UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

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

For the quarterly period ended March 29, 2025

☐ **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 001-37578

Performance Food Group Company
(Exact name of registrant as specified in its charter)

Delaware	**43-1983182**
(State or other jurisdiction of incorporation or organization)	**(IRS employer identification number)**
12500 West Creek Parkway Richmond, Virginia 23238	**(804) 484-7700**
(Address of principal executive offices)	**(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, $0.01 par value	PFGC	New York Stock Exchange

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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐
Emerging Growth Company	☐		

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

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

156,090,902 shares of common stock were outstanding as of April 30, 2025.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical information, this Quarterly Report on Form 10-Q (this "Form 10-Q") may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are subject to the "safe harbor" created by those sections. All statements, other than statements of historical facts included in this Form 10-Q, including statements concerning our plans, objectives, goals, beliefs, business strategies, future events, business conditions, our results of operations, financial position, our business outlook, business trends and other information, and integration of our acquisition of Cheney Bros., Inc. (the "Cheney Brothers Acquisition"), are forward-looking statements. Words such as "estimates," "expects," "contemplates," "will," "anticipates," "projects," "plans," "intends," "believes," "forecasts," "may," "should" and variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not historical facts, and are based upon our current expectations, beliefs, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond our control. Our expectations, beliefs, estimates, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs, estimates and projections will result or be achieved, and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.

There are a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this Form 10-Q. Such risks, uncertainties and other important factors that could cause actual results to differ include, among others, the risks, uncertainties and factors set forth under Part I, Item 1A. *Risk Factors* in our Annual Report on Form 10-K for the fiscal year ended June 29, 2024 (the "Form 10-K"), as such risk factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission (the "SEC"), and are accessible on the SEC's website at *www.sec.gov*, and also include the following:

- economic factors, including inflation or other adverse changes such as a downturn in economic conditions, tariff increases, or a public health crisis, negatively affecting consumer confidence and discretionary spending;
- our reliance on third-party suppliers;
- labor relations and cost risks and availability of qualified labor;
- costs and risks associated with a potential cybersecurity incident or other technology disruption;
- our reliance on technology and risks associated with disruption or delay in implementation of new technology;
- competition in our industry is intense, and we may not be able to compete successfully;
- we operate in a low margin industry, which could increase the volatility of our results of operations;
- we may not realize anticipated benefits from our operating cost reduction and productivity improvement efforts;
- our profitability is directly affected by cost inflation and deflation, commodity volatility, and other factors;
- we do not have long-term contracts with certain customers;
- group purchasing organizations may become more active in our industry and increase their efforts to add our customers as members of these organizations;
- changes in eating habits of consumers;
- extreme weather conditions, including hurricane, earthquake and natural disaster damage;
- volatility of fuel and other transportation costs;
- our inability to adjust cost structure where one or more of our competitors successfully implement lower costs;
- our inability to increase our sales in the highest margin portion of our business;
- changes in pricing practices of our suppliers;
- our growth strategy may not achieve the anticipated results;
- risks relating to acquisitions, including the risk that we are not able to realize benefits of acquisitions or successfully integrate the businesses we acquire;
- environmental, health, and safety costs, including compliance with current and future environmental laws and regulations relating to carbon emissions and climate change and related legal or market measures;

- our inability to comply with requirements imposed by applicable law or government regulations, including increased regulation of e-vapor products and other alternative nicotine products;
- a portion of our sales volume is dependent upon the distribution of cigarettes and other tobacco products, sales of which are generally declining;
- the potential impact of product recalls and product liability claims relating to the products we distribute and other litigation;
- adverse judgments or settlements or unexpected outcomes in legal proceedings;
- negative media exposure and other events that damage our reputation;
- impact of uncollectibility of accounts receivable;
- increase in excise taxes or reduction in credit terms by taxing jurisdictions;
- the cost and adequacy of insurance coverage and increases in the number or severity of insurance and claims expenses;
- risks relating to our outstanding indebtedness, including the impact of interest rate increases on our variable rate debt;
- our ability to raise additional capital on commercially reasonable terms or at all; and
- the following risks related to the Cheney Brothers Acquisition:
  - uncertainty as to the expected financial performance of the combined company as a result of the Cheney Brothers Acquisition;
  - the possibility that the expected synergies and value creation from the Cheney Brothers Acquisition will not be realized or will not be realized within the expected time period;
  - the risk that unexpected costs will be incurred in connection with the integration of the Cheney Brothers Acquisition or that the integration of Cheney Brothers' foodservice business will be more difficult or time consuming than expected;
  - the inability to retain key personnel; and
  - disruption from the Cheney Brothers Acquisition, including potential adverse reactions or changes to business relationships with customers, employees, suppliers, other business partners or regulators, making it more difficult to maintain business and operational relationships.

We caution you that the risks, uncertainties and other factors referenced above may not contain all of the risks, uncertainties and other factors that are important to you. In addition, we cannot assure you that we will realize the results, benefits or developments that we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our business in the way expected. We cannot assure you (i) we have correctly measured or identified all of the factors affecting our business or the extent of these factors' likely impact, (ii) the available information with respect to these factors on which such analysis is based is complete or accurate, (iii) such analysis is correct, or (iv) our strategy, which is based in part on this analysis, will be successful. All forward-looking statements in this report apply only as of the date of this report or as of the date they were made and, except as required by applicable law, we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

Unless this Form 10-Q indicates otherwise or the context otherwise requires, the terms "we," "our," "us," "the Company," or "PFG" as used in this Form 10-Q refer to Performance Food Group Company and its consolidated subsidiaries.

