



Financial Results For The Fourth Quarter Ended December 28th, 2025

Pilgrim's Pride Corporation
(NASDAQ: PPC)

Cautionary Notes and Forward-Looking Statements



- Statements contained in this press release that state the intentions, plans, hopes, beliefs, anticipations, expectations or predictions of the future of Pilgrim's Pride Corporation and its management are considered forward-looking statements. Without limiting the foregoing, words such as "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "should," "targets," "will" and the negative thereof and similar words and expressions are intended to identify forward-looking statements. It is important to note that actual results could differ materially from those projected in such forward-looking statements. Factors that could cause actual results to differ materially from those projected in such forward-looking statements include: matters affecting the poultry industry generally; the ability to execute the Company's business plan to achieve desired cost savings and profitability; future pricing for feed ingredients and the Company's products; outbreaks of avian influenza or other diseases, either in Pilgrim's Pride's flocks or elsewhere, affecting its ability to conduct its operations and/or demand for its poultry products; contamination of Pilgrim's Pride's products, which has previously and can in the future lead to product liability claims and product recalls; exposure to risks related to product liability, product recalls, property damage and injuries to persons, for which insurance coverage is expensive, limited and potentially inadequate; management of cash resources; restrictions imposed by, and as a result of, Pilgrim's Pride's leverage; changes in laws or regulations affecting Pilgrim's Pride's operations or the application thereof; new immigration legislation or increased enforcement efforts in connection with existing immigration legislation that cause the costs of doing business to increase, cause Pilgrim's Pride to change the way in which it does business, or otherwise disrupt its operations; competitive factors and pricing pressures or the loss of one or more of Pilgrim's Pride's largest customers; currency exchange rate fluctuations, trade barriers, exchange controls, expropriation and other risks associated with foreign operations; disruptions in international markets and distribution channels, including, but not limited to, the impacts of the Russia-Ukraine conflict; the risk of cyber-attacks, natural disasters, power losses, unauthorized access, telecommunication failures, and other problems on our information systems; and the impact of uncertainties of litigation and other legal matters described in our most recent Form 10-K and Form 10-Q, including the *In re Broiler Chicken Antitrust Litigation*, as well as other risks described under "Risk Factors" in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and subsequent filings with the Securities and Exchange Commission. The forward-looking statements in this release speak only as of the date hereof, and the Company undertakes no obligation to update any such statement after the date of this release, whether as a result of new information, future developments or otherwise, except as may be required by applicable law
- Actual results could differ materially from those projected in these forward-looking statements as a result of these factors, among others, many of which are beyond our control. In making these statements, we are not undertaking, and specifically decline to undertake, any obligation to address or update each or any factor in future filings or communications regarding our business or results, and we are not undertaking to address how any of these factors may have caused changes to information contained in previous filings or communications. Although we have attempted to list comprehensively these important cautionary risk factors, we must caution investors and others that other factors may in the future prove to be important and affecting our business or results of operations
- This presentation may include information that may be considered non-GAAP financial information as contemplated by SEC Regulation G, Rule 100, including EBITDA, Adjusted EBITDA, LTM EBITDA, Net Debt, Free Cash Flow, Adjusted EBITDA Margin and others. Accordingly, we have provided tables in the accompanying appendix and in our previous filings with the SEC that reconcile these measures to their corresponding GAAP-based measures and explain why these measures are useful to investors, which can be obtained from the Consolidated Statements of Income provided with our previous filings with the SEC. Our method of computation may or may not be comparable to other similarly titled measures used in filings with the SEC by other companies. See the consolidated statements of income and consolidated statements of cash flows included in our financial statements.

Fourth Quarter 2025 Financial Review



Main Indicators (\$MM)	Q4 2025	Q4 2024
Net Revenue	4,517.8	4,372.0
Gross Profit	428.6	553.3
SG&A	215.0	235.3
Operating Income	204.1	306.7
Net Interest	33.0	22.8
Net Income	87.9	235.8
Earnings Per Share (EPS)	0.37	0.99
Adjusted EBITDA*	415.1	525.7
Adjusted EBITDA Margin*	9.2%	12.0%

* This is a non-GAAP measurement considered by management to be useful in understanding our results. Please see the appendix and most recent SEC financial filings for definition of this measurement and reconciliation to US GAAP.

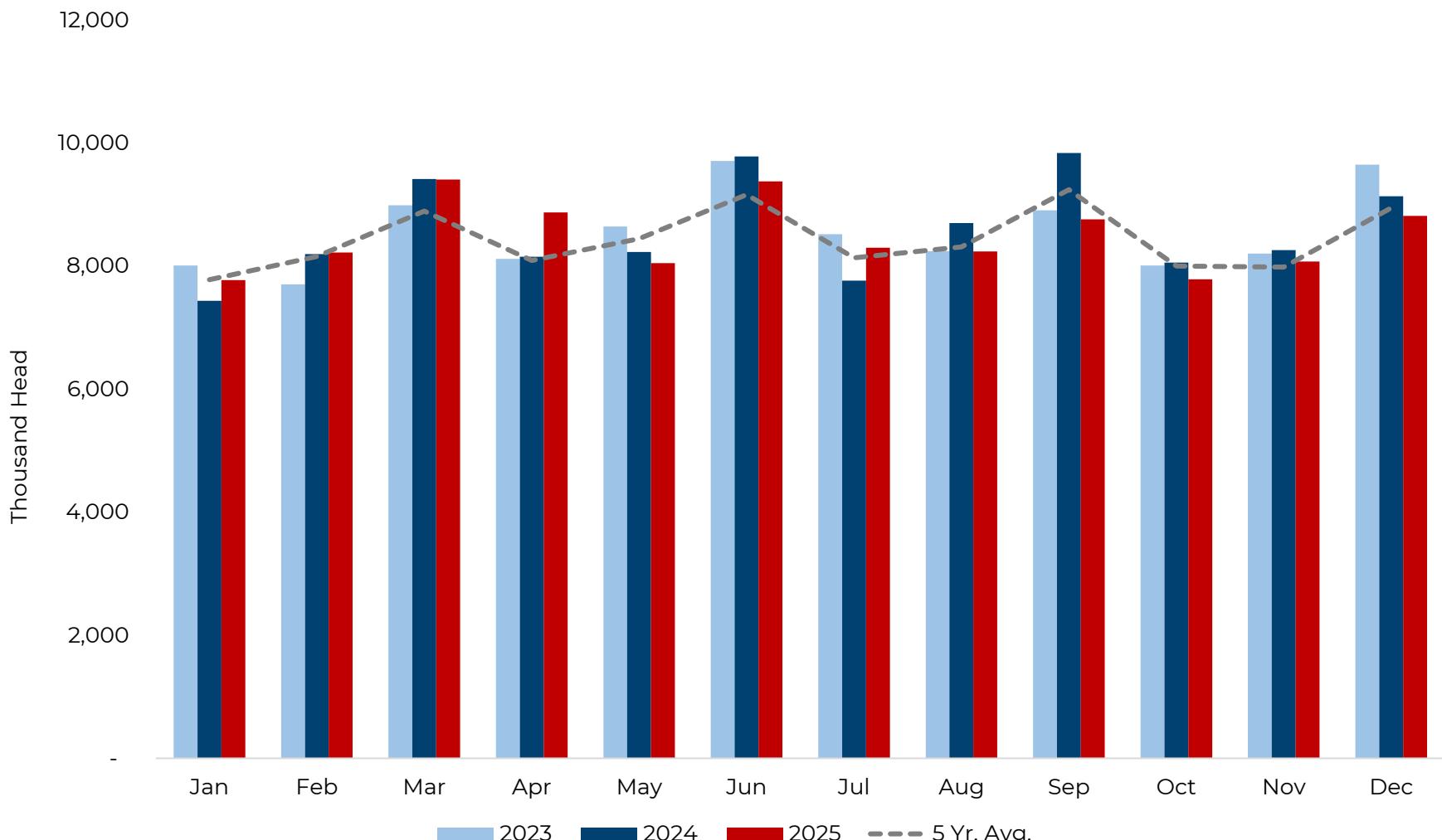
- U.S.: Growth with Key Customers in Retail and Foodservice and operational efficiencies were more than offset by year-over-year (YoY) declines in commodity market pricing negatively impacting our Big Bird business; Europe: continued YoY profit improvement from execution of strategies to reduce cost, improve operational efficiencies and product innovation efforts; Mexico: profitability declined primarily due to supply/demand fundamentals driven by increase in imported proteins.
- SG&A is lower primarily due to a decrease in legal settlements and defense costs
- Net interest increase due to lower interest income on lower cash balances following dividends paid in 2025

In \$MM	U.S.	EU	MX
Net Revenue	2,598.5	1,383.6	535.7
Adjusted Operating Income*	192.9	92.9	5.2
Adjusted Operating Income Margin*	7.4%	6.7%	1.0%

