale	Retail	Total	Wholesale	Retail	Total
Type of products:												
Center store (a)	$ 599,945	$ 252,016	$ 851,961	$ 1,367,598	$ 547,072	$ 1,914,670	$ 642,552	$ 259,044	$ 901,596	$ 2,010,150	$ 806,116	$ 2,816,266
Fresh (b)	511,366	258,288	769,654	1,139,420	558,167	1,697,587	508,440	253,712	762,152	1,647,860	811,879	2,459,739
Non-food (c)	462,168	104,510	566,678	1,015,307	235,941	1,251,248	450,974	106,074	557,048	1,466,281	342,015	1,808,296

Fuel	—	57,356	57,356	—	111,947	111,947	—	47,567	47,567	—	159,514	159,514
Other	28,006	235	28,241	61,539	557	62,096	27,903	246	28,149	89,442	803	90,245
Total	$ 1,601,485	$ 672,405	$ 2,273,890	$ 3,583,864	$ 1,453,684	$ 5,037,548	$ 1,629,869	$ 666,643	$ 2,296,512	$ 5,213,733	$ 2,120,327	$ 7,334,060
Type of customers:												
Individuals	$ —	$ 672,179	$ 672,179	$ —	$ 1,453,138	$ 1,453,138	$ —	$ 666,415	$ 666,415	$ —	$ 2,119,553	$ 2,119,553

Independent retailers (d)	554,504	—	554,504	1,233,493	—	1,233,493	554,191	—	554,191	1,787,685	—	1,787,685
National accounts	552,437	—	552,437	1,232,725	—	1,232,725	552,980	—	552,980	1,785,704	—	1,785,704
Military (e)	480,716	—	480,716	1,088,510	—	1,088,510	508,102	—	508,102	1,596,612	—	1,596,612
Other	13,828	226	14,054	29,136	546	29,682	14,596	228	14,824	43,732	774	44,506

Total	$ 1,601,485	$ 672,405	$ 2,273,890	$ 3,583,864	$ 1,453,684	$ 5,037,548	$ 1,629,869	$ 666,643	$ 2,296,512	$ 5,213,733	$ 2,120,327	$ 7,334,060
(a) Center store includes dry grocery, frozen and beverages.	(a) Center store includes dry grocery, frozen and beverages.						(a) Center store includes dry grocery, frozen and beverages.					
(b) Fresh includes produce, meat, dairy, deli, bakery, prepared proteins, seafood and floral.	(b) Fresh includes produce, meat, dairy, deli, bakery, prepared proteins, seafood and floral.						(b) Fresh includes produce, meat, dairy, deli, bakery, prepared proteins, seafood and floral.					
(c) Non-food includes general merchandise, health and beauty care, tobacco products and pharmacy.	(c) Non-food includes general merchandise, health and beauty care, tobacco products and pharmacy.						(c) Non-food includes general merchandise, health and beauty care, tobacco products and pharmacy.					

(d) Independent retailers include sales to manufacturers, brokers and distributors.	(d) Independent retailers include sales to manufacturers, brokers and distributors.	(d) Independent retailers include sales to manufacturers, brokers and distributors.
(e) Military represents the distribution of grocery products to U.S. military commissaries and exchanges, which primarily includes sales to manufacturers and brokers.	(e) Military represents the distribution of grocery products to U.S. military commissaries and exchanges, which primarily includes sales to manufacturers and brokers.	(e) Military represents the distribution of grocery products to U.S. military commissaries and exchanges, which primarily includes sales to manufacturers and brokers.

Contract Assets and Liabilities

Under its contracts with customers, the Company stands ready to deliver product upon receipt of a purchase order. Accordingly, the Company has no performance obligations under its contracts until its customers submit a purchase order. The Company does not receive pre-payment from its customers or enter into commitments to provide goods or services that have terms greater than one year. As the performance obligation is part of a contract that has an original expected duration of less than one year, the Company has applied the practical expedient under Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*, to omit disclosures regarding remaining performance obligations.

Revenue recognized from performance obligations related to prior periods (for example, due to changes in estimated rebates and incentives impacting the transaction price) was not material in any period presented.

For volume-based arrangements, the Company estimates the amount of the advanced funds earned by the retailers based on the expected volume of purchases by the retailer and amortizes the advances as a reduction of the transaction price and revenue earned. These advances are not considered contract assets under ASC 606 as they are not generated through the transfer of goods or services to the retailers. These advances are included in Other assets, net within the condensed consolidated balance sheets.

When the Company transfers goods or services to a customer, payment is due subject to normal terms and is not conditional on anything other than the passage of time. Typical payment terms range from "due upon receipt" to due within 30 days, depending on the customer. At contract inception, the Company expects that the period of time between the transfer of goods to the customer and when the customer pays for those goods will be less than one year, which is consistent with the Company’s standard payment terms. Accordingly, the Company has elected the practical expedient to not adjust for the effects of a significant financing component. As a result, these amounts are recorded as receivables and not contract assets. The Company had no contract assets for any period presented.

The Company does not typically incur incremental costs of obtaining a contract that are contingent upon successful contract execution and would therefore be capitalized.

Allowance for Credit Losses

Changes to the balance of the allowance for credit losses were as follows:

	Allowance for Credit Losses			Allowance for Credit Losses		
(In thousands)	Current Accounts and Notes Receivable	Long-term Notes Receivable	Total	Current Accounts and Notes Receivable	Long-term Notes Receivable	Total
Balance at December 31, 2022	$ 6,098	$ 948	$ 7,046	$ 6,098	$ 948	$ 7,046
Changes in credit loss estimates	(1,214)	439	(775)	(1,314)	439	(875)
Write-offs charged against the allowance	(408)	—	(408)	(448)	—	(448)
Balance at July 15, 2023	4,476	1,387	5,863			

Balance at October 7, 2023	4,336	1,387	5,723

(In thousands)	Allowance for Credit Losses			Allowance for Credit Losses		
	Current Accounts and Notes Receivable	**Long-term Notes Receivable**	**Total**	**Current Accounts and Notes Receivable**	**Long-term Notes Receivable**	**Total**
Balance at January 1, 2022	$ 4,414	$ 731	$ 5,145	$ 4,414	$ 731	$ 5,145
Changes in credit loss estimates	307	—	307	903	—	903
Write-offs charged against the allowance	(545)	—	(545)	(756)	—	(756)
Balance at July 16, 2022	4,176	731	4,907			
Balance at October 8, 2022				4,561	731	5,292

Note 4 – Goodwill and Other Intangible Assets

The Company has two reporting units, Wholesale and Retail. The carrying amount of goodwill recorded within the Wholesale reporting unit was $181.0 million and the value within the Retail reporting unit was $1.1 million as of both July 15, 2023 October 7, 2023 and December 31, 2022.

The Company has indefinite-lived intangible assets that are not amortized, consisting primarily of indefinite-lived trade names and liquor licenses. The carrying amount of indefinite-lived intangible assets was $67.8 million as of both July 15, 2023 October 7, 2023 and December 31, 2022.

The Company reviews goodwill and other indefinite-lived intangible assets for impairment annually, during the fourth quarter of each year, and more frequently if circumstances indicate impairment is probable. Such circumstances have not arisen in the current fiscal year. Testing goodwill and other indefinite-lived intangible assets for impairment requires management to make significant estimates about the Company's future performance, cash flows, and other assumptions that can be affected by potential changes in economic, industry or market conditions, business operations, competition, or the Company's stock price and market capitalization.

Note 5 – Restructuring and Asset Impairment

The following table provides the activity of reserves for closed properties for the 28-week 40-week period ended July 15, 2023 October 7, 2023. Included in the liability are lease-related ancillary costs from the date of closure to the end of the remaining lease term, as well as related severance. Reserves for closed properties recorded in the condensed consolidated balance sheets are included in “Other accrued expenses” in Current liabilities and “Other long-term liabilities” in Long-term liabilities based on the timing of when the obligations are expected to be paid. Reserves for severance are recorded in “Accrued payroll and benefits”.

	Reserves for Closed Properties			Reserves for Closed Properties		
(In thousands)	Lease Ancillary Costs	Severance	Total	Lease Ancillary Costs	Severance	Total
Balance at December 31, 2022	$ 3,977	$ —	$ 3,977	$ 3,977	$ —	$ 3,977
Provision for severance	—	20	20	—	21	21
Changes in estimates	54	—	54	(228)	—	(228)
Accretion expense	60	—	60	83	—	83
Payments	(699)	(20)	(719)	(836)	(21)	(857)
Balance at July 15, 2023	$ 3,392	$ —	$ 3,392			
Balance at October 7, 2023				$ 2,996	$ —	$ 2,996

Restructuring and asset impairment, net in the condensed consolidated statements of earnings consisted of the following:

	12 Weeks Ended		28 Weeks Ended		12 Weeks Ended		40 Weeks Ended	
(In thousands)	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022

Asset impairment charges (a)	$ —	$ 3,480	$ 3,745	$ 3,480	$ —	$ 752	$ 3,745	$ 4,232
Gain on sales of assets related to closed facilities (b)	(2,529)	(615)	(2,590)	(615)				
Provision for closing charges					—	857	—	857
Loss (gain) on sales of assets related to closed facilities (b)					120	(2,553)	(2,470)	(3,168)
Provision for severance	20	—	20	9	1	—	21	9
Other costs (income) associated with site closures (c)	286	(106)	600	(75)				
Other (income) costs associated with site closures (c)					(4)	58	596	(17)
Lease termination adjustments (d)	—	(102)	—	(102)	—	—	—	(102)
Changes in estimates (e)	(31)	(46)	54	(73)	(575)	—	(521)	(73)
Total	$ (2,254)	$ 2,611	$ 1,829	$ 2,624	$ (458)	$ (886)	$ 1,371	$ 1,738

(a) Asset impairment charges in the current year relate to two store closures within the Retail segment and impairment losses related to a distribution location that sustained significant storm damage within the Wholesale segment. In the prior year, asset impairment charges were incurred in the Retail segment and related to restructuring of the Retail segment's e-commerce delivery model. model and a store closure.

(b) Gains Loss (gain) on sale sales of assets in the current year primarily relate to the sale of a store within the Retail segment. Gains on sales of assets in the prior year relates to the sales of real property of previously closed locations within the Wholesale and Retail segment. segments.

(c) Other costs net activity in the current year primarily relate to Retail store closings. In the prior year, activity primarily relates to restructuring activity within the Wholesale segment and Retail store closings.

(d) Lease termination adjustments in the prior year relate to the gain recognized upon termination of to terminate a lease agreement.

(e) Changes in estimates primarily relate to revised estimates for turnover and other lease ancillary costs associated with previously closed locations. The current quarter also included a $0.3 million gain for additional insurance proceeds received related to a distribution location that sustained significant storm damage within the Wholesale segment.

Long-lived assets which are not recoverable are measured at fair value on a nonrecurring basis using Level 3 inputs under the fair value hierarchy, as further described in Note 6. In the current year, assets with a book value of $7.4 million were measured at a fair value of $3.7 million, resulting in impairment charges of $3.7 million. In the prior year, long-lived assets with a book value of $4.1 4.3 million were measured at a fair value of $0.6 0.1 million, resulting in impairment charges of $3.5 4.2 million. The fair value of long-lived assets is determined by estimating the amount and timing of net future cash flows, including the expected proceeds from the sale of assets and expected insurance recoveries, discounted using a risk-adjusted rate of interest. The Company estimates future cash flows based on historical results of operations, external factors expected to impact future performance, experience and knowledge of the geographic area in which the assets are located, and when necessary, uses the support of real estate brokers.