Part I – FINANCIAL INFORMATION

Item 1. Financial Statements

PERFORMANCE FOOD GROUP COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions, except per share data)	As of March 29, 2025	As of June 29, 2024
ASSETS		
Current assets:		
Cash	$ 10.2	$ 20.0
Accounts receivable, less allowances of $70.4 and $55.2	2,690.3	2,478.9
Inventories, net	3,716.6	3,314.7
Income taxes receivable	128.4	71.6
Prepaid expenses and other current assets	243.3	268.1
Total current assets	6,788.8	6,153.3
Goodwill	3,455.2	2,418.3
Other intangible assets, net	1,747.7	971.1
Property, plant and equipment, net	4,002.6	2,788.5
Operating lease right-of-use assets	958.3	875.5
Other assets	170.8	186.2
Total assets	$ 17,123.4	$ 13,392.9
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable and outstanding checks in excess of deposits	3,054.8	2,594.4
Accrued expenses and other current liabilities	838.6	908.3
Finance lease obligations—current installments	209.1	147.2
Operating lease obligations—current installments	104.6	108.2
Total current liabilities	4,207.1	3,758.1
Long-term debt	5,422.7	3,198.5
Deferred income tax liability, net	883.3	497.9
Finance lease obligations, excluding current installments	1,035.7	703.2
Operating lease obligations, excluding current installments	922.8	819.3
Other long-term liabilities	314.3	289.0
Total liabilities	12,785.9	9,266.0
Commitments and contingencies (Note 10)		
Shareholders' equity:		
Common Stock: $0.01 par value per share, 1.0 billion shares authorized, 154.9 million shares issued and outstanding as of March 29, 2025; 154.2 million shares issued and outstanding as of June 29, 2024	1.5	1.5
Additional paid-in capital	2,829.3	2,818.5
Accumulated other comprehensive (loss) income, net of tax benefit (expense) of $1.4 and ($1.5)	(4.9)	4.0
Retained earnings	1,511.6	1,302.9
Total shareholders' equity	4,337.5	4,126.9
Total liabilities and shareholders' equity	$ 17,123.4	$ 13,392.9

See accompanying notes, which are an integral part of these unaudited consolidated financial statements.

PERFORMANCE FOOD GROUP COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(In millions, except per share data)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Nine Months Ended March 29, 2025	Nine Months Ended March 30, 2024
Net sales	$ 15,306.3	$ 13,857.7	$ 46,360.0	$ 43,092.0
Cost of goods sold	13,483.9	12,288.8	40,945.6	38,262.1
Gross profit	1,822.4	1,568.9	5,414.4	4,829.9
Operating expenses	1,648.0	1,414.0	4,865.9	4,284.9
Operating profit	174.4	154.9	548.5	545.0
Other expense, net:				
Interest expense	96.9	57.1	263.9	174.6
Other, net	(1.0)	1.0	2.5	(1.4)
Other expense, net	95.9	58.1	266.4	173.2
Income before taxes	78.5	96.8	282.1	371.8
Income tax expense	20.2	26.4	73.4	102.4
Net income	$ 58.3	$ 70.4	$ 208.7	$ 269.4
Weighted-average common shares outstanding:				
Basic	155.0	154.3	154.8	154.4
Diluted	156.5	156.1	156.3	156.2
Earnings per common share:				
Basic	$ 0.38	$ 0.46	$ 1.35	$ 1.74
Diluted	$ 0.37	$ 0.45	$ 1.34	$ 1.72

See accompanying notes, which are an integral part of these unaudited consolidated financial statements.

PERFORMANCE FOOD GROUP COMPANY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

($ in millions)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Nine Months Ended March 29, 2025	Nine Months Ended March 30, 2024
Net income	$ 58.3	$ 70.4	$ 208.7	$ 269.4
Other comprehensive loss, net of tax:				
Interest rate swaps:				
Change in fair value, net of tax	(1.2)	3.0	(1.0)	2.4
Reclassification adjustment, net of tax	(0.3)	(3.0)	(5.6)	(9.0)
Foreign currency translation adjustment, net of tax	0.4	(1.1)	(2.3)	(0.8)
Other comprehensive loss	(1.1)	(1.1)	(8.9)	(7.4)
Total comprehensive income	$ 57.2	$ 69.3	$ 199.8	$ 262.0

See accompanying notes, which are an integral part of these unaudited consolidated financial statements.

PERFORMANCE FOOD GROUP COMPANY
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

(In millions)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Shareholders' Equity
Balance as of December 30, 2023	153.9	$ 1.5	$ 2,786.5	$ 7.7	$ 1,066.0	$ 3,861.7
Net income	—	—	—	—	70.4	70.4
Foreign currency translation adjustment	—	—	—	(1.1)	—	(1.1)
Issuance of common stock under stock-based compensation plans	0.1	—	(2.0)	—	—	(2.0)
Issuance of common stock under employee stock purchase plan	0.2	—	15.5	—	—	15.5
Stock-based compensation expense	—	—	8.9	—	—	8.9
Balance as of March 30, 2024	154.2	$ 1.5	$ 2,808.9	$ 6.6	$ 1,136.4	$ 3,953.4
Balance as of December 28, 2024	154.6	$ 1.5	$ 2,806.2	$ (3.8)	$ 1,453.3	$ 4,257.2
Net income	—	—	—	—	58.3	58.3
Interest rate swaps	—	—	—	(1.5)	—	(1.5)
Foreign currency translation adjustment	—	—	—	0.4	—	0.4
Issuance of common stock under stock-based compensation plans	0.3	—	3.4	—	—	3.4
Issuance of common stock under employee stock purchase plan	0.2	—	17.7	—	—	17.7
Common stock repurchased	(0.2)	—	(10.6)	—	—	(10.6)
Stock-based compensation expense	—	—	12.6	—	—	12.6
Balance as of March 29, 2025	154.9	$ 1.5	$ 2,829.3	$ (4.9)	$ 1,511.6	$ 4,337.5

(In millions)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Shareholders' Equity
Balance as of July 1, 2023	154.5	$ 1.5	$ 2,863.0	$ 14.0	$ 867.0	$ 3,745.5
Net income	—	—	—	—	269.4	269.4
Interest rate swaps	—	—	—	(6.6)	—	(6.6)
Foreign currency translation adjustment	—	—	—	(0.8)	—	(0.8)
Issuance of common stock under stock-based compensation plans	0.8	—	(19.8)	—	—	(19.8)
Issuance of common stock under employee stock purchase plan	0.2	—	15.5	—	—	15.5
Common stock repurchased	(1.3)	—	(78.1)	—	—	(78.1)
Stock-based compensation expense	—	—	28.3	—	—	28.3
Balance as of March 30, 2024	154.2	$ 1.5	$ 2,808.9	$ 6.6	$ 1,136.4	$ 3,953.4
Balance as of June 29, 2024	154.2	1.5	2,818.5	4.0	1,302.9	4,126.9
Net income	—	—	—	—	208.7	208.7
Interest rate swaps	—	—	—	(6.6)	—	(6.6)
Foreign currency translation adjustment	—	—	—	(2.3)	—	(2.3)
Issuance of common stock under stock-based compensation plans	0.9	—	(10.6)	—	—	(10.6)
Issuance of common stock under employee stock purchase plan	0.4	—	32.7	—	—	32.7
Common stock repurchased	(0.6)	—	(44.2)	—	—	(44.2)
Stock-based compensation expense	—	—	32.9	—	—	32.9
Balance as of March 29, 2025	154.9	$ 1.5	$ 2,829.3	$ (4.9)	$ 1,511.6	$ 4,337.5

See accompanying notes, which are an integral part of these unaudited consolidated financial statements.