Pullet Placements Fell -3.1% Y/Y in Q4 2025 with Monthly Y/Y Declines



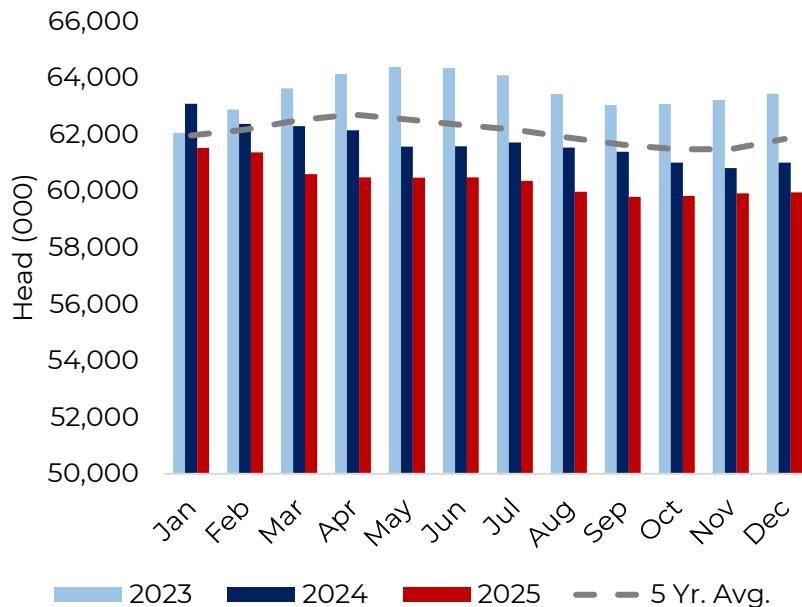
Intended Pullet Placements, Domestic Use



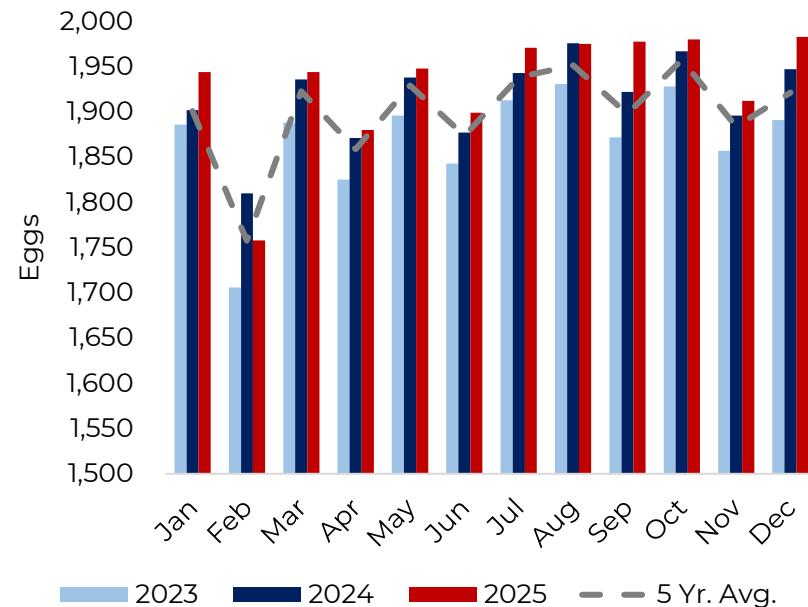
Broiler Layer Flock Decreased Y/Y in Q4 2025; Eggs/100 Slightly Up Y/Y in Q4 2025



Broiler Type Hatching Layers



Eggs/100

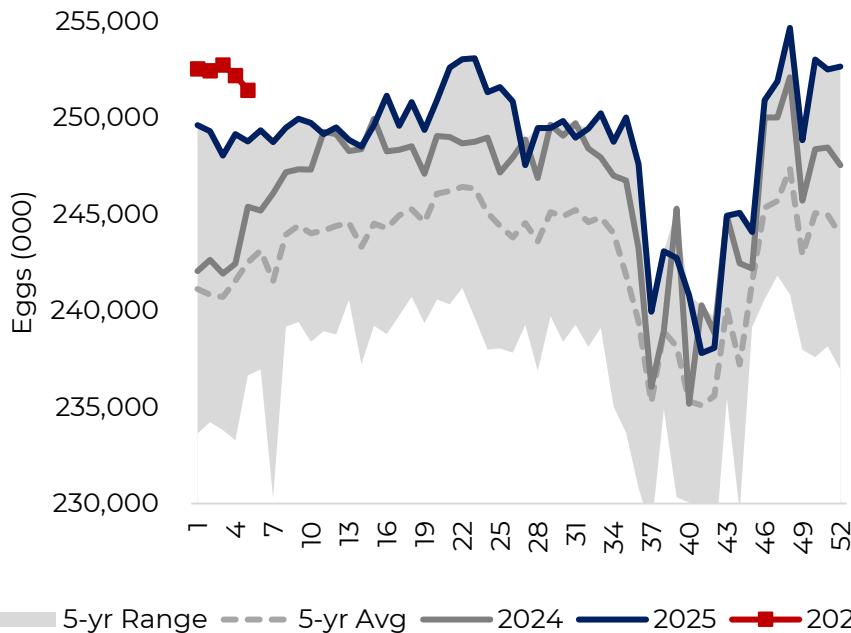


- Broiler layer flock -1.7% Y/Y in Q4 2025.
- Eggs/100 +1.2% Y/Y in Q4 2025.

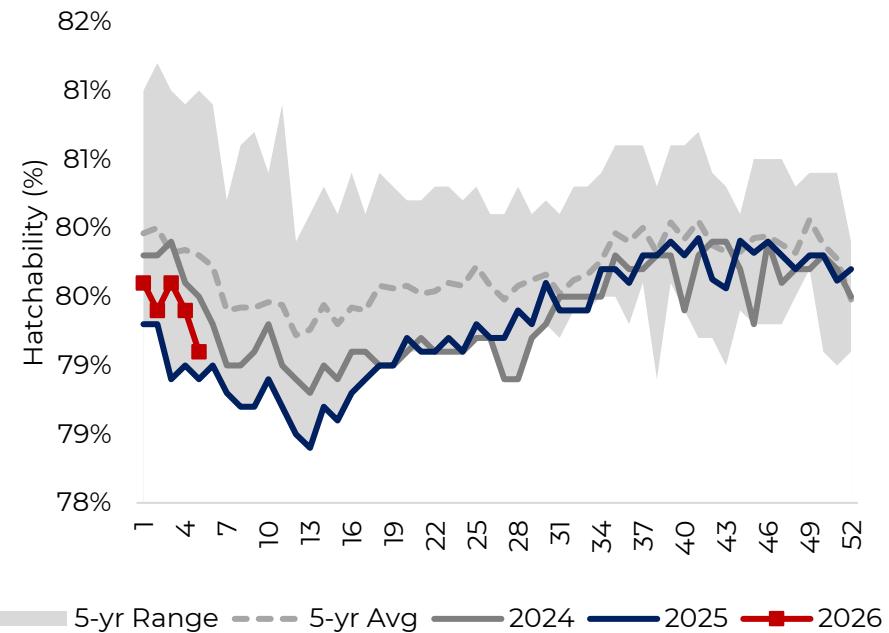
Egg Sets Increased 0.9% Y/Y in Q4 2025; Hatchability +0.1% Compared to Q4 2024 Levels



Chicken Eggs Set by Week - USDA



Hatchability by Week - USDA

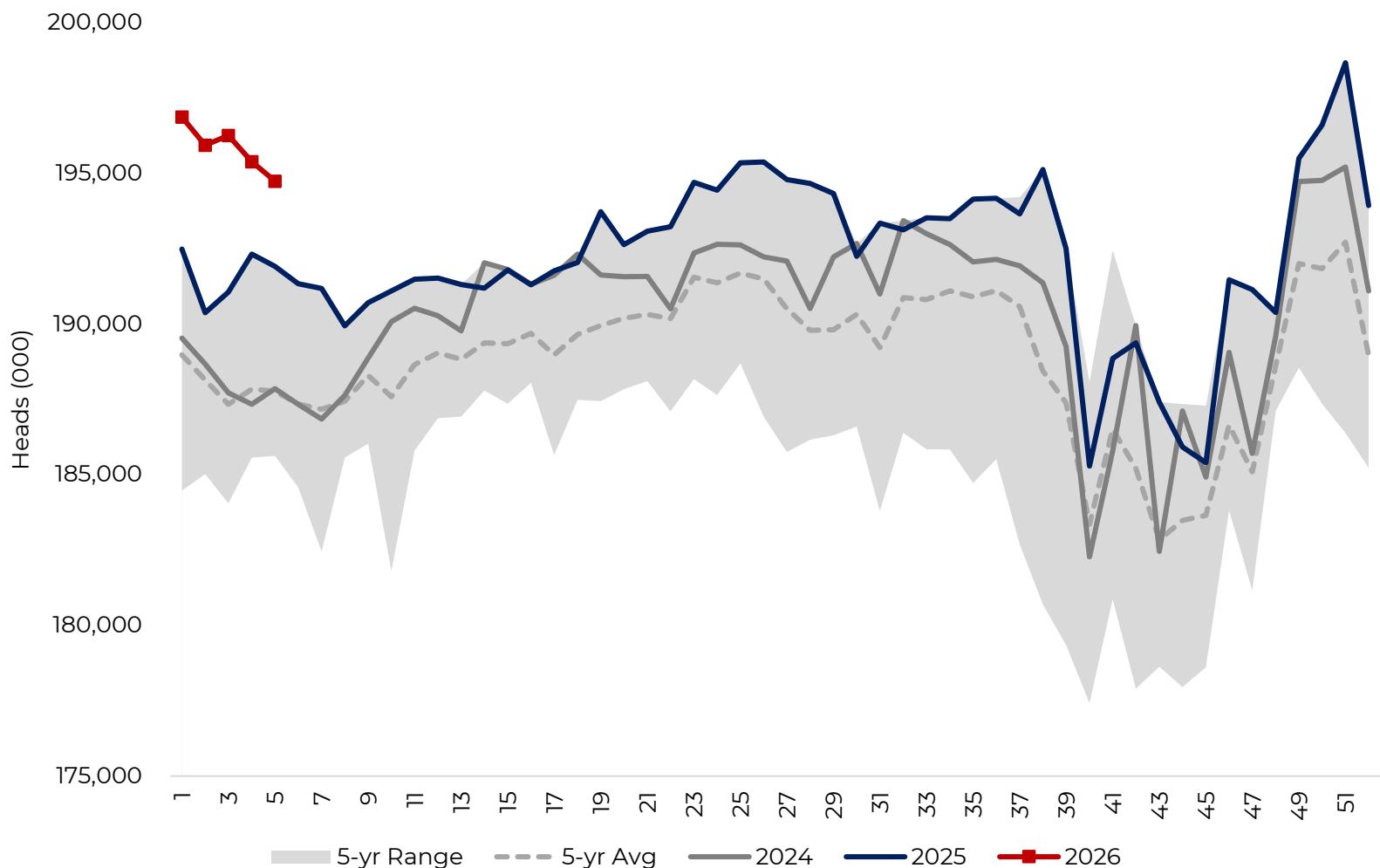


Note: Estimating hatchability for week 41-45 and week 51 as there is no data available