Note 6 – Fair Value Measurements

ASC 820, *Fair Value Measurement*, prioritizes the inputs to valuation techniques used to measure fair value into the following hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability, reflecting the reporting entity's own assumptions about the assumptions that market participants would use in pricing.

Financial instruments include cash and cash equivalents, accounts and notes receivable, accounts payable and long-term debt. The carrying amounts of cash and cash equivalents, accounts and notes receivable, and accounts payable approximate fair value because of the short-term maturities of these financial instruments. For discussion of the fair value measurements related to goodwill, and long- or indefinite-lived asset impairment charges, refer to Notes 4 and 5. At July 15, 2023 October 7, 2023 and December 31, 2022, the book value and estimated fair value of the Company's debt instruments, excluding debt financing costs, were as follows:

(In thousands)	**July 15, 2023**	**December 31, 2022**	**October 7, 2023**	**December 31, 2022**
Book value of debt instruments, excluding debt financing costs:				
Current maturities of long-term debt and finance lease liabilities	$ 7,644	$ 6,789	$ 8,410	$ 6,789

Long-term debt and finance lease liabilities	550,518	501,419	540,147	501,419
Total book value of debt instruments	558,162	508,208	548,557	508,208
Fair value of debt instruments, excluding debt financing costs	557,410	507,668	545,025	507,668
Deficit of fair value over book value	$ (752)	$ (540)	$ (3,532)	$ (540)

The estimated fair value of debt is based on market quotes for instruments with similar terms and remaining maturities (Level 2 inputs and valuation techniques).

The Company's interest rate swap agreement is considered a Level 2 instrument. The Company values the interest rate swap using standard models and observable market inputs including SOFR interest rates and discount rates, which are considered Level 2 inputs. The location and the fair value of the interest rate swap agreement in the condensed consolidated balance sheet is disclosed in Note 7.

Note 7 – Derivatives

Hedging of Interest Rate Risk

During the first quarter of 2023, the Company entered into an interest rate swap contract to mitigate its exposure to changes in variable interest rates. The Company's interest rate swap is designated as a cash flow hedge as of both the effective date, March 17, 2023, and as of July 15, 2023 October 7, 2023. The interest rate swap is reflected at its fair value in the condensed consolidated balance sheets. Refer to Note 6 for further information on the fair value of the interest rate swap.

Details of the pay-fixed, receive-floating interest rate swap contract as of July 15, 2023 October 7, 2023 are as follows:

Effective Date	Maturity Date	Notional Value (in millions)	Pay Fixed Rate	Receive Floating Rate	Floating Rate Reset Terms
March 17, 2023	November 17, 2027	$150	3.646%	One-Month CME Term SOFR	Monthly

The Company performed an initial quantitative assessment of hedge effectiveness using the change-in-variable-cash-flows method. Under this method, the Company assessed the effectiveness of the hedging relationship by comparing the present value of the cumulative change in the expected future cash flows on the variable leg of the interest rate swap with the present value of the cumulative change in the expected future interest cash flows on the variable-rate debt. The Company determined the interest rate swap to be highly effective. To assess for continued hedge effectiveness, the

Company performs a retrospective and prospective qualitative assessment each quarter. The Company also monitors the credit risk of the counterparty on an ongoing basis. The change in the fair value of the interest rate swap is initially reported in "Other comprehensive income" in the condensed consolidated statements of comprehensive income and subsequently reclassified to earnings in "Interest expense, net" in the condensed consolidated statements of earnings when the hedged transactions affect earnings.

The location and the fair value of the interest rate swap in the condensed consolidated balance sheets as of July 15, 2023 October 7, 2023 is as follows:

(In thousands)	Condensed Consolidated Balance Sheet Location	Derivative Fair Value July 15,	Derivative Fair Value October 7, 2023
Cash Flow Hedge:			
Interest rate swap	Prepaid expenses and other current assets	$	2,309 2,489
Interest rate swap	Other long-term liabilities assets, net	883	2,344
Interest rate swap	Accumulated other comprehensive income	876	3,652

The location and amount of gains recognized in the condensed consolidated statements of earnings for the interest rate swap, presented on a pre-tax basis, are as follows:

(In thousands)	12 Weeks Ended July 15, 2023 Interest expense, net	28 Weeks Ended July 15, 2023 Interest expense, net	12 Weeks Ended October 7, 2023 Interest expense, net	40 Weeks Ended October 7, 2023 Interest expense, net
Total amounts of expense line items presented in the condensed consolidated statements of earnings in which the effects of cash flow hedges are recorded	$ 9,349	$ 20,938	$ 9,280	$ 30,218
Gain on cash flow hedging relationships:				

Gain reclassified from comprehensive income into earnings	494	669	573	1,242

Note 8 – Commitments and Contingencies

The Company is engaged from time-to-time in routine legal proceedings incidental to its business. The Company does not believe that these routine legal proceedings, taken as a whole, will have a material impact on its business or financial condition. While the ultimate effect of such actions cannot be predicted with certainty, management believes that their outcome will not result in an adverse effect on the Company's consolidated financial position, operating results or liquidity.

14

The Company has contributed and is required to continue making contributions to the Central States Southeast and Southwest Pension Fund (the "Central States Plan" or the "Plan"), a multi-employer pension plan, based on obligations arising from certain of its collective bargaining agreements. If the Company were to cease making such contributions and triggered a withdrawal from the Plan, it is possible that the Company would be obligated to pay a withdrawal liability to the Plan if the Plan is underfunded at the time of such withdrawal.

13

On March 10, 2021, the United States Congress passed the American Rescue Plan Act of 2021 (the "Act"), which provides financial relief to certain failing multiemployer pension plans. On January 12, 2023, the Central States Plan received approximately $35.8 billion in Special Financial Assistance ("SFA"), inclusive of interest, which is designed to alleviate the risk of insolvency of the Plan.

Based on the most recent information available to the Company, management believes the value of assets held in trust to pay benefits covers the present value of actuarial accrued liabilities in the Central States Plan. Except with respect to the approved SFA, management is not aware of any significant change in funding levels in the Plan since December 31, 2022. Due to uncertainty regarding future factors that could trigger a withdrawal liability, as well as the absence of specific information regarding matters such as the Plan's current financial situations, we are the Company is unable to determine with certainty the current amount of the Plan's funding and/or SpartanNash's current potential withdrawal liability exposure in the event of a future withdrawal from the Plan. Any adjustment for withdrawal liability would be recorded when it is probable that a liability exists and can be reasonably determined.

Note 9 – Associate Retirement Plans

During the 12- and 28-week 40- week periods ended July 15, 2023 October 7, 2023, the Company recognized net periodic postretirement benefit income of $0.6 0.7 million and costs of $1.5 2.2 million, respectively, related to the SpartanNash Retiree Medical Plan ("Retiree Medical Plan" or "Plan"). During the 12- and 28- 40- week periods ended July 16, 2022 October 8, 2022 the Company recognized net periodic postretirement benefit expense income of $0.7 million and expense of $0.9 0.2 million, respectively, related to the Retiree Medical Plan.

Effective June 30, 2022, the Company has amended the Retiree Medical Plan. In connection with the amendment, the Company will make lump sum cash payments to all active and retired participants in lieu of future monthly benefits and reimbursements previously offered under the Plan. As a result of the amendment effective June 30, 2022, the Plan obligation was remeasured, resulting in a reduction to the obligation of $6.6 million and a corresponding prior service credit in AOCI, which will be amortized to net periodic postretirement benefit income over the remaining period until the final payment on July 1, 2024. During the 12- and 28- 40- week periods ended July 15, 2023 October 7, 2023, the Company recognized $0.8 million and $1.8 2.5 million in net periodic postretirement benefit income related to the amortization of the prior service credit from AOCI. During the 12- and 40- week periods ended October 8, 2022, the Company recognized $0.8 million and $0.9 million in net periodic postretirement benefit income related to the amortization of the prior service credit from AOCI.

On July 1, 2023 and July 1, 2022, the Company made lump sum payments to retired participants totaling $1.3 million and $2.0 million, respectively. The payments constituted partial settlements of the Plan, which resulted in the recognition within net periodic postretirement expense of $0.3 million and $0.7 million on July 1, 2023 and July 1, 2022, respectively, related to the net actuarial loss within AOCI. The remaining payment, which relates to active participants, is expected to be made on or about July 1, 2024.

The Company's retirement programs also include defined contribution plans providing contributory benefits, as well as executive compensation plans for a select group of management personnel and/or highly compensated associates.

In the first quarter of the prior year, the Company realized a gain of $0.2 million related to a refund from the annuity provider associated with an ineligible participant previously included in the terminated SpartanNash Company Pension Plan. These amounts are included in "Other, net" in the condensed consolidated statements of earnings.

Multi-Employer Plans

In addition to the plans listed above, the Company participates in the Central States Southeast and Southwest Pension Fund, the Michigan Conference of Teamsters and Ohio Conference of Teamsters Health and Welfare plans (collectively referred to as "multi-employer plans"), and other company-sponsored defined contribution plans for most associates covered by collective bargaining agreements.

With respect to the Company's participation in the Central States Plan, expense is recognized as contributions are payable. The Company's contributions during the 12- week periods ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022 were $3.3 2.3 million and $3.1 2.2 million, respectively. The Company's contributions during the 28-week 40-week periods ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022 were $7.6 9.8 million and $6.9 9.1 million, respectively. See Note 8 for further information regarding contingencies related to the Company's participation in the Central States Plan.

Note 10 – Income Taxes

The effective income tax rate was 28.2 23.7% and 29.0 32.5% for the 12 weeks ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022, respectively. The effective income tax rate was 24.7 24.4% and 22.2 25.4% for the 28 40 weeks ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022, respectively.

15

The difference from the federal statutory rate in the current year and prior year quarters was were primarily due to state taxes and non-deductible expenses, partially offset by benefits associated with federal tax credits. The difference from the federal statutory rate in the current year was primarily due to state taxes and non-deductible expenses, partially offset by benefits associated with federal tax credits, discrete tax benefits due to a change in contingencies and discrete tax benefits related to stock compensation. The difference in the federal statutory rate in the prior year was primarily due to state taxes, limitations on the deductibility of executive compensation and non-deductible expenses, partially offset by benefits associated with federal tax credits and discrete tax benefits related to stock compensation.

14

Note 11 – Stock-Based Compensation

Stock-Based Employee Awards

The Company sponsors shareholder-approved stock incentive plans that provide for the granting of stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance share units, dividend equivalent rights, and other stock-based and stock-related awards to directors, officers and other key associates.