PERFORMANCE FOOD GROUP COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

($ in millions)	Nine Months Ended March 29, 2025	Nine Months Ended March 30, 2024
Cash flows from operating activities:		
Net income	$ 208.7	$ 269.4
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	329.1	260.8
Amortization of intangible assets	193.2	151.1
Amortization of deferred financing costs	9.3	8.0
Provision for losses on accounts receivables	18.6	15.6
Change in LIFO reserve	38.9	50.5
Stock compensation expense	35.6	31.7
Deferred income tax benefit	(1.8)	(5.4)
Change in fair value of derivative assets and liabilities	(0.5)	(4.5)
Other non-cash activities	0.7	(4.3)
Changes in operating assets and liabilities, net		
Accounts receivable	(13.1)	37.1
Inventories	(122.7)	257.2
Income taxes receivable	(49.7)	(32.5)
Prepaid expenses and other assets	64.7	(71.2)
Trade accounts payable and outstanding checks in excess of deposits	263.1	27.8
Accrued expenses and other liabilities	(147.0)	(34.6)
Net cash provided by operating activities	827.1	956.7
Cash flows from investing activities:		
Purchases of property, plant and equipment	(332.7)	(244.4)
Net cash paid for acquisitions	(2,552.9)	(307.9)
Proceeds from sale of property, plant and equipment and other	10.5	19.3
Net cash used in investing activities	(2,875.1)	(533.0)
Cash flows from financing activities:		
Net borrowings (payments) under ABL Facility	1,229.7	(249.1)
Borrowing of Notes due 2032	1,000.0	—
Cash paid for debt issuance, extinguishment and modifications	(34.2)	—
Payments under finance lease obligations	(135.4)	(87.8)
Proceeds from employee stock purchase plan	32.7	15.5
Proceeds from exercise of stock options	8.1	1.7
Cash paid for shares withheld to cover taxes	(18.7)	(21.5)
Repurchases of common stock	(43.6)	(78.1)
Other financing activities	—	(0.3)
Net cash provided by (used in) financing activities	2,038.6	(419.6)
Net (decrease) increase in cash and restricted cash	(9.4)	4.1
Cash and restricted cash, beginning of period	27.7	20.0
Cash and restricted cash, end of period	$ 18.3	$ 24.1

The following table provides a reconciliation of cash and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

(In millions)	As of March 29, 2025	As of June 29, 2024
Cash	$ 10.2	$ 20.0
Restricted cash[1]	8.1	7.7
Total cash and restricted cash	$ 18.3	$ 27.7

(1) Restricted cash is reported within Other assets and represents the amounts required by insurers to collateralize a part of the deductibles for the Company's workers' compensation and liability claims.

Supplemental disclosures of cash flow information are as follows:

(In millions)	Nine Months Ended March 29, 2025	Nine Months Ended March 30, 2024
Cash paid during the year for:		
Interest net of amounts capitalized	$ 260.3	$ 173.4
Income tax payments net of refunds	111.1	137.0

See accompanying notes, which are an integral part of these unaudited consolidated financial statements.

PERFORMANCE FOOD GROUP COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Summary of Business Activities

Business Overview

Performance Food Group Company, through its subsidiaries, markets and distributes primarily national and Company-branded food and food-related products to customer locations across North America. The Company serves both of the major customer types in the restaurant industry: (i) independent customers, and (ii) multi-unit, or “Chain” customers, which include some of the most recognizable family and casual dining restaurant chains, as well as schools, business and industry locations, healthcare facilities, and retail establishments. The Company also specializes in distributing candy, snacks, beverages, cigarettes, other tobacco products, health and beauty care products and other items to vending distributors, big box retailers, theaters, convenience stores, drug stores, grocery stores, travel providers, and hospitality providers.

Share Repurchase Program

In November 2022, the Board of Directors of the Company authorized a share repurchase program for up to $300 million of the Company’s outstanding common stock. This authorization replaced the previously authorized $250 million share repurchase program. The current share repurchase program has an expiration date of November 16, 2026 and may be amended, suspended, or discontinued at any time at the Company’s discretion, subject to compliance with applicable laws. As of March 29, 2025, there remains approximately $166.4 million available for additional share repurchases.

During the three months ended March 29, 2025, the Company repurchased and subsequently retired 0.2 million shares of common stock, for a total of $10.6 million or an average cost of $76.82 per share. During the nine months ended March 29, 2025, the Company repurchased and subsequently retired 0.6 million shares of common stock, for a total of $44.2 million or an average cost of $75.57 per share. The Company did not repurchase any shares of common stock during the three months ended March 30, 2024. During the nine months ended March 30, 2024, the Company repurchased and subsequently retired 1.3 million shares of common stock, for a total of $78.1 million or an average cost of $58.83 per share.

2. Summary of Significant Accounting Policies and Estimates

Basis of Presentation

The consolidated financial statements have been prepared by the Company, without audit, with the exception of the June 29, 2024 consolidated balance sheet, which was derived from the audited consolidated financial statements included in the Form 10-K. The financial statements include consolidated balance sheets, consolidated statements of operations, consolidated statements of comprehensive income, consolidated statements of shareholders’ equity, and consolidated statements of cash flows. Certain prior period amounts have been reclassified to conform to current period presentation. In the opinion of management, all adjustments, which consist of normal recurring adjustments, except as otherwise disclosed, necessary to present fairly the financial position, results of operations, comprehensive income, shareholders’ equity, and cash flows for all periods presented have been made.

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The most significant estimates used by management are related to the accounting for the allowance for doubtful accounts, reserve for inventories, impairment testing of goodwill and other intangible assets, acquisition accounting, reserves for claims and recoveries under insurance programs, vendor rebates and other promotional incentives, bonus accruals, depreciation, amortization, determination of useful lives of tangible and intangible assets, leases, and income taxes. Actual results could differ from these estimates.