Broiler Placements Increased 1.1% Above Year-Ago Levels in Q4 2025



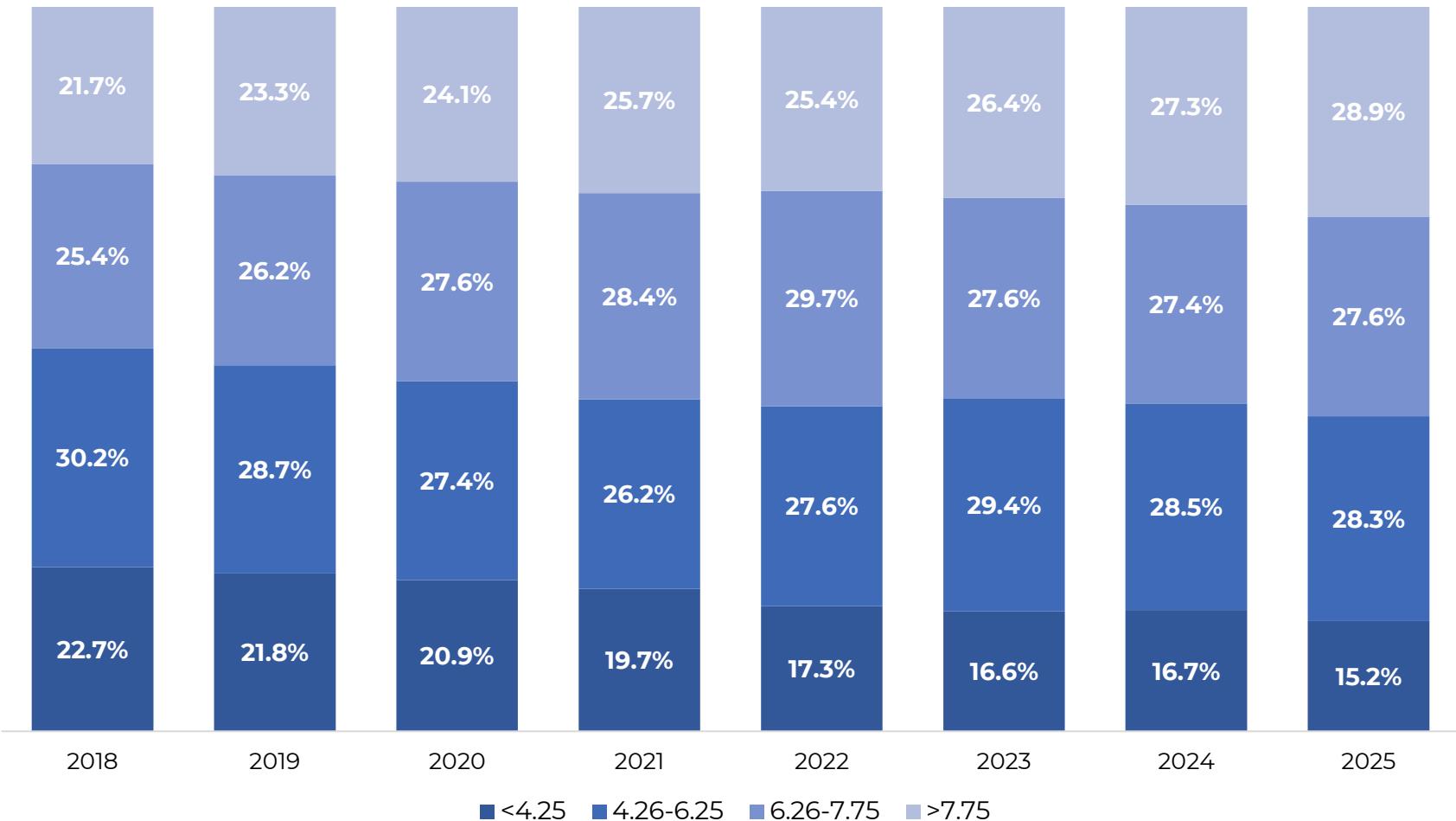
Chicks Placements by Week - USDA



Increased Head Counts in Big Bird Debone Segment in Q4 2025



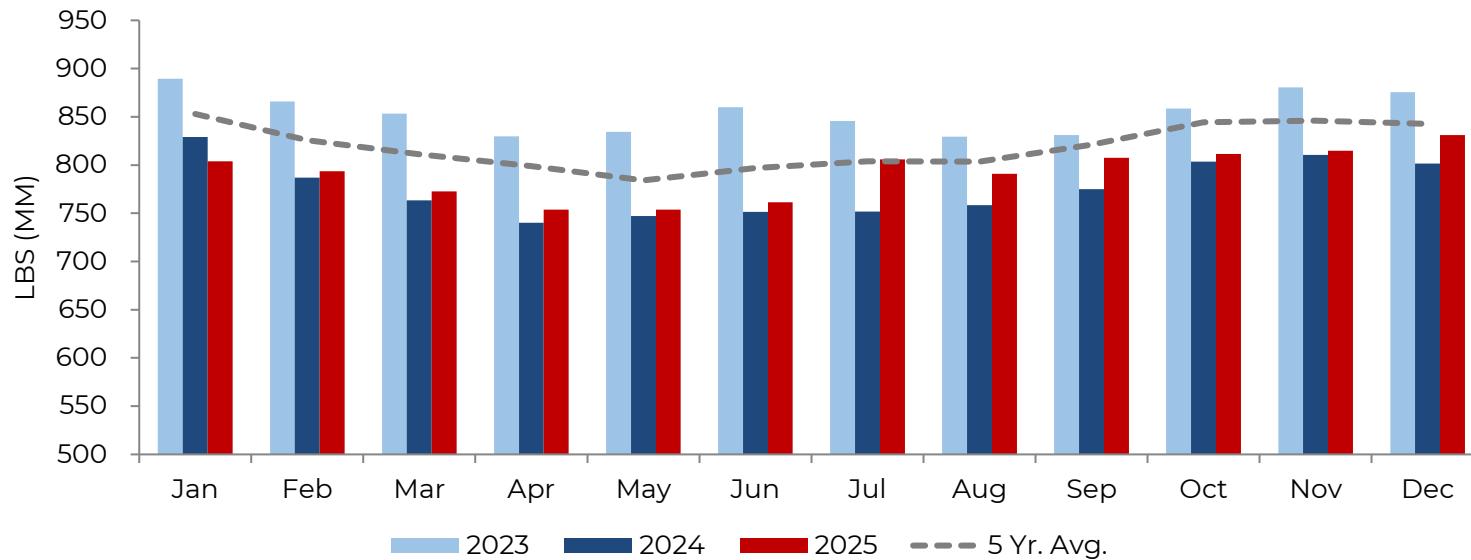
Head Processed by Size



Industry Cold Storage Supplies in Q4 2025 Slightly Above YA, but Below 5-Year Average