Stock-based compensation expense recognized and included in “Selling, general and administrative expenses” in the condensed consolidated statements of earnings, and related tax impacts were as follows:

	12 Weeks Ended		28 Weeks Ended		12 Weeks Ended		40 Weeks Ended	
(In thousands)	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022
Restricted stock expense	$ 1,896	$ 1,397	$ 6,697	$ 5,692	$ 1,771	$ 1,280	$ 8,468	$ 6,972
Performance share unit expense	569	—	915	—	577	—	1,492	—
Income tax benefit	(742)	(458)	(2,909)	(3,048)	(593)	(582)	(3,502)	(3,630)
Stock-based compensation expense, net of tax	$ 1,723	$ 939	$ 4,703	$ 2,644	$ 1,755	$ 698	$ 6,458	$ 3,342

The following table summarizes activity in the stock incentive plans for the 28 40 weeks ended July 15, 2023 October 7, 2023:

	Restricted Stock Awards	Weighted Average Grant-Date Fair Value	Performance Share Unit Awards	Weighted Average Grant-Date Fair Value	Restricted Stock Awards	Weighted Average Grant-Date Fair Value	Performance Share Unit Awards	Weighted Average Grant-Date Fair Value
Outstanding at December 31, 2022	863,063	$ 22.05	—	$ —	863,063	$ 22.05	—	$ —
Granted	434,625	27.12	294,848	27.11	445,762	26.97	299,840	27.01
Vested	(429,102)	21.16	—	—	(432,150)	21.16	—	—
Cancelled/Forfeited	(20,165)	26.52	—	—	(38,062)	26.22	(2,803)	27.24
Outstanding at July 15, 2023	848,421	$ 25.00	294,848	$ 27.11				
Outstanding at October 7, 2023					838,613	$ 24.94	297,037	$ 27.01

As of July 15, 2023 October 7, 2023, total unrecognized compensation cost related to nonvested restricted stock awards granted under the Company's stock incentive plans is $13.1 11.1 million and is expected to be recognized over a weighted average period of 2.0 1.9 years. As of July 15, 2023 October 7, 2023, total unrecognized compensation cost related to nonvested performance share unit awards granted under the Company's stock incentive plans is $7.1 6.5 million and is expected to be recognized over a weighted average period of 2.5 2.2 years.

Stock Warrant

On October 7, 2020, in connection with its entry into a commercial agreement with Amazon.com, Inc. ("Amazon"), the Company issued Amazon.com NV Investment Holdings LLC, a subsidiary of Amazon, a warrant to acquire up to an aggregate of 5,437,272 shares of the Company's common stock (the "Warrant"), subject to certain vesting conditions. Warrant shares totaling 1,087,455 shares vested upon the signing of the commercial agreement and had a grant date fair value of $5.51 per share. Warrant shares totaling up to 4,349,817 shares may vest in connection with conditions defined by the terms of the Warrant, as Amazon makes payments to the Company in connection with the commercial supply agreement, in increments of $200 million, and had a grant date fair value of $5.33 per share. Upon vesting, shares may be acquired at an exercise price of $17.7257. The Warrant contains customary anti-dilution, down-round and change-in-control provisions. The right to purchase shares in connection with the Warrant expires on October 7, 2027.

Share-based payment expense recognized as a reduction of “Net sales” in the condensed consolidated statements of earnings, and related tax benefits were as follows:

(In thousands)	12 Weeks Ended		40 Weeks Ended	
	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022
Warrant expense	$ 319	$ 505	$ 1,279	$ 1,659
Income tax benefit	(43)	(46)	(138)	(187)
Warrant expense, net of tax	$ 276	$ 459	$ 1,141	$ 1,472

(In thousands)	12 Weeks Ended		28 Weeks Ended	
	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022
Warrant expense	$ 353	$ 481	$ 960	$ 1,154
Income tax benefit	(31)	(42)	(95)	(126)
Warrant expense, net of tax	$ 322	$ 439	$ 865	$ 1,028

The following table summarizes stock warrant activity for the 28 40 weeks ended July 15, 2023 October 7, 2023:

	Warrant
Outstanding and nonvested at December 31, 2022	3,479,849
Vested	(108,746 217,492)
Outstanding and nonvested at July 15, 2023 October 7, 2023	3,371,103 3,262,357

As of July 15, 2023 October 7, 2023, total unrecognized cost related to nonvested warrant shares was $17.6 17.2 million, which may be expensed as vesting conditions are satisfied over the remaining term of the agreement, or 4.2 4.0 years. Warrants representing 2,066,169 2,174,915 shares are vested and exercisable. As of July 15, 2023 October 7, 2023, nonvested warrant shares had an intrinsic value of $12.5 17.1 million, and vested warrant shares had an intrinsic value of $7.7 11.4 million.

Note 12 – Earnings Per Share

Outstanding nonvested restricted stock awards under the 2015 Stock Incentive Plan contain nonforfeitable rights to dividends or dividend equivalents, which participate in undistributed earnings with common stock. These awards are classified as participating securities and are included in the calculation of basic earnings per share. Awards under the 2020 Stock Incentive Plan do not contain nonforfeitable rights to dividends or dividend equivalents and are therefore not classified as participating securities. The dilutive impact of both the restricted stock awards and warrants are presented below, as applicable. Weighted average restricted stock awards that were not included in the EPS calculations because they were anti-dilutive were 288,041 and 18,340 for the 12- and 40- week periods ended October 7, 2023, respectively. The performance share units are not currently dilutive. The following table sets forth the computation of basic and diluted net earnings per share:

	12 Weeks Ended		28 Weeks Ended		12 Weeks Ended		40 Weeks Ended	
(In thousands, except per share amounts)	**July 15, 2023**	**July 16, 2022**	**July 15, 2023**	**July 16, 2022**	**October 7, 2023**	**October 8, 2022**	**October 7, 2023**	**October 8, 2022**
Numerator:								
Net earnings	$ 19,468	$ 5,115	$ 30,805	$ 24,404	$ 11,127	$ 9,464	$ 41,932	$ 33,868
Adjustment for earnings attributable to participating securities	(140)	(54)	(254)	(307)	(81)	(100)	(333)	(406)
Net earnings used in calculating earnings per share	$ 19,328	$ 5,061	$ 30,551	$ 24,097	$ 11,046	$ 9,364	$ 41,599	$ 33,462
Denominator:								
Weighted average shares outstanding, including participating securities	34,125	35,564	34,366	35,565	34,020	35,160	34,262	35,444
Adjustment for participating securities	(246)	(373)	(283)	(448)	(247)	(370)	(272)	(425)
Shares used in calculating basic earnings per share	33,879	35,191	34,083	35,117	33,773	34,790	33,990	35,019
Effect of dilutive stock warrant	468	789	650	735	432	792	614	784

Effect of dilutive restricted stock awards	48	175	100	170	72	193	91	170
Shares used in calculating diluted earnings per share	34,395	36,155	34,833	36,022	34,277	35,775	34,695	35,973
Basic earnings per share	$ 0.57	$ 0.14	$ 0.90	$ 0.69	$ 0.33	$ 0.27	$ 1.22	$ 0.96
Diluted earnings per share	$ 0.56	$ 0.14	$ 0.88	$ 0.67	$ 0.32	$ 0.26	$ 1.20	$ 0.93

Note 13 – Supplemental Cash Flow Information

Supplemental cash flow information is as follows:

	28 Weeks Ended		40 Weeks Ended	
(In thousands)	July 15, 2023	July 16, 2022	October 7, 2023	October 8, 2022
Non-cash investing activities:				
Capital expenditures included in accounts payable	$ 6,192	$ 3,574	$ 6,458	$ 6,341
Operating lease asset additions	27,214	9,353	34,815	16,227
Finance lease asset additions	10,000	15,386	13,492	16,204
Non-cash financing activities:				
Recognition of operating lease liabilities	27,214	9,353	34,815	16,227
Recognition of finance lease liabilities	10,000	15,386	13,492	16,204
Other supplemental cash flow information:				
Cash paid for interest	21,172	7,148	30,930	13,008

Note 14 – Segment Information

The following tables set forth information about the Company by reportable segment:

(In thousands)	Wholesale	Retail	Total	Wholesale	Retail	Total

12 Weeks Ended July 15, 2023						
12 Weeks Ended October 7, 2023						
Net sales to external customers	$ 1,633,364	$ 679,030	$ 2,312,394	$ 1,602,000	$ 662,248	$ 2,264,248
Inter-segment sales	278,886	328	279,214	274,540	434	274,974
Acquisition and integration	55	—	55	65	2,065	2,130
Restructuring and asset impairment, net	1	(2,255)	(2,254)	(293)	(165)	(458)
Depreciation and amortization	11,644	10,814	22,458	12,151	10,891	23,042
Operating earnings	21,542	14,244	35,786	18,153	4,918	23,071
Capital expenditures	13,828	8,132	21,960	16,287	9,101	25,388
12 Weeks Ended July 16, 2022						
12 Weeks Ended October 8, 2022						
Net sales to external customers	$ 1,601,485	$ 672,405	$ 2,273,890	$ 1,629,869	$ 666,643	$ 2,296,512
Inter-segment sales	279,232	240	279,472	280,892	274	281,166
Acquisition and integration	—	436	436			
Acquisition and integration, net				—	(577)	(577)
Restructuring and asset impairment, net	(139)	2,750	2,611	(2,088)	1,202	(886)

Depreciation and amortization	11,228	10,740	21,968	11,090	10,743	21,833
Operating earnings (loss)	12,697	(368)	12,329			
Operating earnings				14,015	5,285	19,300
Capital expenditures	7,960	8,533	16,493	9,642	10,209	19,851
28 Weeks Ended July 15, 2023						
40 Weeks Ended October 7, 2023						
Net sales to external customers	$ 3,719,048	$ 1,500,740	$ 5,219,788	$ 5,321,048	$ 2,162,988	$ 7,484,036
Inter-segment sales	628,180	652	628,832	902,720	1,086	903,806
Acquisition and integration	124	5	129	189	2,070	2,259
Restructuring and asset impairment, net	981	848	1,829	688	683	1,371
Depreciation and amortization	27,014	25,189	52,203	39,165	36,080	75,245
Operating earnings	47,867	12,232	60,099	66,020	17,150	83,170
Capital expenditures	38,225	22,599	60,824	54,512	31,700	86,212
28 Weeks Ended July 16, 2022						
40 Weeks Ended October 8, 2022						
Net sales to external customers	$ 3,583,864	$ 1,453,684	$ 5,037,548	$ 5,213,733	$ 2,120,327	$ 7,334,060

Inter-segment sales	623,252	401	623,653	904,144	675	904,819
Acquisitions and integration	—	675	675			
Acquisitions and integration, net				—	98	98
Restructuring and asset impairment, net	(128)	2,752	2,624	(2,216)	3,954	1,738
Depreciation and amortization	25,512	24,929	50,441	36,602	35,672	72,274
Operating earnings (loss)	40,819	(341)	40,478			
Operating earnings				54,834	4,944	59,778
Capital expenditures	25,225	21,206	46,431	34,867	31,415	66,282

(In thousands)	July 15, 2023	December 31, 2022	October 8, 2023	December 31, 2022
Total Assets				
Wholesale	$ 1,567,385	$ 1,525,760	$ 1,573,915	$ 1,525,760
Retail	759,526	780,801	759,861	780,801
Total	$ 2,326,911	$ 2,306,561	$ 2,333,776	$ 2,306,561

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

This Management's Discussion and Analysis of financial condition and results of operations should be read in conjunction with the unaudited condensed consolidated financial statements contained in this Quarterly Report on Form 10-Q, the information contained under the caption "Forward-Looking Statements," which appears at the beginning of this report, and the information in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Overview

SpartanNash, headquartered in Grand Rapids, Michigan, is a food solutions company that delivers the ingredients for a better life. Its core businesses include distributing grocery products to a diverse group of independent and chain retailers, its corporate-owned retail stores, and U.S. military commissaries and exchanges; as well as operating a premier fresh produce distribution network and the Our Family® private label brand. SpartanNash serves customer locations in all 50 states and the District of Columbia, Europe, Cuba, Puerto Rico, Honduras, Iraq, Kuwait, Bahrain, Qatar, Djibouti, Korea and Japan.