The results of operations are not necessarily indicative of the results to be expected for the full fiscal year. Therefore, these financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Form 10-K. Certain footnote disclosures included in annual financial statements prepared in accordance with GAAP have been condensed or omitted herein pursuant to applicable rules and regulations for interim financial statements.

3. Recently Issued Accounting Pronouncements

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The update expands public entities' segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. It further requires disclosure of the amount and description of its composition for other segment items, and interim disclosures of both a reportable segment's profit or loss and assets. The guidance requires disclosure of the title and position of the chief operating decision maker and how reported measures of segment profit or loss are used to assess performance and allocate resources. This pronouncement is effective for annual periods beginning after December 15, 2023, and interim periods within annual reporting periods beginning after December 15, 2024, with early adoption permitted. The amendments in this update will be adopted for the fiscal year ending June 28, 2025 ("fiscal 2025"), with annual reporting requirements effective for our fiscal 2025 Annual Report on Form 10-K and interim reporting requirements effective for our Quarterly Reports on Forms 10-Q within the fiscal year ending June 27, 2026 ("fiscal 2026"). The amendments in this update should be applied retrospectively to each period presented in the consolidated financial statements. The provisions of the new standard will not impact the Company's results of operations, financial position, or cash flows but will require the Company to expand its current segment disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The update expands public entities' income tax disclosure requirements primarily by requiring disaggregation of specific categories and reconciling items that meet a quantitative threshold within the rate reconciliation, as well as disaggregation of income taxes paid by jurisdiction. This pronouncement is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company will adopt the new standard in fiscal 2026. The amendments in this update should be applied on a prospective basis, with retrospective application permitted. The provisions of the new standard will not impact the Company's results of operations, financial position, or cash flows but will require the Company to expand its current income tax disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement--Reporting Comprehensive Income--Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The update improves the disclosures about a public entity's expenses and addresses requests from investors for more detailed information about the types of expenses in commonly presented expense captions. In January 2025, the FASB released ASU 2025-01 to clarify ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. The amendments in this update will be adopted for the fiscal year ending July 1, 2028 ("fiscal 2028"), with annual reporting requirements effective for our fiscal 2028 Annual Report on Form 10-K and interim reporting requirements effective for our Quarterly Reports on Forms 10-Q within the fiscal year ending June 30, 2029. The amendments in this update should be applied prospectively, however, retrospective application is permitted. The Company is in the process of assessing the impact of this ASU on its future consolidated financial statements.

4. Revenue Recognition

The Company markets and distributes primarily national and Company-branded food and food-related products to customer locations across North America. The Foodservice segment primarily services restaurants and supplies a "broad line" of products to its customers, including the Company's Performance Brands and custom-cut meats and seafood, as well as products that are specific to each customer's menu requirements. Specialty (formerly Vistar) specializes in distributing candy, snacks, beverages, and other items nationally to vending, office coffee service, theater, retail, hospitality, and other channels. The Convenience segment distributes candy, snacks, beverages, cigarettes, other tobacco products, food and foodservice related products, and other items to convenience stores across North America. The Company disaggregates revenue by customer type and product offerings and determined that disaggregating revenue at the segment level achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. Refer to Note 13. *Segment Information* for external revenue by reportable segment.

The Company has customer contracts in which incentives are paid upfront to certain customers. These payments have become industry practice and are not related to financing the customer's business, nor are they associated with any distinct good or service to be received from the customer. These incentive payments are capitalized and amortized over the life of the contract or the expected life of the customer relationship on a straight-line basis. The Company's contract asset for these incentives totaled $65.7 million and $55.4 million as of March 29, 2025 and June 29, 2024, respectively.

5. Business Combinations

During the first nine months of fiscal 2025, the Company paid cash of $2.6 billion, net of cash received, for two acquisitions reported in the Foodservice segment. During the first nine months of fiscal 2024, the Company paid cash of $307.9 million, net of cash received, for two acquisitions. These acquisitions are reported in the Specialty and Corporate and All Other segments.

Assets acquired and liabilities assumed are recognized at their respective fair values as of the acquisition date. The following table summarizes the preliminary purchase price allocation for each major class of assets acquired and liabilities assumed for the two acquisitions in the first nine months of fiscal 2025:

(In millions)	Cheney Brothers	Other	Fiscal 2025
Net working capital	$ 248.7	$ 37.4	$ 286.1
Goodwill	741.8	300.1	1,041.9
Intangible assets with definite lives:			
Customer relationships	485.0	230.0	715.0
Trade names	160.0	75.0	235.0
Property, plant and equipment	726.1	57.3	783.4
Operating lease right-of-use assets	6.7	-	6.7
Other assets	10.5	0.2	10.7
Deferred tax liabilities	(269.7)	(125.4)	(395.1)
Finance lease obligations	(96.9)	(0.3)	(97.2)
Operating lease obligations	(6.7)	-	(6.7)
Other long-term liabilities	(26.9)	-	(26.9)
Total purchase price	$ 1,978.6	$ 574.3	$ 2,552.9

Intangible assets consist primarily of customer relationships and trade names with useful lives of ten to twelve years, and a total weighted-average useful life of 11.7 years. The excess of the estimated fair value of the assets acquired and the liabilities assumed over consideration paid was recorded as $1,041.9 million of goodwill.

The “Other” acquisition in fiscal 2025 and the fiscal 2024 acquisitions did not materially affect the Company’s results of operations.

Cheney Brothers Acquisition

On October 8, 2024, PFG acquired Cheney Bros., Inc. (“Cheney Brothers”) for $2.0 billion, consisting of $1,977.1 million of cash consideration, net of cash received, and $32.4 million of deferred consideration payable to the seller over the next five years. As of March 29, 2025, the deferred consideration payable to the seller was $30.9 million. The cash consideration portion of the purchase price was financed with borrowings under the Company’s asset-based revolving credit facility.

The net sales and net loss related to Cheney Brothers recorded in the Company’s Consolidated Statements of Operations since the acquisition date of October 8, 2024 are $1,756.2 million and $19.1 million, respectively. The net loss related to Cheney Brothers was driven by depreciation and amortization of purchase accounting adjustments.