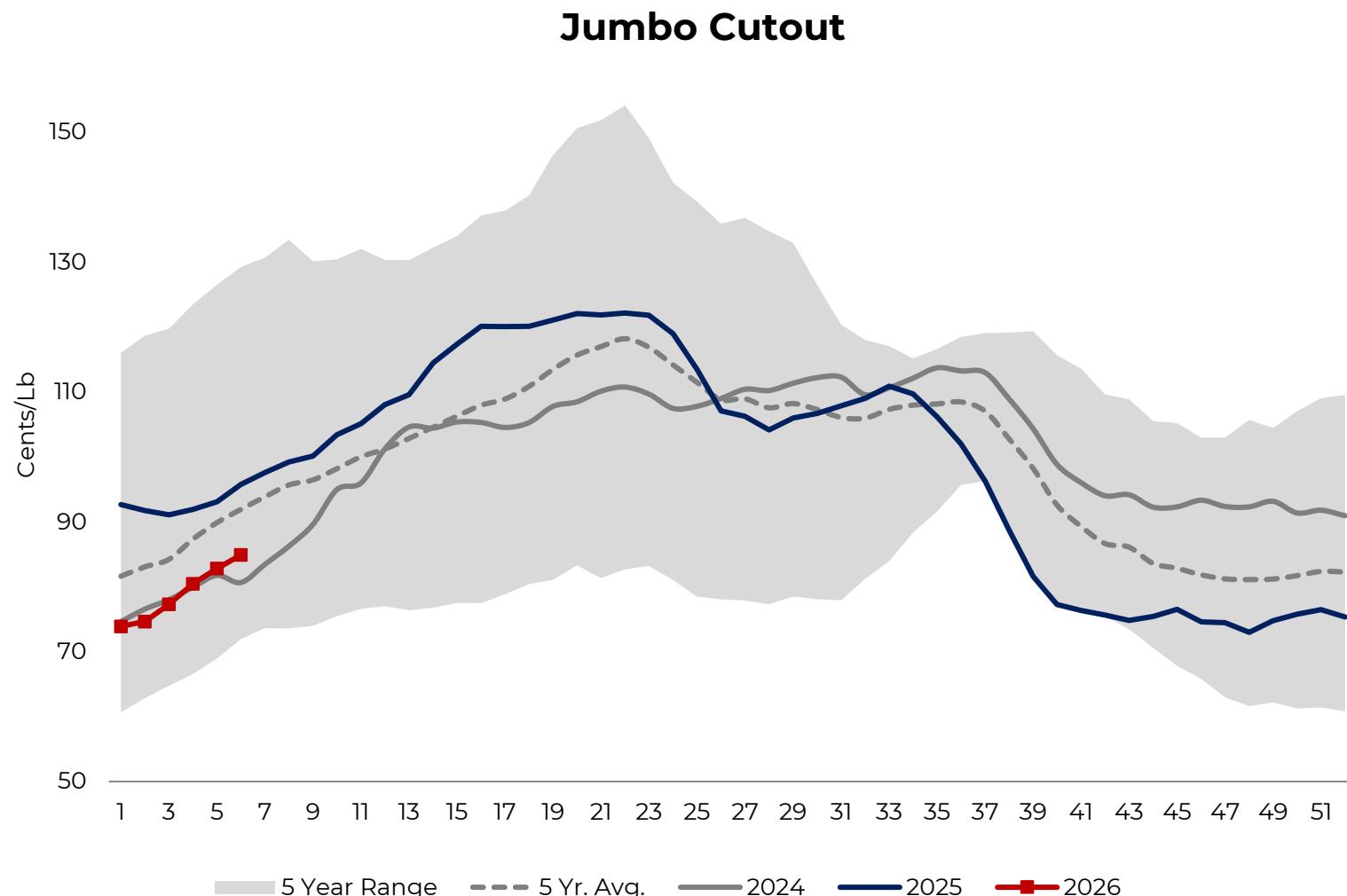
Total Chicken Inventories



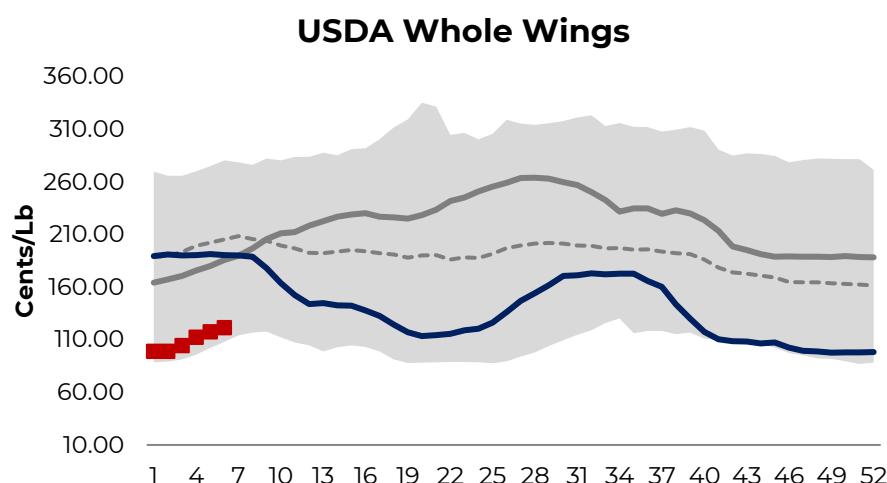
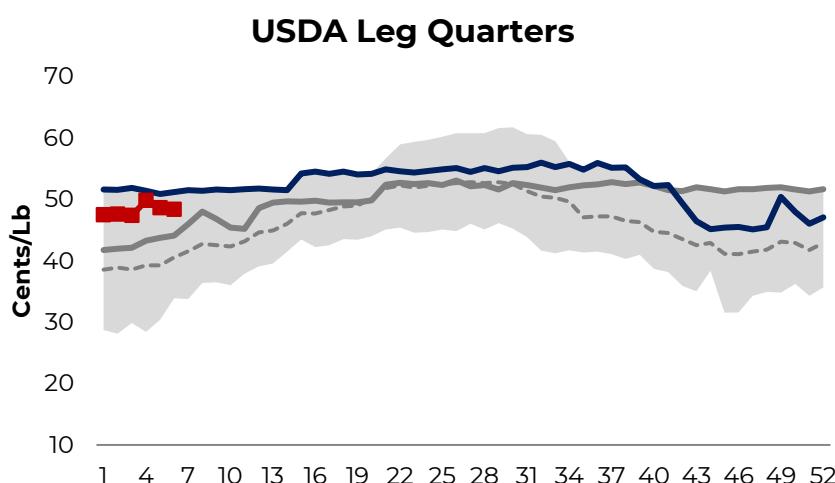
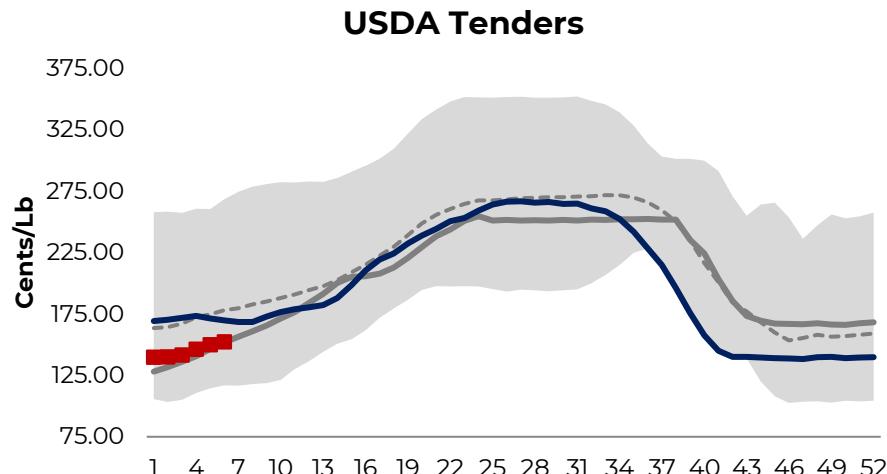
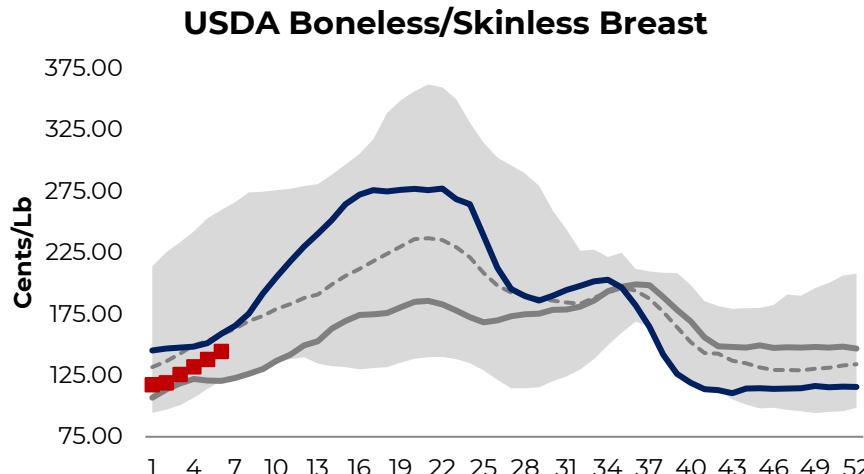
- Total Inventories ended Q4 up 1.8% Y/Y and -2.9% below 5-year average.
- Broilers inventories increased by 28.8% Y/Y and hens increased by 153.8% Y/Y.
- Breast meat inventories increased 2.1% Y/Y.
- Wing inventories decreased 2.0% compared to year ago.
- Dark Meat inventories decreased 9.6% Y/Y.
- Paws and feet inventory decreased 18.3% Y/Y.