At the beginning of the third quarter of 2022, the Company combined the previous Food Distribution and Military operating segments into one operating segment: Wholesale. As a result, the Company now operates two reportable segments: Wholesale and Retail. Segment financial information for the comparative prior year periods within this quarterly report has been recast to reflect this update.

The Company's Wholesale segment provides a wide variety of nationally branded and private brand grocery products and perishable food products to independent retailers, national accounts, food service distributors, e-commerce providers, and the Company's corporate owned retail store. The Company's Wholesale segment also distributes grocery products to 160 military commissaries and over 400 exchanges worldwide. The Company is the exclusive supplier of private brand products to U.S. military commissaries, a partnership with DeCA which began in fiscal 2017.

As of the end of the second third quarter, the Company's Retail segment operated 144 corporate owned retail stores in the Midwest region primarily under the banners of *Family Fare, Martin's Super Markets and D&W Fresh Market.* The Company also offered pharmacy services in 91 of its corporate owned retail stores (81 of the pharmacies are owned by the Company), operated three pharmacy locations not associated with corporate-owned retail locations and operated 36 fuel centers. The Company's neighborhood market strategy distinguishes its corporate owned retail stores from supercenters and limited assortment stores.

All fiscal quarters are 12 weeks, except for the Company's first quarter, which is 16 weeks and will generally include the Easter holiday. The fourth quarter includes the Thanksgiving and Christmas holidays, and depending on the fiscal year end, may include the New Year's holiday.

The majority of the Company's revenues are not seasonal in nature. However, in some geographies, corporate retail stores and independent retail customers are dependent on tourism, and therefore can be affected by seasons. The Company's revenues may also be impacted by weather patterns.

2023 Second Third Quarter Highlights

Key financial and operational highlights for the second third quarter include the following:

- Net sales of $2.31 billion $2.26 billion, an increase a decrease of 1.7% 1.4%, compared to $2.27 billion $2.30 billion the prior year quarter.
- Retail comparable store sales increased 3.9% 1.2% compared to the prior year quarter.
- Net earnings of $19.5 million $11.1 million, compared to $5.1 million $9.5 million in the prior year quarter.
- Adjusted EBITDA of $66.1 million $60.9 million, compared to $61.8 million $57.3 million in the prior year quarter.
- Cash generated from operating activities was $49.7 million $95.7 million during the first half year-to-date period

fiscal 2023 compared to $28.5 million $7.5 million in the first half year-to-date period of the prior year.

- Returned $33.6 million $40.9 million to shareholders during the first half year-to-date period of fiscal 2023 throu $18.5 million in share repurchases and $22.4 million in dividends.

The Company believes that certain known or anticipated trends may cause future results to vary from historical results. The Company believes certain initiatives tied to its long-term plan including the supply chain transformation, merchandising transformation, and refreshed go-to-market strategy will favorably impact future results. The Company anticipates that additional investments in capital expenditures, and increased borrowings from the Company's senior secured credit facility, will be necessary to support these and other programs. Offsetting the Company's expectations of favorable future results are macroeconomic headwinds including economic uncertainty associated with inflation, labor costs, and interest rates. The Company continues to be exposed to inflationary impacts to other general areas including utilities, insurance and fuel costs.

18 19

Results of Operations

The following table sets forth items from the condensed consolidated statements of earnings as a percentage of net sales and the year-to-year percentage change in the dollar amounts:

	Percentage of Net Sales				Percentage Change		Percentage of Net Sales				Percentage Change	
	12 Weeks Ended		28 Weeks Ended		12 Weeks Ended	28 Weeks Ended	12 Weeks Ended		40 Weeks Ended		12 Weeks Ended	40 Weeks Ended
	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022	July 15, 2023	July 15, 2023	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022	October 7, 2023	October 7, 2023
Net sales	100.0	100.0	100.0	100.0	1.7	3.6	100.0	100.0	100.0	100.0	(1.4)	2.0
Gross profit	15.2	15.6	15.3	16.0	(0.5)	(0.7)	15.3	15.3	15.3	15.8	(1.0)	(0.8)

Selling, general and administrative	13.8	14.9	14.1	15.1	(5.9)	(3.2)	14.3	14.5	14.2	14.9	(3.2)	(3.2)
Acquisition and integration	0.0	0.0	0.0	0.0	(87.4)	(80.9)						
Acquisition and integration, net							0.1	(0.0)	0.0	0.0	**	**
Restructuring charges and asset impairment, net	(0.1)	0.1	0.0	0.1	**	(30.3)	(0.0)	(0.0)	0.0	0.0	(48.3)	(21.1)
Operating earnings	1.5	0.5	1.2	0.8	190.3	48.5	1.0	0.8	1.1	0.8	19.5	39.1
Other expenses	0.4	0.2	0.4	0.2	69.0	111.2	0.4	0.2	0.4	0.2	60.8	92.7

Earnings before income taxes	1.2	0.3	0.8	0.6	276.6	30.3	0.6	0.6	0.7	0.6	4.0	22.2
Income tax expense	0.3	0.1	0.2	0.1	266.9	44.5	0.2	0.2	0.2	0.2	(24.2)	17.3
Net earnings	0.8	0.2	0.6	0.5	280.6	26.2	0.5	0.4	0.6	0.5	17.6	23.8

Note: Certain totals do not sum due to rounding.

*** Not meaningful*

Net Sales – The following table presents net sales by segment and variances in net sales:

(In thousands)	12 Weeks Ended			28 Weeks Ended			12 Weeks Ended			40 Weeks Ended		
	July 15, 2023	**July 16, 2022**	**Variance**	**July 15, 2023**	**July 16, 2022**	**Variance**	**October 7, 2023**	**October 8, 2022**	**Variance**	**October 7, 2023**	**October 8, 2022**	**Variance**
Wholesale	$ 1,633,364	$ 1,601,485	$ 31,879	$ 3,719,048	$ 3,583,864	$ 135,184	$ 1,602,000	$ 1,629,869	$ (27,869)	$ 5,321,048	$ 5,213,733	$ 107,315

Retail	679,030	672,405	6,625	1,500,740	1,453,684	47,056	662,248	666,643	(4,395)	2,162,988	2,120,327	42,661
Total net sales	$ 2,312,394	$ 2,273,890	$ 38,504	$ 5,219,788	$ 5,037,548	$ 182,240	$ 2,264,248	$ 2,296,512	$ (32,264)	$ 7,484,036	$ 7,334,060	$ 149,976

Net sales for the quarter ended July 15, 2023 October 7, 2023 (the “second “third quarter”) increased $38.5 million decreased $32.3 million, or 1.7% 1.4%, to $2.31 billion $2.26 billion from $2.27 billion $2.30 billion in the quarter ended July 16, 2022 October 8, 2022 (the “prior year quarter”). Net sales for the year-to-date period ended July 15, 2023 October 7, 2023 (the "year-to-date period") increased $182.2 million $150.0 million, or 3.6% 2.0%, to $5.22 billion $7.48 billion from $5.04 billion $7.33 billion in the year-to-date period ended July 16, 2022 October 8, 2022 (the "prior year-to-date-period"). The increases decrease during the current quarter reflected sales declines in both the Wholesale and Retail segments, which were unfavorably impacted by a reduction in volume and partially offset by higher pricing from inflationary trends. The year-to-date increase reflected sales growth in both the Wholesale and Retail segments, which were favorably impacted by inflation higher pricing from inflationary trends and partially offset by lower volumes.

Wholesale net sales increased $31.9 million decreased $27.9 million, or 2.0% 1.7% to $1.63 billion $1.60 billion in the second third quarter from $1.60 billion $1.63 billion in the prior year quarter. Wholesale net sales for the year-to-date period increased $135.2 million $107.3 million, or 3.8% 2.1%, to $3.72 billion $5.32 billion from $3.58 billion $5.21 billion in the prior year-to-date period. The increases were decrease in the current quarter was due primarily to marketplace demand changes from a certain national account customer. The increase in the year-to-date period was primarily due to the inflationary impact on pricing, in the current quarter and current year-to-date periods. partially offset by a decrease led by marketplace demand changes from a certain national account customer. Overall case volumes for the segment were down in the current quarter and current year-to-date period compared to the prior year by 4.6% 5.4% and 3.6% 4.2%, respectively, which were led by marketplace demand changes from a certain national account. respectively.

Retail net sales increased $6.6 million decreased $4.4 million, or 1.0% 0.7%, to $679.0 million $662.2 million in the second third quarter from $672.4 million $666.6 million in the prior year quarter. Net sales for the year-to-date period increased $47.1 million $42.7 million, or 3.2% 2.0%, to $1.50 billion $2.16 billion from $1.45 billion $2.12 billion in the prior year-to-date period. Comparable store sales grew 3.9% 1.2% and 4.7% 3.6% for the current quarter and current year-to-date periods, respectively. The comparable store sales growth was due primarily to the inflationary impact on pricing, which included an offsetting 5.1% 6.0% and 5.6% 5.8% decline in unit volumes in the current quarter and current year-to-date periods, respectively. Additionally, lower fuel prices sales reduced reported net sales by 2.0% 0.8% and 1.1% 1.3% in the current quarter and current year-to-date periods, respectively. The Company defines a retail store as comparable when it is in operation for 14 accounting periods (a period equals four weeks), regardless of remodels, expansions, or relocated stores. Acquired stores are included in the comparable sales calculation 13 periods after the acquisition date. Sales are compared to the same store's operations from the prior year period for purposes of calculation of comparable store sales. Fuel is excluded from the comparable sales calculation due to volatility in price. Comparable store sales is a widely used metric among retailers, which is useful to management and investors to assess performance. The Company's definition of comparable store sales may differ from similarly titled measures at other companies.

Gross Profit – Gross profit represents net sales less cost of sales, which for all non-production operations includes purchase costs, in-bound freight, physical inventory adjustments, markdowns and promotional allowances and excludes warehousing costs, depreciation and other administrative expenses. The Company's gross profit definition may not be identical to similarly titled measures reported by other companies. Vendor allowances that relate to the buying and merchandising activities consist primarily of promotional allowances, which are generally allowances on purchased quantities and, to a lesser extent, slotting allowances, which are billed to vendors for the Company's merchandising costs, such as setting up warehouse infrastructure. Vendor allowances are recognized as a reduction in cost of sales when the product is sold. Lump sum payments received for multi-year contracts are amortized over the life of the contracts based on contractual terms. The Wholesale segment includes shipping and handling costs in the Selling, general and administrative section of operating expenses in the consolidated statements of earnings.