The following table summarizes the unaudited pro-forma consolidated financial information of the Company as if the acquisition had occurred on July 2, 2023:

	Three Months Ended		Nine Months Ended	
(in millions)	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net sales	$ 15,306.3	$ 14,732.3	$ 47,251.8	$ 45,514.5
Net income	61.4	59.4	230.4	147.7

These pro-forma results include nonrecurring pro-forma adjustments related to acquisition costs incurred, including the amortization of the step up in fair value of inventory acquired as products were sold. The pro-forma net income for the nine months ended March 30, 2024 includes $72.1 million, after-tax, of acquisition costs assuming the acquisition had occurred on July 2, 2023. The recurring pro-forma adjustments include estimates of interest expense for the debt issued to finance the acquisition and estimates of depreciation and amortization associated with fair value adjustments for property, plant and equipment and intangible assets acquired.

6. Debt

The Company is a holding company and conducts its operations through its subsidiaries, which have incurred or guaranteed indebtedness as described below.

Debt consisted of the following:

(In millions)	As of March 29, 2025		As of June 29, 2024	
Credit Agreement	$	2,390.5	$	1,160.8
5.500% Notes due 2027, effective interest rate 5.930%		1,060.0		1,060.0
4.250% Notes due 2029, effective interest rate 4.439%		1,000.0		1,000.0
6.125% Notes due 2032, effective interest rate 6.286%		1,000.0		-
Less: Original issue discount and deferred financing costs		(27.8)		(22.3)
Long-term debt		5,422.7		3,198.5
Less: current installments		-		-
Total debt, excluding current installments	$	5,422.7	$	3,198.5

Credit Agreement

PFGC, Inc. (“PFGC”), a wholly-owned subsidiary of the Company, and Performance Food Group, Inc., a wholly-owned subsidiary of PFGC, were parties to the Fifth Amended and Restated Credit Agreement dated September 17, 2021, as amended by the First Amendment to the Fifth Amended and Restated Credit Agreement, dated April 17, 2023 (as amended, the “Prior Credit Agreement”). The Prior Credit Agreement had an aggregate principal amount available of $4.0 billion and was scheduled to mature on September 17, 2026.

On September 9, 2024, PFGC and Performance Food Group, Inc. entered into the Sixth Amended and Restated Credit Agreement (the “ABL Facility”), with Wells Fargo Bank, National Association, as Administrative Agent and Collateral Agent, and the other lenders party thereto, which amends and restates the Prior Credit Agreement. The ABL Facility, among other things, (i) increases the total revolving commitments from $4.0 billion under the Prior Credit Agreement to $5.0 billion under the ABL Facility and (ii) extends the stated maturity date from September 17, 2026, under the Prior Credit Agreement to September 9, 2029, under the ABL Facility. The ABL Facility also provides for up to $1.0 billion of uncommitted incremental facilities. The terms of any such incremental facility shall be agreed between Performance Food Group, Inc. and the lenders providing the new commitments, subject to certain limitations set forth in the ABL Facility.

Performance Food Group, Inc. is the lead borrower under the ABL Facility, which is jointly and severally guaranteed by, and secured by the majority of the assets of, PFGC and all material domestic direct and indirect wholly-owned subsidiaries of PFGC (other than the captive insurance subsidiary and other excluded subsidiaries). Availability for loans and letters of credit under the ABL Facility is governed by a borrowing base, determined by the application of specified advance rates against eligible assets, including trade accounts receivable, inventory, owned real property, and owned transportation equipment. The borrowing base is reduced quarterly by a cumulative fraction of the real property and transportation equipment values. Advances on accounts receivable and inventory are subject to change based on periodic commercial finance examinations and appraisals, and the real property and transportation equipment values included in the borrowing base are subject to change based on periodic appraisals. Audits and appraisals are conducted at the direction of the administrative agent for the benefit and on behalf of all lenders.

Borrowings under the ABL Facility bear interest, at Performance Food Group, Inc.’s option, at (a) the Base Rate (defined as the greatest of (i) a floor rate of 0.00%, (ii) the federal funds rate in effect on such date plus 0.5%, (iii) the prime rate on such day, or (iv) one month Term SOFR plus 1.0%) plus a spread or (b) Term SOFR plus a spread. The ABL Facility also provides for an unused commitment fee at a rate of 0.250% per annum based on average excess availability.

The following table summarizes outstanding borrowings, availability, and the average interest rate under the Company’s credit agreement:

(Dollars in millions)	As of March 29, 2025		As of June 29, 2024	
Aggregate borrowings	$	2,390.5	$	1,160.8
Letters of credit		167.0		160.4
Excess availability, net of lenders’ reserves of $93.7 and $96.3		2,442.5		2,678.8
Average interest rate, excluding impact of interest rate swaps		5.95%		6.79%

The ABL Facility contains covenants requiring the maintenance of a minimum consolidated fixed charge coverage ratio if Alternate Availability (as defined in the ABL Facility) falls below the greater of (i) $375.0 million and (ii) 10% of the lessor of the borrowing base and the sum of (a) the aggregate commitments plus (b) any outstanding term loans for five consecutive business days. The ABL Facility also contains customary restrictive covenants that include, but are not limited to, restrictions on the loan parties' and their subsidiaries’ abilities to incur additional indebtedness, pay dividends, create liens, make investments, make prepayments,

redemptions, or defeasances prior to the maturity of certain restricted debt and dispose of assets. The ABL Facility provides for customary events of default, including payment defaults and cross-defaults on other material indebtedness. If an event of default occurs and is continuing, amounts due under the ABL Facility may be accelerated and the rights and remedies of the lenders may be exercised, including rights with respect to the collateral securing the obligations under such agreement.

Senior Notes due 2032

On September 12, 2024, Performance Food Group, Inc. issued and sold $1.0 billion aggregate principal amount of its 6.125% Senior Notes due 2032 (the “Notes due 2032”). The Notes due 2032 are jointly and severally guaranteed on a senior unsecured basis by PFGC and all domestic direct and indirect wholly-owned subsidiaries of PFGC (other than captive insurance subsidiaries and other excluded subsidiaries). The Notes due 2032 are not guaranteed by the Company.

The Company intended to use the proceeds from the Notes due 2032, together with borrowings under the ABL Facility, to finance the cash consideration in connection with the acquisition of Cheney Brothers and to pay the fees, expenses, and other transaction costs incurred in connection with the Notes due 2032. However, since there was no requirement to hold the funds in escrow until the Cheney Brothers Acquisition closed, the net proceeds for the Notes due 2032 were initially used to pay down a portion of the outstanding balance of the ABL Facility. The Company subsequently funded the cash consideration for the Cheney Brothers Acquisition with borrowings under the ABL Facility.