Cold Storage	24-Dec	25-Nov	25-Dec	M/M	Y/Y
Breast	240,935	242,156	245,942	▲ 1.6%	▲ 2.1%
Drums	29,511	27,787	25,847	▼ -7.0%	▼ -12.4%
LQs	63,709	55,594	53,635	▼ -3.5%	▼ -15.8%
Legs	14,728	10,596	10,843	▲ 2.3%	▼ -26.4%
Hens	4,502	9,534	11,425	▲ 19.8%	▲ 153.8%
Paws	34,044	27,612	27,830	▲ 0.8%	▼ -18.3%
Thigh	7,942	8,923	10,198	▲ 14.3%	▲ 28.4%
BS Thighs	16,084	18,605	18,778	▲ 0.9%	▲ 16.7%
Wings	56,228	57,181	55,108	▼ -3.6%	▼ -2.0%
Whole	9,493	11,567	12,231	▲ 5.7%	▲ 28.8%
Others	322,818	345,364	359,277	▲ 4.0%	▲ 11.3%
Total	799,994	814,919	831,114	▲ 2.0%	▲ 3.9%

Jumbo Cutout Pricing Below Year Ago and 5-year Average in Q4 2025



BSB and Tenders Remained Stable in Q4, Wings Below YA and 5-yr average, LQ Also Below YA

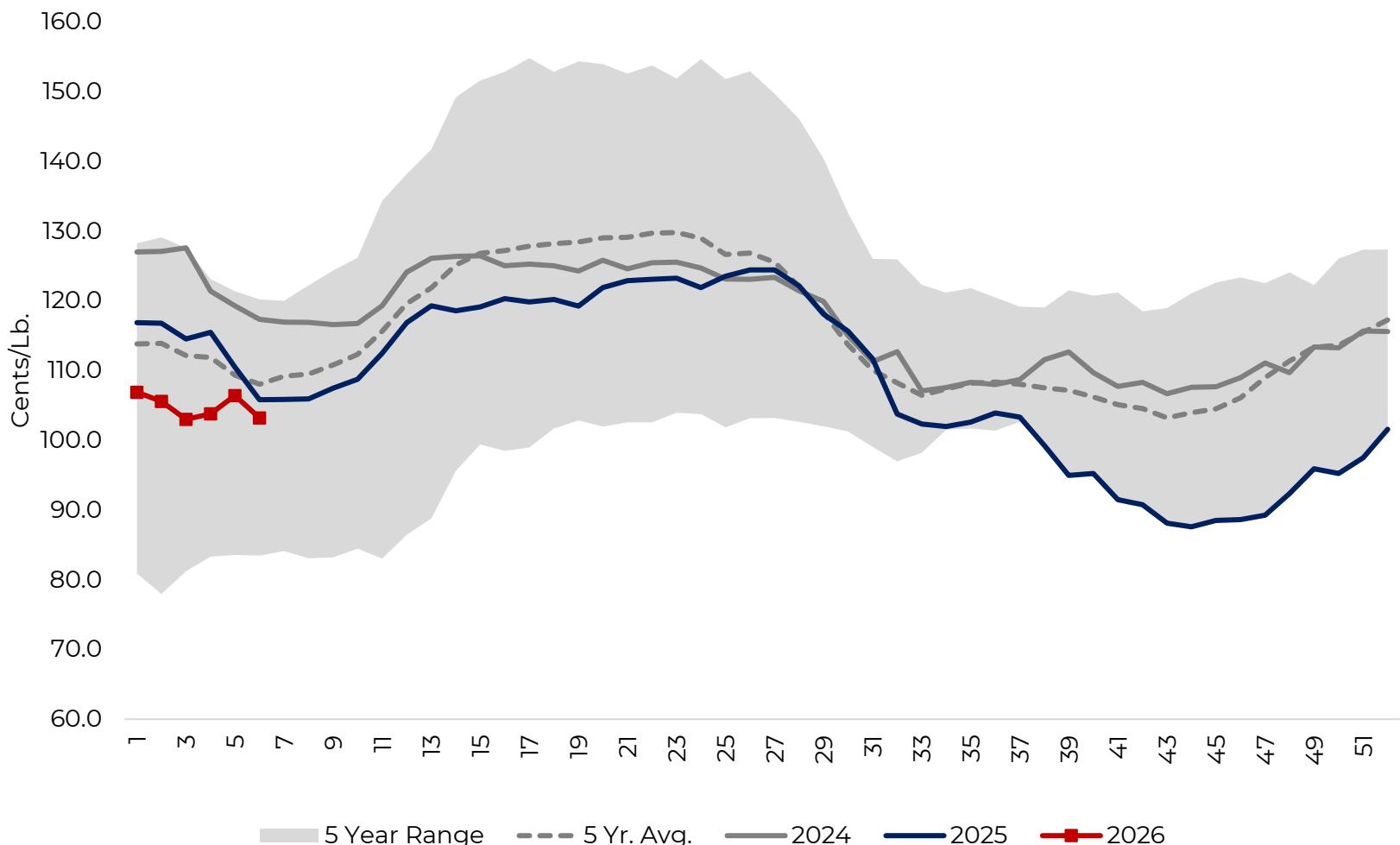


■ 5 Year Range - - - 5-yr Avg — 2024 — 2025 — 2026

WOG Pricing Below YA and 5-year Average in Q4 2025



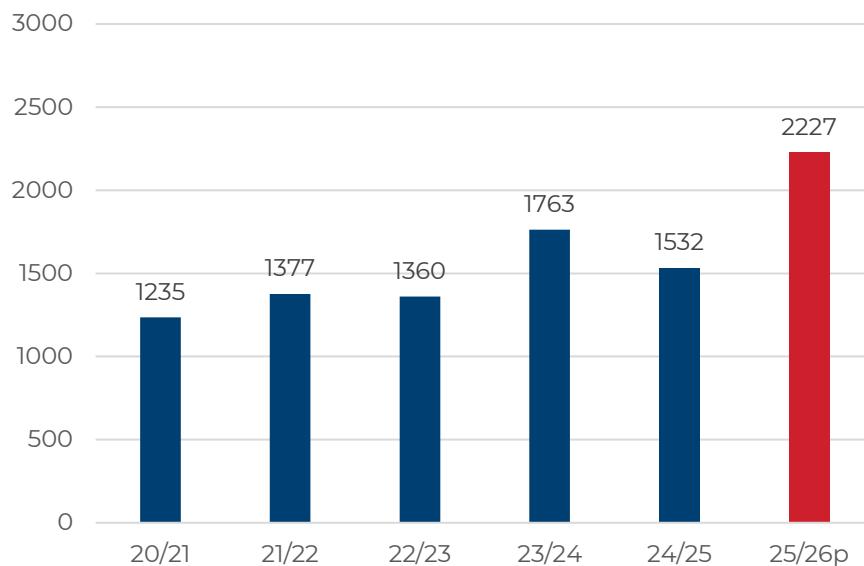
EMI WOG 2.5-4.0 LBS



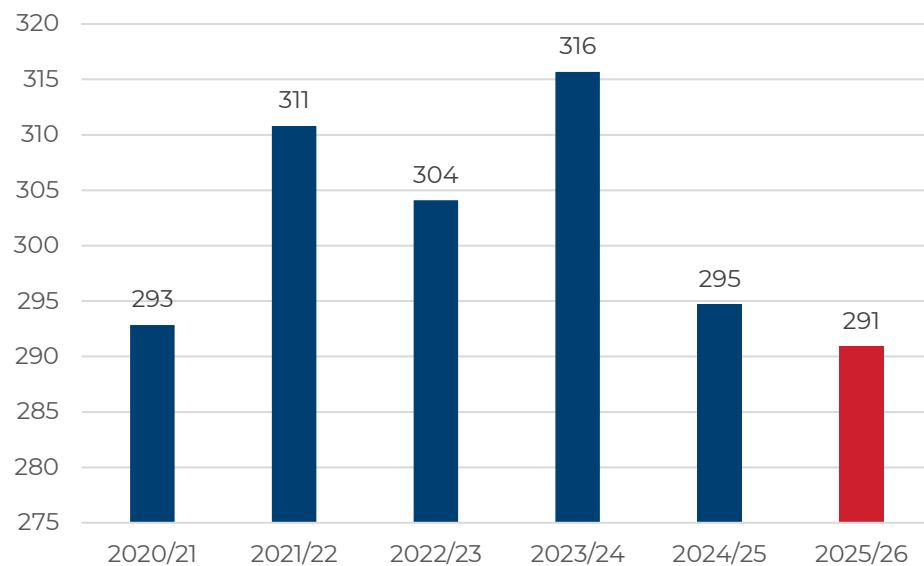
Corn Dynamics



US Corn Ending Stocks (MBUs)



World Corn Endings stocks (MMT)

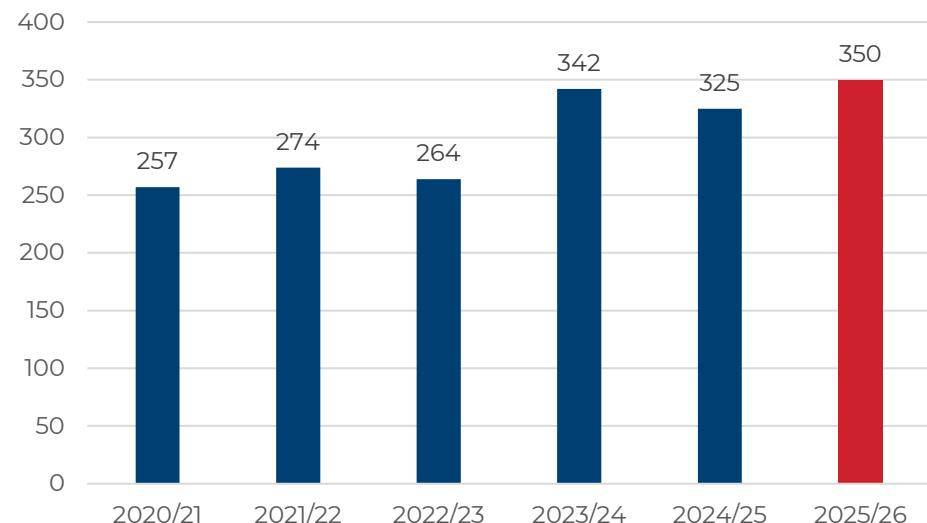


- US stocks rebuild with large acreage and favorable growing season
- S. American production increases slightly
- Global stocks shrink slightly, driven by China. Non-China stocks grow