Gross profit decreased $1.9 million $3.7 million, or 0.5% 1.0%, to $352.4 million $347.5 million in the second third quarter from $354.2 million $351.2 million in the prior year quarter. As a percent of net sales, gross profit for the current quarter was 15.2% 15.35% compared to 15.6% 15.29% in the prior year quarter. The gross profit decline was driven by lower volumes. The gross profit rate increase in the current quarter was driven by lower last-in-first-out ("LIFO") expense and benefits realized from the merchandising transformation initiative. These benefits were mostly offset by the anticipated lower inflation-related price change benefits in the Wholesale segment compared to elevated levels in the prior year quarter and lower pharmacy margins in the Retail segment. LIFO expense decreased $8.3 million, or 36 basis points,

REFINITIV

compared to the prior year quarter. Gross profit for the year-to-date period decreased $5.8 million $9.4 million, or 0.7% 0.8% from $804.8 million $1.16 billion in the prior year-to-date period to $799.0 million $1.15 billion in the current year. As a percent of net sales, gross profit for the year-to-date period was 15.3% 15.32% compared to 16.0% 15.76% in the prior year-to-date period. The gross profit declines were decline was driven by lower volumes while volumes. In addition, the gross profit rate decreases were decrease in the year-to-date period was driven by lower inflation-related price change benefits in the Wholesale segment compared to elevated levels in the prior year. The gross profit declines were year, partially offset by benefits realized from the merchandising transformation initiative and higher overall margin rates a decline in the Retail segment. Last-in-first-out ("LIFO") LIFO expense. LIFO expense decreased $13.2 million $20.5 million, or 58 basis points, compared to the prior year quarter and decreased $12.2 million, or 25 29 basis points, compared to the prior year-to-date period.

Selling, General and Administrative Expenses – Selling, general and administrative (“SG&A”) expenses consist primarily of operating costs related to retail and supply chain operations, including salaries and wages, employee benefits, facility costs, shipping and handling, equipment rental, depreciation, and out-bound freight, in addition to corporate administrative expenses.

SG&A expenses for the second third quarter decreased $20.1 million $10.6 million, or 5.9% 3.2%, to $318.8 million $322.8 million from $338.9 million $333.4 million in the prior year quarter, representing 13.8% 14.3% of net sales in the second third quarter compared to 14.9% 14.5% in the prior year quarter. SG&A expense for the year-to-date period decreased $24.1 million $34.6 million, or 3.2% to $737.0 million $1.06 billion, from $761.0 $1.09 billion in the prior year-to-date period, representing 14.1% 14.2% in the current year-to-date period compared to 15.1% 14.9% as a percentage of net sales in the prior year-to-date period. The decreases in selling, general and administrative expenses as a rate of sales were was due primarily to a decline in lower incentive compensation expense compared to the prior year and a reduction in the supply chain expense rates as a result of efficiencies realized from the Company's supply chain transformation initiative. These decreases were partially offset by organizational realignment costs related to the previously announced go-to-market plan.

Acquisition and Integration, net – Third quarter and prior year quarter results included net charges of $2.1 million and net gains of $0.6 million, respectively. Acquisition and integration expenses for the second quarters year-to-date periods ended July 15, 2023 October 7, 2023 and October 8, 2022 included charges of $2.3 million and $0.1 million, respectively. Current year activity primarily consists of expenses associated with the Company's acquisition efforts within the Retail segment. The prior year quarter activity primarily consisted of a gain from the reversal of a litigation accrual within the Retail segment. Prior year-to-date expense is primarily related to an acquisition within the Retail segment, partially offset by the reversal of the litigation accrual in the prior year quarter.

Restructuring and July 16, 2022 were $0.1 million Asset Impairment, net – Third quarter and $0.4 million prior year quarter results included net gains of $0.5 million and $0.9 million, respectively. The year-to-date period and prior year-to-date period included charges of $0.1 million $1.4 million and $0.7 million, respectively. Current year activity is primarily within the Wholesale segment while the prior year expense is primarily related to an acquisition within the Retail segment.

REFINITIV

Restructuring and Asset Impairment, net – Second quarter and prior year quarter results included a net gain of $2.3 million and net charges of $2.6 million, respectively. The year-to-date period and prior year-to-date period included charges of $1.8 million and $2.6 million $1.7 million, respectively. The current quarter gain primarily relates to the sale of a store $0.3 million gain for additional insurance proceeds related to a distribution location that sustained significant storm damage within the Retail Wholesale segment, partially offset by in addition to revised estimates for turnover and other lease ancillary costs related to Retail store closings. associated with previously closed locations. The year-to-date net charges primarily relate to two store closures within the Retail segment and impairment losses related to a distribution location that sustained significant storm damage within the Wholesale segment, partially offset by the sale of a store within the Retail segment. The prior year quarter income was primarily due to gains on the sales of real property of previously closed locations within both segments, partially offset by Retail store closing charges and asset impairment charges related to the restructuring of the Retail segment's e-commerce delivery model. The prior year-to-date amounts expense primarily consist consists of asset impairment charges related to the restructuring of the Retail segment's ecommerce e-commerce delivery model and Retail store closing charges, partially offset by a gain on sales of assets related to the sale of real property of previously closed locations in the Retail segment. both segments.

Operating Earnings – The following table presents operating earnings (loss) by segment and variances in operating earnings (loss). earnings.

	12 Weeks Ended			28 Weeks Ended			12 Weeks Ended			40 Weeks Ended		
(In thousands)	July 15, 2023	July 16, 2022	Variance	July 15, 2023	July 16, 2022	Variance	October 7, 2023	October 8, 2022	Variance	October 7, 2023	October 8, 2022	Variance
Wholesale	$ 21,542	$ 12,697	$ 8,845	$ 47,867	$ 40,819	$ 7,048	$ 18,153	$ 14,015	$ 4,138	$ 66,020	$ 54,834	$ 11,186
Retail	14,244	(368)	14,612	12,232	(341)	12,573	4,918	5,285	(367)	17,150	4,944	12,206

Total operating earnings	$ 35,786	$ 12,329	$ 23,457	$ 60,099	$ 40,478	$ 19,621	$ 23,071	$ 19,300	$ 3,771	$ 83,170	$ 59,778	$ 23,392

Operating earnings increased $23.5 million $3.8 million, or 190.3% 19.5% to $35.8 million $23.1 million in the second third quarter from $12.3 million $19.3 million in the prior year quarter. Operating earnings for the year-to-date period increased $19.6 million $23.4 million, or 48.5% 39.1%, to $60.1 million $83.2 million from $40.5 million $59.8 million in the prior year-to-date period. The increases in operating earnings was due to the changes in net sales, gross profit and operating expenses discussed above.

Wholesale operating earnings increased $8.8 million $4.1 million, or 69.7% 29.5%, to $21.5 million $18.2 million in the second third quarter from $12.7 million $14.0 million in the prior year quarter. Operating earnings for the year-to-date period increased $7.0 million $11.2 million, or 17.3% 20.4%, to $47.9 million $66.0 million from $40.8 million $54.8 million in the prior year-to-date period. The increases in operating earnings were due to improved leverage of operating expenses, including benefits realized from the merchandising transformation initiative, lower incentive compensation as well as efficiencies realized from the Company's supply chain transformation initiative, initiative. The increases in operating earnings were partially offset by the anticipated lower gross profit from cycling prior year's inflation-related price change benefits and reduced volumes compared to elevated levels in the current prior year.

Retail operating earnings increased $14.6 million decreased $0.4 million, or 6.9%, to $14.2 million $4.9 million in the second third quarter from a $0.4 million operating loss $5.3 million in the prior year quarter. Operating earnings for the year-to-date period increased $12.6 million $12.2 million, to $12.2 million $17.2 million from a $0.3 million operating loss $4.9 million in the prior year-to-date period. The increases decrease in operating earnings were in the current quarter was due to higher acquisition and integration expenses, a decline in unit volume, and lower pharmacy margin rates. This was partially offset by lower incentive compensation a and reduced asset impairment and restructuring charges. The increase in operating earnings in the year-to-date period was due to higher gross profit rate, margin driven by inflation, lower incentive compensation and reduced asset impairment and restructuring charges, partially offset by reduced volume, continued investment a decline in store wage rates, and reduced pharmacy margins. unit volume.

Interest Expense – Interest expense increased $4.8 million $3.2 million, or 106.5% 53.4%, to $9.3 million in the second third quarter from $4.5 million $6.1 million in the prior year quarter. Interest expense for the year-to-date period increased $12.2 million $15.5 million, or 140.3% 104.7%, to $20.9 million $30.2 million from $8.7 million $14.8 million in the prior year-to-date period. The increases during Higher interest rates on the current quarter and current year-to-date period Company's credit facility were driven by federal monetary policy tightening resulting in a 350 basis point increase in the federal funds rate by the end of the second quarter compared to the end of the prior year quarter, and accounted for $3.9 million $2.5 million and $10.0 million $12.6 million of the increase in interest expense in the quarterly and year-to-date periods, respectively.

Income Taxes – The effective income tax rates were 28.2% 23.7% and 29.0% 32.5% for the second third quarter and prior year quarter, respectively. For the year-to-date period and prior year-to-date period, the effective tax rates were 24.7% 24.4% and 22.2% 25.4%, respectively. The difference from the federal statutory rate in the current year and prior year quarters were primarily due to state taxes and non-deductible expenses, partially offset by benefits associated with federal tax credits. The difference from the federal statutory rate in the current year was primarily due to state taxes and non-deductible expenses, partially offset by benefits associated with federal tax credits, discrete tax benefits due to a change in contingencies and discrete tax benefits related to stock compensation. The difference in the federal statutory rate in the prior year was primarily due to state taxes, limitations on the deductibility of executive compensation and non-deductible expenses, partially offset by benefits associated with federal tax credits and discrete tax benefits related to stock compensation.

Non-GAAP Financial Measures

In addition to reporting financial results in accordance with GAAP, the Company also provides information regarding adjusted operating earnings, adjusted earnings from continuing operations, as well as per diluted share ("adjusted EPS"), net long-term debt, total capital, and adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"). These are non-GAAP financial measures, as defined below, and are used by management to allocate resources, assess performance against its peers and evaluate overall performance. The Company believes these measures provide useful information for both management and its investors. The Company believes these non-GAAP measures are useful to investors because they provide additional understanding of the trends and special circumstances that affect its business. These measures provide useful supplemental information that helps investors to establish a basis for expected performance and the ability to evaluate actual results against that expectation. The measures, when considered in connection with GAAP results, can be used to assess the overall performance of the Company as well as assess the Company's performance against its peers. These measures are also used as a basis for certain compensation programs sponsored by the Company. In addition, securities analysts, fund managers and other shareholders and stakeholders that communicate with the Company request its financial results in these adjusted formats.