The Notes due 2032 were issued at 100.0% of their par value. The Notes due 2032 mature on September 15, 2032, and bear interest at a rate of 6.125% per year, payable semi-annually in arrears.

Upon the occurrence of a change of control triggering event or upon the sale of certain assets in which Performance Food Group, Inc. does not apply the proceeds as required, the holders of the Notes due 2032 will have the right to require Performance Food Group, Inc. to repurchase each holder’s Notes due 2032 at a price equal to 101% (in the case of a change of control triggering event) or 100% (in the case of an asset sale) of their principal amount, plus accrued and unpaid interest. Performance Food Group, Inc. may redeem all or a part of the Notes due 2032 at any time prior to September 15, 2027, at a redemption price equal to 100% of the principal amount of the Notes due 2032 being redeemed plus a make-whole premium and accrued and unpaid interest. In addition, beginning on September 15, 2027, Performance Food Group, Inc. may redeem all or a part of the Notes due 2032 at a redemption price equal to 103.063% of the principal amount redeemed, plus accrued and unpaid interest. The redemption price decreases to 101.531% and 100% of the principal amount redeemed on September 15, 2028, and September 15, 2029, respectively. In addition, at any time prior to September 15, 2027, Performance Food Group, Inc. may redeem up to 40% of the Notes due 2032 from the proceeds of certain equity offerings at a redemption price equal to 106.125% of the principal amount thereof, plus accrued and unpaid interest.

The indenture governing the Notes due 2032 contains covenants limiting, among other things, PFGC’s and its restricted subsidiaries’ ability to incur or guarantee additional debt or issue disqualified stock or preferred stock; pay dividends and make other distributions on, or redeem or repurchase, capital stock; make certain investments; incur certain liens; enter into transactions with affiliates; consolidate, merge, sell or otherwise dispose of all or substantially all of its assets; create certain restrictions on the ability of PFGC’s restricted subsidiaries to make dividends or other payments to PFGC; designate restricted subsidiaries as unrestricted subsidiaries; and transfer or sell certain assets. These covenants are subject to a number of important exceptions and qualifications. The Notes due 2032 also contain customary events of default, the occurrence of which could result in the principal of and accrued interest on the Notes due 2032 to become or be declared due and payable.

The ABL Facility and the indentures governing the Company’s outstanding notes contain customary restrictive covenants under which all of the net assets of PFGC and its subsidiaries were restricted from distribution to Performance Food Group Company, except for approximately $1,631.4 million of restricted payment capacity available under such debt agreements, as of March 29, 2025. Such minimum estimated restricted payment capacity is calculated based on the most restrictive of our debt agreements and may fluctuate from period to period, which fluctuations may be material. Our restricted payment capacity under other debt instruments to which the Company is subject may be materially higher than the foregoing estimate.

7. Leases

The Company determines if an arrangement is a lease at inception and recognizes a financing or operating lease liability and right-of-use asset in the Company’s consolidated balance sheet. Right-of-use assets and lease liabilities for both operating and finance leases are recognized based on present value of lease payments over the lease term at commencement date. When the Company’s leases do not provide an implicit rate, the Company uses the incremental borrowing rate based on the information available at commencement date to determine the present value of lease payments. This rate was determined by using the yield curve based on the Company’s credit rating adjusted for the Company’s specific debt profile and secured debt risk. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The lease expenses for these short-term leases are recognized on a straight-line basis over the lease term. The Company has several lease agreements that contain lease and non-lease components, such as

maintenance, taxes, and insurance, which are accounted for separately. The difference between the operating lease right-of-use assets and operating lease liabilities primarily relates to adjustments for deferred rent, favorable leases, and prepaid rent.

Subsidiaries of the Company have entered into numerous operating and finance leases for various warehouses, office facilities, equipment, tractors, and trailers. Our leases have remaining lease terms of 1 year to 25 years, some of which include options to extend the leases for up to 10 years, and some of which include options to terminate the leases within 1 year. Certain full-service fleet lease agreements include variable lease payments associated with usage, which are recorded and paid as incurred. When calculating lease liabilities, lease terms will include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

Certain of the leases for tractors, trailers, and other vehicles and equipment provide for residual value guarantees to the lessors. Circumstances that would require the subsidiary to perform under the guarantees include either (1) default on the leases with the leased assets being sold for less than the specified residual values in the lease agreements, or (2) decisions not to purchase the assets at the end of the lease terms combined with the sale of the assets, with sales proceeds less than the residual value of the leased assets specified in the lease agreements. Residual value guarantees under these operating lease agreements typically range between 6% and 20% of the value of the leased assets at inception of the lease. These leases have original terms ranging from 5 to 10 years and are set to expire at various dates ranging from 2025 to 2032. As of March 29, 2025, the undiscounted maximum amount of potential future payments for lease residual value guarantees totaled approximately $7.9 million, which would be mitigated by the fair value of the leased assets at lease expiration.

The following table presents the location of the right-of-use assets and lease liabilities in the Company's consolidated balance sheet as of March 29, 2025 and June 29, 2024 (in millions), as well as the weighted-average lease term and discount rate for the Company's leases:

Leases	Consolidated Balance Sheet Location	As of March 29, 2025	As of June 29, 2024
Assets:			
Operating	Operating lease right-of-use assets	$ 958.3	$ 875.5
Finance	Property, plant and equipment, net	1,262.1	868.8
Total lease assets		$ 2,220.4	$ 1,744.3
Liabilities:			
Current			
Operating	Operating lease obligations—current installments	$ 104.6	$ 108.2
Finance	Finance lease obligations—current installments	209.1	147.2
Non-current			
Operating	Operating lease obligations, excluding current installments	922.8	819.3
Finance	Finance lease obligations, excluding current installments	1,035.7	703.2
Total lease liabilities		$ 2,272.2	$ 1,777.9
Weighted average remaining lease term			
Operating leases		10.8 years	10.7 years
Finance leases		6.4 years	6.0 years
Weighted average discount rate			
Operating leases		5.6%	5.4%
Finance leases		5.4%	5.1%

The following table presents the location of lease costs in the Company's consolidated statement of operations for the periods reported (in millions):