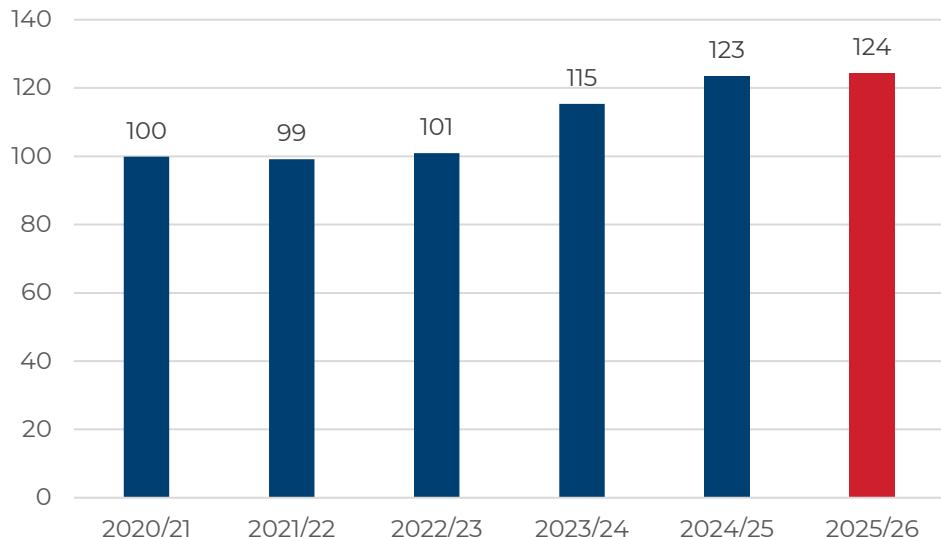
Soybean Dynamics



US Soybean Ending Stocks (MBU)



World Soy Ending Stocks (MMT)

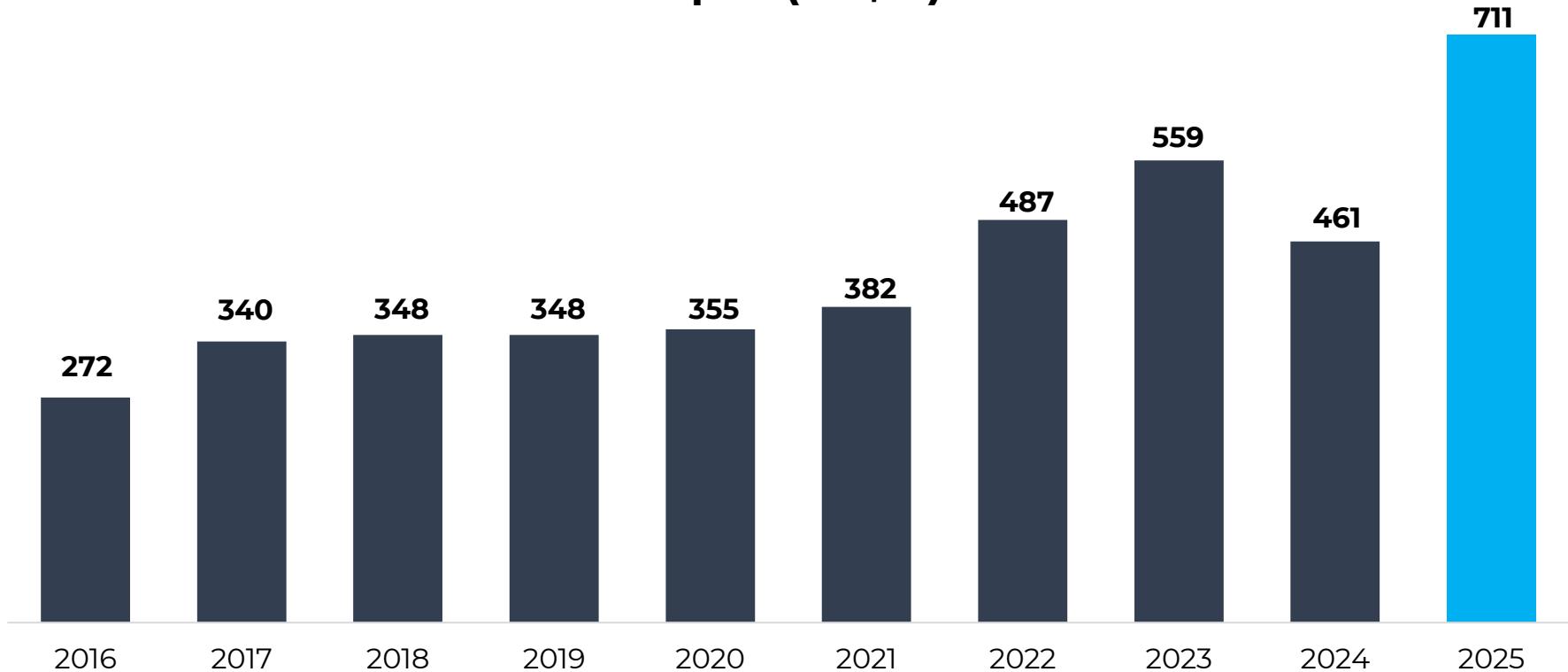


- USDA sees soybean stocks growing; higher crush offset by decreasing soybean exports
- South America hits new record high soybean production
- Global bean stocks hit record high in 24/25, swell further in 25/26

Fiscal Year 2025 Capital Spending



Capex (US\$M)



- Continued investment in strategic projects will support Key Customers' growth and emphasize our focus on further diversification of our portfolio and operational improvements



APPENDIX

Appendix: Reconciliation of Adjusted EBITDA



"EBITDA" is defined as the sum of net income (loss) plus interest, taxes, depreciation and amortization. "Adjusted EBITDA" is calculated by adding to EBITDA certain items of expense and deducting from EBITDA certain items of income that we believe are not indicative of our ongoing operating performance consisting of: (1) foreign currency transaction losses (gains), (2) costs related to litigation settlements, (3) restructuring activities losses, (4) loss on settlement of pension from plan termination, (5) inventory write-down as a result of hurricane, and (6) net income attributable to noncontrolling interest. EBITDA is presented because it is used by management and we believe it is frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of results prepared in conformity with accounting principles generally accepted in the U.S. ("U.S. GAAP"), to compare the performance of companies. We believe investors would be interested in our Adjusted EBITDA because this is how our management analyzes EBITDA applicable to continuing operations. The Company also believes that Adjusted EBITDA, in combination with the Company's financial results calculated in accordance with U.S. GAAP, provides investors with additional perspective regarding the impact of certain significant items on EBITDA and facilitates a more direct comparison of its performance with its competitors. EBITDA and Adjusted EBITDA are not measurements of financial performance under U.S. GAAP. EBITDA and Adjusted EBITDA have limitations as analytical tools and should not be considered in isolation or as substitutes for an analysis of our results as reported under U.S. GAAP. In addition, other companies in our industry may calculate these measures differently limiting their usefulness as a comparative measure. Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as an alternative to net income as indicators of our operating performance or any other measures of performance derived in accordance with U.S. GAAP. These limitations should be compensated for by relying primarily on our U.S. GAAP results and using EBITDA and Adjusted EBITDA only on a supplemental basis.

Appendix: Reconciliation of Adjusted EBITDA



PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted EBITDA
(Unaudited)

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
(In thousands)				
Net income (loss)	\$ 87,931	\$ 235,772	\$ 1,083,344	\$ 1,087,223
Add:				
Interest expense, net ^(a)	33,044	22,776	110,270	88,509
Income tax expense	86,803	40,725	418,794	325,046
Depreciation and amortization	121,709	111,854	456,157	433,622
EBITDA	329,487	411,127	2,068,565	1,934,400
Add:				
Foreign currency transaction loss (gain) ^(b)	(1,231)	(2,785)	6,777	(10,025)
Litigation settlements ^(c)	77,363	95,038	162,659	167,228
Restructuring activities losses ^(d)	9,464	11,318	31,354	93,388
Loss on settlement of pension from plan termination ^(e)	—	10,940	—	21,649
Inventory write-down as a result of hurricane ^(f)	—	—	—	8,075
Minus:				
Net income (loss) attributable to noncontrolling interest	(62)	(82)	985	785
Adjusted EBITDA	<u><u>\$ 415,145</u></u>	<u><u>\$ 525,720</u></u>	<u><u>\$ 2,268,370</u></u>	<u><u>\$ 2,213,930</u></u>

Appendix: Reconciliation of Adjusted EBITDA



- a. Interest expense, net, consists of interest expense less interest income.
- b. Prior to April 1, 2024, the Company measures the financial statements of its Mexico reportable segment as if the U.S. dollar were the functional currency. Accordingly, we remeasure assets and liabilities, other than nonmonetary assets, of the Mexico reportable segment at current exchange rates. We remeasure nonmonetary assets using the historical exchange rate in effect on the date of each asset's acquisition. Currency exchange gains or losses resulting from these remeasurements were previously recognized in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income. Effective April 1, 2024, the Company changed the functional currency of its Mexico reportable segment from U.S. dollar to Mexican peso, which means all translation gains/losses on outstanding balances are now recognized in accumulated other comprehensive income. Transactional functional currency gains/losses are included in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income.
- c. This represents expenses recognized in anticipation of probable settlements in ongoing litigation.
- d. Restructuring activities losses are related to costs incurred, such as severance, asset impairment, contract termination, and others, as part of multiple ongoing restructuring initiatives throughout our Europe reportable segment.
- e. This represents a loss recognized on the settlement of pension plan obligations related to an ongoing plan termination of our two U.S. defined benefit plans.
- f. This primarily represents broiler losses incurred as a result of Hurricane Helene in late September 2024.