Current year adjusted operating earnings, adjusted earnings from continuing operations, and adjusted EBITDA exclude, among other items, LIFO expense, organizational realignment, severance associated with cost reduction initiatives, a non-routine settlement related to a legal matter resulting from a previously closed operation that was resolved during the year and operating and non-operating costs associated with the postretirement plan amendment and settlement. Current year organizational realignment includes consulting and severance costs associated with the Company's change in its go-to-market strategy as part of its long-term plan, which relates to the reorganization of certain functions. Costs related to the postretirement plan amendment and settlement include non-operating expenses associated with amortization of the prior service credit related to the amendment of the retiree medical plan, which are excluded from adjusted earnings from continuing operations. Postretirement plan amendment and settlement costs also include operating expenses related to payroll taxes which are adjusted out of all non-GAAP financial measures. Prior year adjusted operating earnings, adjusted earnings from continuing operations, and adjusted EBITDA exclude, among other things, LIFO expense, costs related to shareholder activism, organizational realignment, operating and non-operating costs associated with the postretirement plan amendment and settlement, and severance associated with cost reduction initiatives. Costs related to shareholder activism include consulting, and other expenses incurred in relation to shareholder activism activities. Organizational realignment includes benefits for associates terminated as part of leadership transition plans, which do not meet the definition of reduction-in-force.

Each of these items are considered “non-operational” or “non-core” in nature.

21

Adjusted Operating Earnings

Adjusted operating earnings is a non-GAAP operating financial measure that the Company defines as operating earnings plus or minus adjustments for items that do not reflect the ongoing operating activities of the Company and costs associated with the closing of operational locations.

The Company believes that adjusted operating earnings provide a meaningful representation of its operating performance for the Company as a whole and for its operating segments. The Company considers adjusted operating earnings as an additional way to measure operating performance on an ongoing basis. Adjusted operating earnings is meant to reflect the ongoing operating performance of all of its distribution and retail operations; consequently, it excludes the impact of items that could be considered “non-operating” or “non-core” in nature and also excludes the contributions of activities classified as discontinued operations. Because adjusted operating earnings and adjusted operating earnings by segment are performance measures that management uses to allocate resources, assess performance against its peers and evaluate overall performance, the Company believes it provides useful information for both management and its investors. In addition, securities analysts, fund managers and other shareholders and stakeholders that communicate with the Company request its operating financial results in an adjusted operating earnings format.

Adjusted operating earnings is not a measure of performance under GAAP and should not be considered as a substitute for operating earnings, and other income statement data. The Company’s definition of adjusted operating earnings may not be identical to similarly titled measures reported by other companies.

23

Following is a reconciliation of operating earnings to adjusted operating earnings for the 12 and 28 40 weeks ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022.

	12 Weeks Ended	28 Weeks Ended

(In thousands)	July 15, 2023	July 16, 2022	July 15, 2023	July 16, 2022
Operating earnings	$ 35,786	$ 12,329	$ 60,099	$ 40,478
Adjustments:				
LIFO expense	4,667	17,845	15,839	28,032
Acquisition and integration	55	436	129	675
Restructuring and asset impairment, net	(2,254)	2,611	1,829	2,624
Organizational realignment, net	2,029	252	2,029	1,271
Severance associated with cost reduction initiatives	(12)	495	272	741
Legal settlement	—	—	900	—
Postretirement plan amendment and settlement	94	133	94	133
Costs related to shareholder activism	—	3,864	—	7,335
Adjusted operating earnings	$ 40,365	$ 37,965	$ 81,191	$ 81,289
Wholesale:				
Operating earnings	$ 21,542	$ 12,697	$ 47,867	$ 40,819
Adjustments:				
LIFO expense	3,590	13,904	12,323	22,179
Acquisition and integration	55	—	124	—
Restructuring and asset impairment, net	1	(139)	981	(128)
Organizational realignment, net	1,266	156	1,266	793
Severance associated with cost reduction initiatives	(7)	495	257	619
Legal settlement	—	—	900	—
Postretirement plan amendment and settlement	59	83	59	83
Costs related to shareholder activism	—	2,411	—	4,577
Adjusted operating earnings	$ 26,506	$ 29,607	$ 63,777	$ 68,942
Retail:				
Operating earnings (loss)	$ 14,244	$ (368)	$ 12,232	$ (341)
Adjustments:				
LIFO expense	1,077	3,941	3,516	5,853
Acquisition and integration	—	436	5	675
Restructuring and asset impairment, net	(2,255)	2,750	848	2,752
Organizational realignment, net	763	96	763	478
Severance associated with cost reduction	(5)	—	15	122

initiatives				
Postretirement plan amendment and settlement	35	50	35	50
Costs related to shareholder activism	—	1,453	—	2,758
Adjusted operating earnings	$ 13,859	$ 8,358	$ 17,414	$ 12,347

	12 Weeks Ended		40 Weeks Ended	
(In thousands)	October 7, 2023	October 8, 2022	October 7, 2023	October 8, 2022
Operating earnings	$ 23,071	$ 19,300	$ 83,170	$ 59,778
Adjustments:				
LIFO expense	6,606	14,884	22,445	42,916
Acquisition and integration, net	2,130	(577)	2,259	98
Restructuring and asset impairment, net	(458)	(886)	1,371	1,738
Organizational realignment, net	2,681	588	4,710	1,859
Severance associated with cost reduction initiatives	39	54	311	795
Legal settlement	—	—	900	—
Postretirement plan amendment and settlement	—	—	94	133
Costs related to shareholder activism	—	—	—	7,335
Adjusted operating earnings	$ 34,069	$ 33,363	$ 115,260	$ 114,652
Wholesale:				
Operating earnings	$ 18,153	$ 14,015	$ 66,020	$ 54,834
Adjustments:				
LIFO expense	4,411	12,959	16,734	35,138
Acquisition and integration, net	65	—	189	—
Restructuring and asset impairment, net	(293)	(2,088)	688	(2,216)
Organizational realignment, net	1,673	367	2,939	1,160
Severance associated with cost reduction initiatives	39	43	296	662
Legal settlement	—	—	900	—
Postretirement plan amendment and settlement	—	—	59	83
Costs related to shareholder activism	—	—	—	4,577
Adjusted operating earnings	$ 24,048	$ 25,296	$ 87,825	$ 94,238
Retail:				
Operating earnings	$ 4,918	$ 5,285	$ 17,150	$ 4,944

Adjustments:				
LIFO expense	2,195	1,925	5,711	7,778
Acquisition and integration, net	2,065	(577)	2,070	98
Restructuring and asset impairment, net	(165)	1,202	683	3,954
Organizational realignment, net	1,008	221	1,771	699
Severance associated with cost reduction initiatives	—	11	15	133
Postretirement plan amendment and settlement	—	—	35	50
Costs related to shareholder activism	—	—	—	2,758
Adjusted operating earnings	$ 10,021	$ 8,067	$ 27,435	$ 20,414

Adjusted Earnings from Continuing Operations

Adjusted earnings from continuing operations, as well as per diluted share ("adjusted EPS"), is a non-GAAP operating financial measure that the Company defines as net earnings plus or minus adjustments for items that do not reflect the ongoing operating activities of the Company and costs associated with the closing of operational locations.

The Company believes that adjusted earnings from continuing operations provide a meaningful representation of its operating performance for the Company. The Company considers adjusted earnings from continuing operations as an additional way to measure operating performance on an ongoing basis. Adjusted earnings from continuing operations is meant to reflect the ongoing operating performance of all of its distribution and retail operations; consequently, it excludes the impact of items that could be considered “non-operating” or “non-core” in nature, and excludes the contributions of activities classified as discontinued operations. Because adjusted earnings from continuing operations is a performance measure that management uses to allocate resources, assess performance against its peers and evaluate overall performance, the Company believes it provides useful information for both management and its investors. In addition, securities analysts, fund managers and other shareholders and stakeholders that communicate with the Company request its operating financial results in adjusted earnings from continuing operations format.

Adjusted earnings from continuing operations is not a measure of performance under GAAP and should not be considered as a substitute for net earnings, cash flows from operating activities and other income or cash flow statement data. The Company’s definition of adjusted earnings from continuing operations may not be identical to similarly titled measures reported by other companies.

Following is a reconciliation of net earnings to adjusted earnings from continuing operations for the 12 weeks ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022.

	12 Weeks Ended	12 Weeks Ended

(In thousands, except per share amounts)	July 15, 2023 Earnings	July 15, 2023 per diluted share	July 16, 2022 Earnings	July 16, 2022 per diluted share	October 7, 2023 Earnings	October 7, 2023 per diluted share	October 8, 2022 Earnings	October 8, 2022 per diluted share
Net earnings	$ 19,468	$ 0.56	$ 5,115	$ 0.14	$ 11,127	$ 0.32	$ 9,464	$ 0.26
Adjustments:								
LIFO expense	4,667		17,845		6,606		14,884	
Acquisition and integration	55		436					
Acquisition and integration, net					2,130		(577)	
Restructuring and asset impairment, net	(2,254)		2,611		(458)		(886)	
Organizational realignment, net	2,029		252		2,681		588	
Severance associated with cost reduction initiatives	(12)		495		39		54	

Postretirement plan amendment and settlement	(631)		745		(762)		(763)	
Costs related to shareholder activism	—		3,864					
Total adjustments	3,854		26,248		10,236		13,300	
Income tax effect on adjustments (a)	(955)		(7,211)		(2,600)		(2,725)	
Total adjustments, net of taxes	2,899	0.09 *	19,037	0.52	7,636	0.22	10,575	0.29
Adjusted earnings from continuing operations	$ 22,367	$ 0.65	$ 24,152	$ 0.66	$ 18,763	$ 0.54	$ 20,039	$ 0.55
** Includes rounding*								

	28 Weeks Ended				40 Weeks Ended			
	July 15, 2023		**July 16, 2022**		**October 7, 2023**		**October 8, 2022**	
(In thousands, except per share amounts)	**Earnings**	**per diluted share**	**Earnings**	**per diluted share**	**Earnings**	**per diluted share**	**Earnings**	**per diluted share**

Net earnings	$ 30,805	$ 0.88	$ 24,404	$ 0.67	$ 41,932	$ 1.20	$ 33,868	$ 0.93
Adjustments:								
LIFO expense	15,839		28,032		22,445		42,916	
Acquisition and integration	129		675					
Acquisition and integration, net					2,259		98	
Restructuring and asset impairment, net	1,829		2,624		1,371		1,738	
Organizational realignment, net	2,029		1,271		4,710		1,859	
Severance associated with cost reduction initiatives	272		741		311		795	
Pension refund from annuity provider	—		(200)		—		(200)	
Postretirement plan amendment and settlement	(1,649)		745		(2,411)		(18)	

Legal settlement	900		—		900		—	
Costs related to shareholder activism	—		7,335		—		7,335	
Total adjustments	19,349		41,223		29,585		54,523	
Income tax effect on adjustments (a)	(4,925)		(11,145)		(7,525)		(13,870)	
Total adjustments, net of taxes	14,424	0.41	30,078	0.82	22,060	0.63	40,653	1.12
Adjusted earnings from continuing operations	$ 45,229	$ 1.29	$ 54,482	$ 1.49	$ 63,992	$ 1.83	$ 74,521	$ 2.05

(a) The income tax effect on adjustments is computed by applying the effective tax rate, before discrete tax items, to the total adjustments for the period.