Lease Cost	Statement of Operations Location	Three Months Ended		Nine Months Ended	
		March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Finance lease cost:					
Amortization of finance lease assets	Operating expenses	$ 49.5	$ 30.6	$ 132.1	$ 84.4
Interest on lease liabilities	Interest expense	16.6	8.9	43.3	23.4
Total finance lease cost		$ 66.1	$ 39.5	$ 175.4	$ 107.8
Operating lease cost	Operating expenses	43.6	40.4	129.4	120.7
Short-term lease cost	Operating expenses	13.9	14.1	39.8	46.9
Total lease cost		$ 123.6	$ 94.0	$ 344.6	$ 275.4

The following table presents the supplemental cash flow information related to leases for the periods reported (in millions):

(In millions)	Nine Months Ended	
	March 29, 2025	March 30, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 117.9	$ 109.0
Operating cash flows from finance leases	43.3	23.4
Financing cash flows from finance leases	135.4	87.8
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	174.6	246.5
Finance leases	432.6	245.7

The following table presents the future minimum lease payments under non-cancelable leases as of March 29, 2025 (in millions):

Fiscal Year	Operating Leases	Finance Leases
2025	$ 40.7	$ 68.7
2026	156.4	270.2
2027	149.5	253.2
2028	138.9	224.2
2029	124.8	199.7
Thereafter	817.3	474.5
Total future minimum lease payments	$ 1,427.6	$ 1,490.5
Less: Interest	400.2	245.7
Present value of future minimum lease payments	$ 1,027.4	$ 1,244.8

As of March 29, 2025, the Company had additional operating and finance leases that had not yet commenced, which total $786.5 million in future minimum lease payments. These leases relate primarily to build-to-suit warehouse leases that will replace existing distribution centers and will commence upon building completion with terms of 25 years. In addition, these leases include vehicle leases expected to commence in fiscal 2025 with lease terms of 5 to 10 years.

8. Fair Value of Financial Instruments

The carrying values of cash, accounts receivable, outstanding checks in excess of deposits, trade accounts payable, and accrued expenses approximate their fair values because of the relatively short maturities of those instruments. The derivative assets and liabilities are recorded at fair value on the balance sheet. The fair value of long-term debt, which has a carrying value of $5,422.7 million and $3,198.5 million, is $5,375.9 million and $3,104.5 million at March 29, 2025 and June 29, 2024, respectively, and is determined by reviewing current market pricing related to comparable debt issued at the time of the balance sheet date, and is considered a Level 2 measurement.

9. Income Taxes

The determination of the Company's overall effective tax rate requires significant judgment, the use of estimates, and the interpretation and application of complex tax laws. The effective tax rate reflects the income earned and taxed in various federal, state, and foreign jurisdictions. Tax law changes, increases and decreases in temporary and permanent differences between book and tax

items, tax credits, and the Company's change in income in each jurisdiction all affect the overall effective tax rate. It is the Company's practice to recognize interest and penalties related to uncertain tax positions in income tax expense.

The Company's effective tax rate was 25.8% for the three months ended March 29, 2025 and 27.3% for the three months ended March 30, 2024. The Company's effective tax rate was 26.0% for the nine months ended March 29, 2025 and 27.5% for the nine months ended March 30, 2024. The effective tax rate varies from the 21% statutory rate primarily due to state and foreign taxes, federal credits, and other permanent items. The excess tax benefit of exercised and vested stock awards is treated as a discrete item. The effective tax rates for the periods ended March 29, 2025 differed from the prior year periods primarily due to an increase in deductible discrete items related to stock-based compensation and an increase in federal credits net of valuation allowance established, partially offset by an increase in non-deductible expenses and an increase in state and foreign taxes as a percentage of income.

As of March 29, 2025 and June 29, 2024, the Company had net deferred tax assets of $213.5 million and $196.1 million, respectively, and deferred tax liabilities of $1,096.8 million and $694.0 million, respectively. As of March 29, 2025 and June 29, 2024, the Company had established a valuation allowance net of federal benefit of $10.3 million and $1.7 million, respectively, against deferred tax assets related to certain net operating losses and certain tax credit carryforwards which are not likely to be realized due to limitations on utilization. The change in the deferred tax balances relates primarily to deferred taxes established in purchase accounting and valuation allowances established on foreign tax credit carryforwards. The Company believes that it is more likely than not that the remaining deferred tax assets will be realized.

On October 8, 2021, the Organization for Economic Co-operation and Development ("OECD") announced the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting ("Framework"), which provides for a two-pillar solution to address tax challenges arising from the digitalization of the economy ("Pillar Two"). Pillar Two includes an agreement on international tax reform, including rules to ensure that large corporations pay a minimum rate of corporate income tax. To mitigate the administrative burden in complying with the new rules during the initial years of implementation, the OECD developed the temporary "Transitional Country-by-Country Safe Harbor" ("Safe Harbor"). This transitional Safe Harbor applies for fiscal years beginning on or before December 31, 2026, but not including a fiscal year that ends after June 30, 2028. Under the Safe Harbor, the top-up tax for such jurisdiction is deemed to be zero provided that at least one of the Safe Harbor tests is met for the jurisdiction. The Company is not subject to Pillar Two minimum tax in the first thirty-nine weeks of fiscal 2025 under the Safe Harbor rules. Pillar Two minimum tax will be treated as a period cost in future periods when it is applicable. We are continuing to evaluate the potential impact to the last quarter of fiscal 2025 and future periods of the Framework pending legislative adoption by individual countries.

10. Commitments and Contingencies

Purchase Obligations

The Company had outstanding contracts and purchase orders of $304.3 million related to capital projects and services at March 29, 2025. Amounts due under these contracts were not included on the Company's consolidated balance sheet as of March 29, 2025.

Guarantees

The Company from time to time enters into certain types of contracts that contingently require it to indemnify various parties against claims from third parties. These contracts primarily relate to: (i) certain real estate leases under which subsidiaries of the Company may be required to indemnify property owners for environmental and other liabilities and other claims arising from their use of the applicable premises; (ii) certain agreements with the Company's officers, directors, and employees under which the Company may be required to indemnify such persons for liabilities arising out of their employment relationship; and (iii) customer agreements under which the Company may be required to indemnify customers for certain claims brought against them with respect to the supplied products. Generally, a maximum obligation under these contracts is not explicitly stated. Because the obligated amounts associated with these types of agreements are not explicitly stated, the overall maximum amount of the obligation cannot be reasonably estimated. Historically, the Company has not been required to make payments under these obligations and, therefore, no liabilities have been recorded for these obligations in the Company's consolidated balance sheets.