Appendix: Reconciliation of LTM Adjusted EBITDA



The summary unaudited consolidated income statement data for the 12 months ended December 28, 2025 (the LTM Period) have been calculated by summing each of the unaudited three month periods within the audited year ended December 28, 2025.

PILGRIM'S PRIDE CORPORATION
Reconciliation of LTM Adjusted EBITDA
(Unaudited)

	Three Months Ended				LTM Ended December 29, 2024
	March 30, 2025	June 29, 2025	September 28, 2025	December 28, 2025	
	(In thousands)				
Net income	\$ 296,343	\$ 356,009	\$ 343,061	\$ 87,931	\$ 1,083,344
Add:					
Interest expense, net	16,785	31,451	28,990	33,044	110,270
Income tax expense	94,099	119,573	118,319	86,803	418,794
Depreciation and amortization	<u>104,518</u>	<u>113,504</u>	<u>116,426</u>	<u>121,709</u>	<u>456,157</u>
EBITDA	511,745	620,537	606,796	329,487	2,068,565
Add:					
Foreign currency transaction losses (gains)	(2,053)	4,892	5,169	(1,231)	6,777
Litigation settlements	7,250	58,464	19,582	77,363	162,659
Restructuring activities losses	16,612	3,499	1,779	9,464	31,354
Minus:					
Net income (loss) attributable to noncontrolling interest	310	489	248	(62)	985
Adjusted EBITDA	<u>\$ 533,244</u>	<u>\$ 686,903</u>	<u>\$ 633,078</u>	<u>\$ 415,145</u>	<u>\$ 2,268,370</u>

Appendix: Reconciliation of EBITDA Margin



EBITDA margins have been calculated by taking the relevant unaudited EBITDA figures, then dividing by net sales for the applicable period. EBITDA margins are presented because they are used by management and we believe it is frequently used by securities analysts, investors and other interested parties, as a supplement to our results prepared in accordance with U.S. GAAP, to compare the performance of companies.

PILGRIM'S PRIDE CORPORATION
Reconciliation of EBITDA Margin
(Unaudited)

	Three Months Ended		Year Ended		Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
	(In thousands)							
Net income (loss)	\$ 87,931	\$ 235,772	\$ 1,083,344	\$ 1,087,223	1.95 %	5.39 %	5.86 %	6.08 %
Add:								
Interest expense, net	33,044	22,776	110,270	88,509	0.73 %	0.52 %	0.60 %	0.50 %
Income tax expense	86,803	40,725	418,794	325,046	1.92 %	0.93 %	2.26 %	1.82 %
Depreciation and amortization	121,709	111,854	456,157	433,622	2.69 %	2.56 %	2.47 %	2.43 %
EBITDA	329,487	411,127	2,068,565	1,934,400	7.29 %	9.40 %	11.18 %	10.82 %
Add:								
Foreign currency transaction losses (gains)	(1,231)	(2,785)	6,777	(10,025)	(0.02)%	(0.05)%	0.04 %	(0.06)%
Litigation settlements	77,363	95,038	162,659	167,228	1.71 %	2.17 %	0.86 %	0.92 %
Restructuring activities losses	9,464	11,318	31,354	93,388	0.21 %	0.26 %	0.17 %	0.52 %
Loss on settlement of pension from plan termination	—	10,940	—	21,649	— %	0.25 %	— %	0.12 %
Inventory write-down as a result of hurricane	—	—	—	8,075	— %	— %	— %	0.05 %
Minus:								
Net income (loss) attributable to noncontrolling interest	(62)	(82)	985	785	— %	— %	0.01 %	— %
Adjusted EBITDA	<u>\$ 415,145</u>	<u>\$ 525,720</u>	<u>\$ 2,268,370</u>	<u>\$ 2,213,930</u>	<u>9.19 %</u>	<u>12.03 %</u>	<u>12.24 %</u>	<u>12.37 %</u>
Net sales	\$ 4,517,837	\$ 4,372,064	\$ 18,497,553	\$ 17,878,291				

Appendix: Reconciliation of Adjusted EBITDA by Segment



Adjusted EBITDA by segment figures are presented because they are used by management and we believe they are frequently used by securities analysts, investors and other interested parties, as a supplement to our results prepared in accordance with U.S. GAAP, to compare the performance of companies.

PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted EBITDA
(Unaudited)

	Three Months Ended				Three Months Ended			
	December 28, 2025				December 29, 2024			
	U.S.	Europe	Mexico	Total	U.S.	Europe	Mexico	Total
(In thousands)								
Net income (loss)	\$ 13,261	\$ 72,393	\$ 2,277	\$ 87,931	\$ 139,647	\$ 74,189	\$ 21,936	\$ 235,772
Add:								
Interest expense, net ^(a)	34,776	(537)	(1,195)	33,044	33,518	(5,262)	(5,480)	22,776
Income tax expense (benefit)	70,295	13,042	3,466	86,803	21,895	1,367	17,463	40,725
Depreciation and amortization	78,508	37,139	6,062	121,709	70,612	36,141	5,101	111,854
EBITDA	196,840	122,037	10,610	329,487	265,672	106,435	39,020	411,127
Add:								
Foreign currency transaction losses (gains) ^(b)	(2)	(107)	(1,122)	(1,231)	(1)	(612)	(2,172)	(2,785)
Litigation settlements ^(c)	77,363	—	—	77,363	95,038	—	—	95,038
Restructuring activities losses ^(d)	—	9,464	—	9,464	—	11,318	—	11,318
Loss on settlement of pension from plan termination ^(e)	—	—	—	—	10,940	—	—	10,940
Minus:								
Net income attributable to noncontrolling interest	—	—	(62)	(62)	—	—	(82)	(82)
Adjusted EBITDA	<u>\$ 274,201</u>	<u>\$ 131,394</u>	<u>\$ 9,550</u>	<u>\$ 415,145</u>	<u>\$ 371,649</u>	<u>\$ 117,141</u>	<u>\$ 36,930</u>	<u>\$ 525,720</u>

Appendix: Reconciliation of Adjusted EBITDA by Segment



PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted EBITDA
(Unaudited)

	Year Ended				Year Ended			
	December 28, 2025				December 29, 2024			
	U.S.	Europe	Mexico	Total	U.S.	Europe	Mexico	Total
	(In thousands)				(In thousands)			
Net income (loss)	\$ 734,597	\$ 222,215	\$ 126,532	\$ 1,083,344	\$ 719,595	\$ 176,421	\$ 191,207	\$ 1,087,223
Add:								
Interest expense, net ^(a)	128,847	(2,619)	(15,958)	110,270	133,784	(13,996)	(31,279)	88,509
Income tax expense (benefit)	313,935	53,100	51,759	418,794	237,550	10,750	76,746	325,046
Depreciation and amortization	288,495	145,375	22,287	456,157	270,618	140,993	22,011	433,622
EBITDA	1,465,874	418,071	184,620	2,068,565	1,361,547	314,168	258,685	1,934,400
Add:								
Foreign currency transaction losses (gains) ^(b)	—	3,663	3,114	6,777	(1)	(665)	(9,359)	(10,025)
Litigation settlements ^(c)	162,659	—	—	162,659	167,228	—	—	167,228
Restructuring activities losses ^(d)	—	31,354	—	31,354	—	93,388	—	93,388
Loss on settlement of pension from plan termination ^(e)	—	—	—	—	21,649	—	—	21,649
Inventory write-down as a result of hurricane ^(f)	—	—	—	—	8,075	—	—	8,075
Minus:								
Net income attributable to noncontrolling interest	—	—	985	985	—	—	785	785
Adjusted EBITDA	<u>\$ 1,628,533</u>	<u>\$ 453,088</u>	<u>\$ 186,749</u>	<u>\$ 2,268,370</u>	<u>\$ 1,558,498</u>	<u>\$ 406,891</u>	<u>\$ 248,541</u>	<u>\$ 2,213,930</u>

Appendix: Reconciliation of Adjusted EBITDA



- a. Interest expense, net, consists of interest expense less interest income.
- b. Prior to April 1, 2024, the Company measures the financial statements of its Mexico reportable segment as if the U.S. dollar were the functional currency. Accordingly, we remeasure assets and liabilities, other than nonmonetary assets, of the Mexico reportable segment at current exchange rates. We remeasure nonmonetary assets using the historical exchange rate in effect on the date of each asset's acquisition. Currency exchange gains or losses resulting from these remeasurements were previously recognized in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income. Effective April 1, 2024, the Company changed the functional currency of its Mexico reportable segment from U.S. dollar to Mexican peso, which means all translation gains/losses on outstanding balances are now recognized in accumulated other comprehensive income. Transactional functional currency gains/losses are included in the line item Foreign currency transaction losses (gains) in the Condensed Consolidated Statements of Income.
- c. This represents expenses recognized in anticipation of probable settlements in ongoing litigation.
- d. Restructuring activities losses are related to costs incurred, such as severance, asset impairment, contract termination, and others, as part of multiple ongoing restructuring initiatives throughout our Europe reportable segment.
- e. This represents a loss recognized on the settlement of pension plan obligations related to an ongoing plan termination of our two U.S. defined benefit plans.
- f. This primarily represents broiler losses incurred as a result of Hurricane Helene in late September 2024.