24 25

Adjusted EBITDA

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("adjusted EBITDA") is a non-GAAP operating financial measure that the Company defines as net earnings plus interest, discontinued operations, depreciation and amortization, and other non-cash items, including share-based payments (equity awards measured in accordance with ASC 718, *Stock Compensation*, which include both stock-based compensation to employees and stock warrants issued to non-employees) and the LIFO provision, as well as adjustments for items that do not reflect the ongoing operating activities of the Company.

The Company believes that adjusted EBITDA provides a meaningful representation of its operating performance for the Company and for its operating segments. The Company considers adjusted EBITDA as an additional way to measure operating performance on an ongoing basis. Adjusted EBITDA is meant to reflect the ongoing operating performance of all of its distribution and retail operations; consequently, it excludes the impact of items that could be considered “non-operating” or “non-core” in nature, and also excludes the contributions of activities classified as discontinued operations. Because adjusted EBITDA and adjusted EBITDA by segment are performance measures that management uses to allocate resources, assess performance against its peers and evaluate overall performance, the Company believes it provides useful information for both management and its investors. In addition, securities analysts, fund managers and other shareholders and stakeholders that communicate with the Company request its operating financial results in adjusted EBITDA format.

Adjusted EBITDA and adjusted EBITDA by segment are not measures of performance under GAAP and should not be considered as a substitute for net earnings, cash flows from operating activities and other income or cash flow statement data. The Company’s definitions of adjusted EBITDA and adjusted EBITDA by segment may not be identical to similarly titled measures reported by other companies.

25 26

Following is a reconciliation of net earnings to adjusted EBITDA for the 12 and 28 40 weeks ended July 15, 2023 October 7, 2023 and July 16, 2022 October 8, 2022.

	12 Weeks Ended		28 Weeks Ended		12 Weeks Ended		40 Weeks Ended	
(In thousands)	**July 15, 2023**	**July 16, 2022**	**July 15, 2023**	**July 16, 2022**	**October 7, 2023**	**October 8, 2022**	**October 7, 2023**	**October 8, 2022**
Net earnings	$ 19,468	$ 5,115	$ 30,805	$ 24,404	$ 11,127	$ 9,464	$ 41,932	$ 33,868
Income tax expense	7,654	2,086	10,080	6,977	3,450	4,553	13,530	11,530
Other expenses, net	8,664	5,128	19,214	9,097	8,494	5,283	27,708	14,380
Operating earnings	35,786	12,329	60,099	40,478	23,071	19,300	83,170	59,778
Adjustments:								
LIFO expense	4,667	17,845	15,839	28,032	6,606	14,884	22,445	42,916

Depreciation and amortization	22,458	21,968	52,203	50,441	23,042	21,833	75,245	72,274
Acquisition and integration	55	436	129	675				
Acquisition and integration, net					2,130	(577)	2,259	98
Restructuring and asset impairment, net	(2,254)	2,611	1,829	2,624	(458)	(886)	1,371	1,738
Cloud computing amortization	1,076	869	2,426	1,769	1,259	925	3,685	2,694
Organizational realignment, net	2,029	252	2,029	1,271	2,681	588	4,710	1,859
Severance associated with cost reduction initiatives	(12)	495	272	741	39	54	311	795
Stock-based compensation	2,465	1,397	7,612	5,838	2,461	1,370	10,073	7,208
Stock warrant	353	481	960	1,154	319	505	1,279	1,659
Non-cash rent	(635)	(839)	(1,563)	(1,927)	(531)	(764)	(2,094)	(2,691)
Loss (gain) on disposal of assets	24	(54)	46	(131)	258	63	304	(68)
Legal settlement	—	—	900	—	—	—	900	—
Postretirement plan amendment and settlement	94	133	94	133	—	—	94	133
Costs related to shareholder activism	—	3,864	—	7,335	—	—	—	7,335

Adjusted EBITDA	$ 66,106	$ 61,787	$ 142,875	$ 138,433	$ 60,877	$ 57,295	$ 203,752	$ 195,728
Wholesale:								
Operating earnings	$ 21,542	$ 12,697	$ 47,867	$ 40,819	$ 18,153	$ 14,015	$ 66,020	$ 54,834
Adjustments:								
LIFO expense	3,590	13,904	12,323	22,179	4,411	12,959	16,734	35,138
Depreciation and amortization	11,644	11,228	27,014	25,512	12,151	11,090	39,165	36,602
Acquisition and integration	55	—	124	—				
Acquisition and integration, net					65	—	189	—
Restructuring and asset impairment, net	1	(139)	981	(128)	(293)	(2,088)	688	(2,216)
Cloud computing amortization	725	579	1,665	1,228	834	645	2,499	1,873
Organizational realignment, net	1,266	156	1,266	793	1,673	367	2,939	1,160
Severance associated with cost reduction initiatives	(7)	495	257	619	39	43	296	662
Stock-based compensation	1,611	903	4,994	3,849	1,621	894	6,615	4,743
Stock warrant	353	481	960	1,154	319	505	1,279	1,659
Non-cash rent	(63)	(93)	(138)	(196)	—	(92)	(138)	(288)

Gain on disposal of assets	(45)	(72)	(35)	(158)				
Loss (gain) on disposal of assets					24	(26)	(11)	(184)
Legal settlement	—	—	900	—	—	—	900	—
Postretirement plan amendment and settlement	59	83	59	83	—	—	59	83
Costs related to shareholder activism	—	2,411	—	4,577	—	—	—	4,577
Adjusted EBITDA	$ 40,731	$ 42,633	$ 98,237	$ 100,331	$ 38,997	$ 38,312	$ 137,234	$ 138,643
Retail:								
Operating earnings (loss)	$ 14,244	$ (368)	$ 12,232	$ (341)				
Operating earnings					$ 4,918	$ 5,285	$ 17,150	$ 4,944
Adjustments:								
LIFO expense	1,077	3,941	3,516	5,853	2,195	1,925	5,711	7,778
Depreciation and amortization	10,814	10,740	25,189	24,929	10,891	10,743	36,080	35,672
Acquisition and integration	—	436	5	675				
Acquisition and integration, net					2,065	(577)	2,070	98
Restructuring and asset impairment, net	(2,255)	2,750	848	2,752	(165)	1,202	683	3,954

Cloud computing amortization	351	290	761	541	425	280	1,186	821
Organizational realignment, net	763	96	763	478	1,008	221	1,771	699
Severance associated with cost reduction initiatives	(5)	—	15	122	—	11	15	133
Stock-based compensation	854	494	2,618	1,989	840	476	3,458	2,465
Non-cash rent	(572)	(746)	(1,425)	(1,731)	(531)	(672)	(1,956)	(2,403)
Loss on disposal of assets	69	18	81	27	234	89	315	116
Postretirement plan amendment and settlement	35	50	35	50	—	—	35	50
Costs related to shareholder activism	—	1,453	—	2,758	—	—	—	2,758
Adjusted EBITDA	$ 25,375	$ 19,154	$ 44,638	$ 38,102	$ 21,880	$ 18,983	$ 66,518	$ 57,085

26 27

Liquidity and Capital Resources

Cash Flow Information

The following table summarizes the Company’s consolidated statements of cash flows:

	28 Weeks Ended		40 Weeks Ended	
(In thousands)	**July 15, 2023**	**July 16, 2022**	**October 7, 2023**	**October 8, 2022**
Cash flow activities				

Net cash provided by operating activities	$ 49,656	$ 28,519	$ 95,680	$ 7,454
Net cash used in investing activities	(57,057)	(50,707)	(82,003)	(45,956)
Net cash (used in) provided by financing activities	(4,775)	32,739	(25,209)	46,800
Net (decrease) increase in cash and cash equivalents	(12,176)	10,551	(11,532)	8,298
Cash and cash equivalents at beginning of the period	29,086	10,666	29,086	10,666
Cash and cash equivalents at end of the period	$ 16,910	$ 21,217	$ 17,554	$ 18,964

Net cash provided by operating activities. Net cash provided by operating activities increased $21.1 million $88.2 million in the current year-to-date period compared to the prior year-to-date period, due primarily to improvements in working capital.

Net cash used in investing activities. Net cash used in investing activities increased $6.4 million $36.0 million in the current year compared to the prior year primarily due to net proceeds received from the sale of assets in the prior year and an increase in capital expenditures in the current year in line with the Company's long-term plan, partially offset by an acquisition that occurred within the Retail segment in the prior year.

Capital expenditures were $60.8 million $86.2 million in the current year and cloud computing application development spend, which is included in operating activities, was $2.7 million $4.1 million, compared to capital expenditures of $46.4 million $66.3 million and cloud computing application development spend of $3.2 million in the prior year. The Wholesale and Retail segments utilized 62.8% 63.2% and 37.2% 36.8% of capital expenditures, respectively, in the current year.

Net cash (used in) provided by financing activities. Net cash (used in) provided by financing activities decreased $37.5 million increased $72.0 million in the current year compared to the prior year, primarily due to decreased net borrowings an increased rate of borrowing in the prior year on the senior credit facility in the current year and an increase in share repurchases in the current year.facility.

Debt Management

Total debt, including finance lease liabilities, was $553.5 million $544.2 million and $503.6 million as of July 15, 2023 October 7, 2023 and December 31, 2022, respectively. The increase in total debt was due to additional net borrowings on the senior credit facility to fund working capital changes, purchases of property, plant and equipment and share repurchases.

Liquidity

The Company's principal sources of liquidity are cash flows generated from operations and its senior secured credit facility, which includes Tranche A revolving loans, with a borrowing capacity of $1.09 billion, and Tranche A-1 revolving loans, with a borrowing capacity of $40 million. As of July 15, 2023 October 7, 2023, the senior secured credit facility had outstanding borrowings of $483.8 million $472.6 million. During the first quarter, the Company increased the borrowing capacity of Tranche A revolving loans by $115.0 million to $1.09 billion from $975.0 million through the addition of two new lenders. This expansion of borrowing capacity aligns with the Company's recent growth and provides flexibility to support the Company's strategic long-term plans, including both organic and inorganic investments.

Additional available borrowings under the Company's credit facility are based on stipulated advance rates on eligible assets, as defined in the Credit Agreement. The Credit Agreement requires that the Company maintain excess availability of 10% of the borrowing base, as such term is defined in the Credit Agreement. The Company had excess availability after the 10% covenant of $488.9 million $518.2 million at July 15, 2023 October 7, 2023. Payment of dividends and repurchases of outstanding shares are permitted, provided that certain levels of excess availability are maintained. The credit facility provides for the issuance of letters of credit, of which $17.7 million were outstanding as of July 15, 2023 October 7, 2023. The credit facility matures November 17, 2027 and is secured by substantially all of the Company's assets.

The Company believes that cash generated from operating activities and available borrowings under the credit facility will be sufficient to meet anticipated requirements for working capital, capital expenditures, dividend payments, and debt service obligations for the foreseeable future. However, there can be no assurance that the business will continue to generate cash flow at or above current levels or that the Company will maintain its ability to borrow under the Credit Agreement.

The Company's current ratio (current assets to current liabilities) was 1.62-to-1 1.59-to-1 at July 15, 2023 October 7, 2023 compared to 1.51-to-1 at December 31, 2022, and its investment in working capital was $414.8 million $405.7 million at July 15, 2023 October 7, 2023 compared to $361.4 million at December 31, 2022. The net long-term debt to total capital ratio was 0.41-to-1 0.40-to-1 at July 15, 2023 October 7, 2023 compared to 0.38-to-1 at December 31, 2022.

27 28

Net long-term debt is a non-GAAP financial measure that is defined as long-term debt and finance lease liabilities, plus current portion of long-term debt and finance lease liabilities, less cash and cash equivalents. The ratio of net long-term debt to total capital is a non-GAAP financial measure that is calculated by dividing net long-term debt, as defined previously, by total capital (net long-term debt plus total shareholders' equity). The Company believes both management and its investors find the information useful because it reflects the amount of long-term debt obligations that are not covered by available cash and temporary investments. Total net long-term debt is not a substitute for GAAP financial measures and may differ from similarly titled measures of other companies.

Following is a reconciliation of "Long-term debt and finance lease liabilities" to Net long-term debt as of July 15, 2023 October 7, 2023 and December 31, 2022.

(In thousands)	July 15, 2023	December 31, 2022	October 7, 2023	December 31, 2022
Current portion of long-term debt and finance lease liabilities	$ 7,644	$ 6,789	$ 8,410	$ 6,789
Long-term debt and finance lease liabilities	545,857	496,792	535,804	496,792
Total debt	553,501	503,581	544,214	503,581
Cash and cash equivalents	(16,910)	(29,086)	(17,554)	(29,086)
Net long-term debt	$ 536,591	$ 474,495	$ 526,660	$ 474,495

Following is a reconciliation of "Net long-term debt" and "Total shareholders' equity" to Total capital as of July 15, 2023 October 7, 2023 and December 31, 2022.

(In thousands)	July 15, 2023	December 31, 2022	October 7, 2023	December 31, 2022
Net long-term debt	$ 536,591	$ 474,495	$ 526,660	$ 474,495
Total shareholders' equity	768,397	766,068	777,267	766,068
Total capital	$ 1,304,988	$ 1,240,563	$ 1,303,927	$ 1,240,563

For information on material cash requirements, see the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022. At July 15, 2023 October 7, 2023, there have been no significant changes to the Company's material cash requirements outside the ordinary course of business.

Cash Dividends

During the quarter ended July 15, 2023 October 7, 2023, the Company declared $7.5 million in dividends. A 2.4% increase in the quarterly dividend rate from $0.21 per share to $0.215 per share was approved by the Board of Directors and announced on March 1, 2023. Although the Company expects to continue to pay a quarterly cash dividend, adoption of a dividend policy does not commit the Board of Directors to declare future dividends. Each future dividend will be considered and declared by the Board of Directors at its discretion. Whether the Board of Directors continues to declare dividends depends on a number of factors, including the Company's future financial condition, anticipated profitability and cash flows and compliance with the terms of its credit facilities.

Under the senior revolving credit facility, the Company is generally permitted to pay dividends in any fiscal year up to an amount such that all cash dividends, together with any cash distributions and share repurchases, do not exceed $35.0 million. Additionally, the Company is generally permitted to pay cash dividends and repurchase shares in excess of $35.0 million in any fiscal year so long as its Excess Availability, as defined in the senior revolving credit facility, is in excess of

15% of the Total Borrowing Base, as defined in the senior revolving credit facility, before and after giving effect to the repurchases and dividends.

Off-Balance Sheet Arrangements

The Company has also made certain commercial commitments that extend beyond July 15, 2023 October 7, 2023. These commitments consist primarily of purchase commitments, standby letters of credit of $17.7 million as of July 15, 2023 October 7, 2023, and interest on long-term debt and finance lease liabilities.

Critical Accounting Policies

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and the related disclosure of contingent assets and liabilities. Management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that may not be readily apparent from other sources. Based on the Company’s ongoing review, the Company makes adjustments it considers appropriate under the facts and circumstances. This discussion and analysis of the Company’s financial condition and results of operations is based upon the Company’s consolidated financial statements. The Company believes these accounting policies and others set forth in Item 7 to the consolidated financial statements in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 should be reviewed as they are integral to understanding the Company’s financial condition and results of operations. The Company has discussed the development, selection and disclosure of these accounting policies with the Audit Committee of the Board of Directors. The accompanying financial statements are prepared using the same critical accounting policies discussed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Recently Issued Accounting Standards

Refer to Note 2 in the notes to the condensed consolidated financial statements for further information.

ITEM 3. Quantitative and Qualitative Disclosure about Market Risk

There have been no material changes in market risk of SpartanNash from the information provided in Part II, Item 7A, “Quantitative and Qualitative Disclosure About Market Risk,” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, with the exception of the interest rate swap entered into during the first quarter of 2023 described below.

As of July 15, 2023 October 7, 2023, the Company maintained an interest rate swap agreement with a maturity date of November 17, 2027 with an aggregate notional amount totaling $150 million. An interest rate swap is an agreement that effectively converts a portion of the variable interest payable on $150 million of the Company's outstanding debt to a fixed rate. The fixed interest rate for the interest rate swap is 3.646%. The variable rate leg of the interest rate swap is the one-month Secured Overnight Financing Rate (SOFR). As of July 15, 2023 October 7, 2023, the fair value of the interest rate swap was recorded in "Prepaid expenses and other current assets" and "Other long-term liabilities" assets, net" for $2.3 million $2.5 million and $0.9 million $2.3 million, respectively, and "Accumulated other comprehensive income" for $0.9 million $3.7 million, net of tax.

ITEM 4. Controls and Procedures

An evaluation of the effectiveness of the design and operation of SpartanNash Company's disclosure controls and procedures (as currently defined in Rule 13a-15(e) under the Exchange Act) was performed as of July 15, 2023 October 7, 2023 (the "Evaluation Date"). This evaluation was performed under the supervision and with the participation of SpartanNash Company's management, including its Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Corporate Controller. As of the Evaluation Date, SpartanNash Company's management, including the CEO, CFO and Corporate Controller, concluded that SpartanNash's disclosure controls and procedures were effective as of the Evaluation Date to ensure that material information required to be disclosed in the reports that the Company files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities and Exchange Act of 1934 is accumulated and communicated to management, including its principal executive and principal financial officer, as appropriate, to allow for timely decisions regarding required disclosure. During the second third quarter of 2023 there were no changes that materially affected, or were reasonably likely to materially affect, SpartanNash's internal control over financial reporting.

PART II

OTHER INFORMATION

ITEM 1. Legal Proceedings

The information required by this Part II, Item 1 is incorporated by reference to the information set forth under the caption "Commitments and Contingencies" in Note 8 in the notes to condensed consolidated financial statements included in this report.

ITEM 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K (2022 10-K) for the year ended December 31, 2022 filed with Securities and Exchange Commission. You should carefully consider the risks included in our 2022 10-K, together with all the other information in this Quarterly Report on Form 10-Q, including the forward-looking statements which appear at the beginning of this report.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

On February 24, 2022, the Board of Directors authorized the repurchase of common shares in connection with a $50 million share repurchase program, which expires of on February 22, 2027. There were $7.6 million not any repurchases of common stock share repurchases made under this program during the second third quarter of 2023. At July 15, 2023 October 7, 2023, $25.5 million remains available under the program. Repurchases of common stock may include: (1) shares of SpartanNash common stock delivered in satisfaction of the exercise price and/or tax withholding obligations by holders of employee stock options who exercised options, and (2) shares submitted for cancellation to satisfy tax withholding obligations that occur upon the vesting of the restricted shares. The value of the shares delivered or withheld is determined by the applicable stock compensation plan. The Company plans to return value to shareholders through share repurchases under this program as well as continuing regular dividends.

Fiscal Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Dollar Value of Shares Yet to be Purchased Under the Plans or Programs (in thousands)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Dollar Value of Shares Yet to be Purchased Under the Plans or Programs (in thousands)
April 23 - May 20, 2023								
July 16 - August 12, 2023								
Employee Transactions	—	$ —	N/A	N/A	89	$ 23.47	N/A	N/A

Repurchase Program	178,242	$ 23.92	178,242	$ 28,820	—	$ —	—	$ 25,467
May 21 - June 17, 2023								
August 13 - September 9, 2023								
Employee Transactions	1,323	$ 23.14	N/A	N/A	418	$ 22.14	N/A	N/A
Repurchase Program	91,735	$ 22.40	91,735	$ 26,765	—	$ —	—	$ 25,467
June 18 - July 15, 2023								

September 10 - October 7, 2023								
Employee Transactions	156	$ 22.96	N/A	N/A	94	$ 21.04	N/A	N/A
Repurchase Program	60,000	$ 21.65	60,000	$ 25,467	—	$ —	—	$ 25,467
Total for quarter ended July 15, 2023								

Total for quarter ended October 7, 2023								
Employee Transactions	1,479	$ 23.12	N/A	N/A	601	$ 22.16	N/A	N/A
Repurchase Program	329,967	$ 23.08	329,967	$ 25,467	—	$ —	—	$ 25,467

ITEM 6. Exhibits

The following documents are filed as exhibits to this Quarterly Report on Form 10-Q:

Exhibit Number	Document

3.1	Restated Articles of Incorporation of SpartanNash Company, as amended. Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended July 15, 2017. Incorporated herein by reference.
3.2	Bylaws of SpartanNash Company, as amended. Previously filed as an exhibit to the Company's Annual Company's Current Report of Form 8-K filed on Form 10-K for the year ended December 31, 2016 August 25, 2023. Incorporated herein by reference.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline 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 Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended July 15, 2023 October 7, 2023, has been formatted in Inline XBRL.

SIGNATURES

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 hereunto duly authorized.

SPARTANNASH COMPANY

(Registrant)

Date: August 17, 2023 November 9, 2023	By	/s/ Jason Monaco
		Jason Monaco Executive Vice President and Chief Financial Officer (Principal Financial Officer)
Date: August 17, 2023 November 9, 2023	By	/s/ R. Todd Riksen
		R. Todd Riksen Vice President and Corporate Controller (Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION

I, Tony B. Sarsam, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of SpartanNash Company;

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 officers 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 officers 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 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.

Date: August 17, 2023 November 9, 2023

/s/ Tony B. Sarsam

Tony B. Sarsam
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Jason Monaco, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of SpartanNash Company;

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 officers 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 officers 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 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.

Date: August 17, 2023 November 9, 2023

/s/ Jason Monaco

Jason Monaco
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to 18 U.S.C. § 1350, each of the undersigned hereby certifies in his capacity as an officer of SpartanNash Company (the "Company") that the Quarterly Report of the Company on Form 10-Q for the accounting period ended July 15, 2023 October 7, 2023 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such report fairly presents, in all material respects, the financial condition of the Company at the end of such period and the results of operations of the Company for such period.

This Certificate is given pursuant to 18 U.S.C. § 1350 and for no other purpose.

Dated: August 17, 2023 November 9, 2023

/s/ Tony B. Sarsam

Tony B. Sarsam
President and Chief Executive Officer
(Principal Executive Officer)

Dated: August 17, 2023 November 9, 2023

/s/ Jason Monaco

Jason Monaco
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

A signed original of this written statement has been provided to SpartanNash Company and will be retained by SpartanNash Company and furnished to the Securities and Exchange Commission or its staff upon request.

DISCLAIMER