Appendix: Reconciliation of Adjusted Operating Income



Adjusted Operating Income is calculated by adding to Operating Income certain items of expense and deducting from Operating Income certain items of income. Management believes that presentation of Adjusted Operating Income provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of GAAP operating income to adjusted operating income as follows:

PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted Operating Income
(Unaudited)

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
(In thousands)				
GAAP operating income, U.S. operations	\$ 115,488	\$ 205,752	\$ 1,173,404	\$ 1,113,001
Litigation settlements	77,363	95,038	162,659	167,228
Inventory write-down as a result of hurricane	—	—	—	8,075
Adjusted operating income, U.S. operations	<u>\$ 192,851</u>	<u>\$ 300,790</u>	<u>\$ 1,336,063</u>	<u>\$ 1,288,304</u>

Adjusted operating income margin, U.S. operations 7.4 % 11.5 % 12.1 % 12.1 %

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
(In thousands)				
GAAP operating income, Europe operations	\$ 83,423	\$ 68,983	\$ 272,397	\$ 169,693
Restructuring activities losses	9,464	11,318	31,354	93,388
Adjusted operating income, Europe operations	<u>\$ 92,887</u>	<u>\$ 80,301</u>	<u>\$ 303,751</u>	<u>\$ 263,081</u>

Adjusted operating income margin, Europe operations 6.7 % 6.4 % 5.6 % 5.1 %

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
(In thousands)				
GAAP operating income, Mexico operations	\$ 5,199	\$ 31,916	\$ 167,738	\$ 223,375
No adjustments	—	—	—	—
Adjusted operating income, Mexico operations	<u>\$ 5,199</u>	<u>\$ 31,916</u>	<u>\$ 167,738</u>	<u>\$ 223,375</u>

Adjusted operating income margin, Mexico operations 1.0 % 6.4 % 7.9 % 10.6 %

Appendix: Reconciliation of GAAP Operating Income Margin to Adjusted Operating Income Margin



Adjusted Operating Income Margin for each of our reportable segments is calculated by dividing Adjusted operating income by Net Sales. Management believes that presentation of Adjusted Operating Income Margin provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of GAAP operating income margin for each of our reportable segments to adjusted operating income margin for each of our reportable segments is as follows:

PILGRIM'S PRIDE CORPORATION
Reconciliation of GAAP Operating Income Margin to Adjusted Operating Income Margin
(Unaudited)

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
	(In percent)			
GAAP operating income margin, U.S. operations	4.4 %	7.9 %	10.6 %	10.5 %
Litigation settlements	3.0 %	3.6 %	1.5 %	1.5 %
Inventory write-down as a result of hurricane	— %	— %	— %	0.1 %
Adjusted operating income margin, U.S. operations	<u>7.4 %</u>	<u>11.5 %</u>	<u>12.1 %</u>	<u>12.1 %</u>
	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
	(In percent)			
GAAP operating income margin, Europe operations	6.0 %	5.5 %	5.1 %	3.3 %
Restructuring activities losses	0.7 %	0.9 %	0.5 %	1.8 %
Adjusted operating income margin, Europe operations	<u>6.7 %</u>	<u>6.4 %</u>	<u>5.6 %</u>	<u>5.1 %</u>
	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
	(In percent)			
GAAP operating income margin, Mexico operations	1.0 %	6.4 %	7.9 %	10.6 %
No adjustments	— %	— %	— %	— %
Adjusted operating income margin, Mexico operations	<u>1.0 %</u>	<u>6.4 %</u>	<u>7.9 %</u>	<u>10.6 %</u>

Appendix: Reconciliation of Adjusted Net Income



Adjusted net income attributable to Pilgrim's Pride Corporation ("Pilgrim's") is calculated by adding to Net income attributable to Pilgrim's certain items of expense and deducting from Net income attributable to Pilgrim's certain items of income, as shown below in the table. Adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is presented because it is used by management, and we believe it is frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of results prepared in conformity with U.S. GAAP, to compare the performance of companies. Management also believe that this non-U.S. GAAP financial measure, in combination with our financial results calculated in accordance with U.S. GAAP, provides investors with additional perspective regarding the impact of such charges on net income attributable to Pilgrim's Pride Corporation per common diluted share. Adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is not a measurement of financial performance under U.S. GAAP, has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under U.S. GAAP. Management believes that presentation of adjusted net income attributable to Pilgrim's provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of net income (loss) attributable to Pilgrim's Pride Corporation per common diluted share to adjusted net income attributable to Pilgrim's Pride Corporation per common diluted share is as follows:

PILGRIM'S PRIDE CORPORATION
Reconciliation of Adjusted Net Income
(Unaudited)

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
	(In thousands, except per share data)			
Net income attributable to Pilgrim's Pride Corporation	\$ 87,993	\$ 235,854	\$ 1,082,359	\$ 1,086,438
Add:				
Foreign currency transaction losses (gains)	(1,231)	(2,785)	6,777	(10,025)
Litigation settlements	77,363	95,038	162,659	167,228
Restructuring activities	9,464	11,318	31,354	93,388
Loss on settlement of pension from plan termination	—	10,940	—	21,649
Inventory write-down as a result of hurricane	—	—	—	8,075
Loss (gain) on early extinguishment of debt recognized as a component of interest expense ^(a)	—	—	—	(11,211)
Minus:				
Adjusted net income attributable to Pilgrim's before tax impact	173,589	350,365	1,283,149	1,355,542
Net tax impact of adjustments ^(b)	(21,412)	(28,620)	(49,288)	(66,057)
Adjusted net income (loss) attributable to Pilgrim's	152,177	321,745	1,233,861	1,289,485
Weighted average diluted shares of common stock outstanding	238,563	238,070	238,449	237,800
Adjusted net income attributable to Pilgrim's per common diluted share	<u>\$ 0.64</u>	<u>\$ 1.35</u>	<u>\$ 5.17</u>	<u>\$ 5.42</u>

- a. The gain on early extinguishment of debt recognized as a component of interest expense in 2024 was due to the bond repurchases.
- b. Net tax impact of adjustments represents the tax impact of all adjustments shown above.

Appendix: Reconciliation of GAAP EPS to Adjusted EPS



Adjusted EPS is calculated by dividing the adjusted net income attributable to Pilgrim's stockholders by the weighted average number of diluted shares. Management believes that Adjusted EPS provides useful supplemental information about our operating performance and enables comparison of our performance between periods because certain costs shown below are not indicative of our current operating performance. A reconciliation of U.S. GAAP to non-U.S. GAAP financial measures is as follows:

PILGRIM'S PRIDE CORPORATION
Reconciliation of GAAP EPS to Adjusted EPS
(Unaudited)

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
(In thousands, except per share data)				
U.S. GAAP EPS	\$ 0.37	\$ 0.99	\$ 4.54	\$ 4.57
Add:				
Foreign currency transaction losses (gains)	—	(0.01)	0.03	(0.04)
Litigation settlements	0.32	0.40	0.68	0.70
Restructuring activities	0.04	0.05	0.13	0.39
Loss on settlement of pension from plan termination	—	0.05	—	0.09
Inventory write-down as a result of hurricane	—	—	—	0.03
Loss (gain) on early extinguishment of debt recognized as a component of interest expense	—	—	—	(0.05)
Minus:				
Adjusted EPS before tax impact	0.73	1.48	5.38	5.69
Net tax impact of adjustments ^(a)	(0.09)	(0.13)	(0.21)	(0.27)
Adjusted EPS	<u><u>\$ 0.64</u></u>	<u><u>\$ 1.35</u></u>	<u><u>\$ 5.17</u></u>	<u><u>\$ 5.42</u></u>
Weighted average diluted shares of common stock outstanding	238,563	238,070	238,449	237,800

a. Net tax impact of adjustments represents the tax impact of all adjustments shown above.

Appendix: Supplementary Selected Segment and Geographic Data



PILGRIM'S PRIDE CORPORATION
Supplementary Selected Segment and Geographic Data
(Unaudited)

	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
	(In thousands)			
Sources of net sales by geographic region of origin:				
U.S.	\$ 2,598,545	\$ 2,613,241	\$ 10,998,732	\$ 10,629,929
Europe	1,383,571	1,259,176	5,378,865	5,136,747
Mexico	535,721	499,647	2,119,956	2,111,615
Total net sales	\$ 4,517,837	\$ 4,372,064	\$ 18,497,553	\$ 17,878,291
Sources of cost of sales by geographic region of origin:				
U.S.	\$ 2,324,627	\$ 2,231,746	\$ 9,364,633	\$ 9,066
Europe	1,252,595	1,135,385	4,886,105	4,675
Mexico	512,024	451,671	1,888,672	1,825
Elimination	—	—	—	—
Total cost of sales	\$ 4,089,246	\$ 3,818,802	\$ 16,139,410	\$ 15,565,524
Sources of gross profit by geographic region of origin:				
U.S.	\$ 273,918	\$ 381,495	\$ 1,634,099	\$ 1,564,092
Europe	130,976	123,791	492,760	461,667
Mexico	23,697	47,976	231,284	287,008
Elimination	—	—	—	—
Total gross profit	\$ 428,591	\$ 553,262	\$ 2,358,143	\$ 2,312,767
Sources of operating income by geographic region of origin:				
U.S.	\$ 115,488	\$ 205,752	\$ 1,173,404	\$ 1,113,001
Europe	83,423	68,983	272,397	169,693
Mexico	5,199	31,916	167,738	223,375
Elimination	—	—	—	—
Total operating income	\$ 204,110	\$ 306,651	\$ 1,613,539	\$ 1,506,069