Litigation

The Company is engaged in various legal proceedings that have arisen but have not been fully adjudicated. The likelihood of loss arising from these legal proceedings, based on definitions within contingency accounting literature, ranges from remote to reasonably possible to probable. When losses are probable and reasonably estimable, they have been accrued. Based on estimates of the range of potential losses associated with these matters, management does not believe that the ultimate resolution of these proceedings, either individually or in the aggregate, will have a material adverse effect upon the consolidated financial position or results of operations of the Company. However, the final results of legal proceedings cannot be predicted with certainty and, if the Company failed to prevail in one or more of these legal matters, and the associated realized losses were to exceed the Company's current estimates of the range of potential losses, the Company's consolidated financial position or results of operations could be materially adversely affected in future periods.

JUUL Labs, Inc. Marketing Sales Practices, and Products Liability Litigation. In October 2019, a Multidistrict Litigation action ("MDL") was initiated in order to centralize litigation against JUUL Labs, Inc. ("JUUL") and other parties in connection with JUUL's e-cigarettes and related devices and components in the United States District Court for the Northern District of California. On March 11, 2020, counsel for plaintiffs and the Plaintiffs' Steering Committee filed a Master Complaint in the MDL ("Master Complaint") naming, among several other entities and individuals including JUUL, Altria Group, Inc., Philip Morris USA, Inc., Altria Client Services LLC, Altria Group Distribution Company, Altria Enterprises LLC, certain members of management and/or individual investors in JUUL, various e-liquid manufacturers, and various retailers, including the Company's subsidiaries Eby-Brown Company LLC ("Eby-Brown") and Core-Mark Holding Company, Inc. ("Core-Mark"), as defendants. The Master Complaint also named additional distributors of JUUL products (collectively with Eby-Brown and Core-Mark, the "Distributor Defendants"). The Master Complaint contains various state law claims and alleges that the Distributor Defendants: (i) failed to disclose JUUL's nicotine contents or the risks associated; (ii) pushed a product designed for a youth market; (iii) engaged with JUUL in planning and marketing its product in a manner designed to maximize the flow of JUUL products; (iv) met with JUUL management in San Francisco, California to further these business dealings; and (v) received incentives and business development funds for marketing and efficient sales. JUUL and Eby-Brown are parties to a Domestic Wholesale Distribution Agreement dated March 10, 2020 (the "Distribution Agreement"), and JUUL has agreed to defend and indemnify Eby-Brown under the terms of that agreement and is paying Eby-Brown's outside counsel fees directly. In addition, Core-Mark and JUUL have entered into a Defense and Indemnity Agreement dated March 8, 2021 (the "Defense Agreement") pursuant to which JUUL has agreed to defend and indemnify Core-Mark, and JUUL is paying Core-Mark's outside counsel fees directly.

On December 6, 2022, JUUL announced that it had reached settlements with the plaintiffs in the MDL and related cases that had been consolidated in the U.S. District Court for Northern District of California (the "MDL Settlement"). Per the settlement agreement, the MDL Settlement encompasses the various personal injury, consumer class action, government entity, and Native American tribe claims made against JUUL and includes, among others, all of the Distributor Defendants (including Core-Mark and Eby-Brown) as released parties. The release applicable to the Distributor Defendants, as well as certain other defendants, took effect when JUUL made the first settlement payment on October 27, 2023. The MDL Settlement Master informed the parties that there are ten plaintiffs who opted out of the MDL Settlement; however, those opt-out plaintiffs have amended their individual complaints and have removed Eby-Brown and Core-Mark as defendants in their individual cases.

On September 10, 2021, Michael Lumpkins filed a parallel lawsuit in Illinois state court against several entities, including JUUL, e-liquid manufacturers, various retailers, and various distributors, including Eby-Brown and Core-Mark, alleging similar claims to the claims at issue in the MDL (the "Illinois Litigation"). Because there is no federal jurisdiction for this case, it will proceed in Illinois state court. Plaintiff alleges as damages that his use of JUUL products caused a brain injury that was later exacerbated by medical negligence. The court denied Eby-Brown and Core-Mark's motion to dismiss, and the case has moved into the discovery phase. The trial date has been set for October 6, 2025. The defense and indemnity of Eby-Brown and Core-Mark for the Illinois Litigation is covered by the Distribution Agreement and the Defense Agreement, respectively. The Company will continue to vigorously defend itself.

On June 23, 2022, the U.S. Food and Drug Administration ("FDA") announced it had issued marketing denial orders ("MDOs") to JUUL for all of its products currently marketed and sold in the U.S. According to the FDA, the MDOs banned the distribution and sale of all JUUL products domestically. That same day, JUUL filed a petition for review of the MDOs with the United States Court of Appeals for the D.C. Circuit. On June 24, 2022, the court of appeals stayed the MDOs and issued a briefing schedule in the case. Thereafter, JUUL informed the FDA that per applicable regulations it would submit a request for supervisory review of the MDOs to the FDA. In response, the FDA notified JUUL that upon further review of the briefing JUUL made to the court of appeals, the FDA determined there are scientific issues unique to JUUL's Pre-Market Tobacco Application ("PMTA") that warrant additional review. Accordingly, the FDA entered an administrative stay of the MDOs. If the FDA ultimately decides to maintain or re-issue the MDOs, the administrative stay will remain in place for an additional thirty days to provide JUUL the opportunity to seek further judicial relief. JUUL and the FDA filed a joint motion with the court of appeals to hold the petition for review in abeyance on July 6, 2022, which the court of appeals granted on July 7, 2022.

At this time, the Company is unable to predict whether the FDA will approve JUUL's PMTA or re-issue the MDOs, nor is the Company able to estimate any potential loss or range of loss in the event of an adverse finding against JUUL in any case that falls outside of the MDL Settlement.

Tax Liabilities

The Company is subject to customary audits by authorities in the jurisdictions where it conducts business in the United States and foreign countries, which may result in assessments of additional taxes. These additional taxes are accrued when probable and reasonably estimable.

11. Related-Party Transactions

The Company participates in, and has an equity method investment in, a purchasing alliance that was formed to obtain better pricing, to expand product options, to reduce internal costs, and to achieve greater inventory turnover. The Company's investment in the purchasing alliance was $13.7 million as of March 29, 2025 and $11.8 million as of June 29, 2024. For the three-month periods ended March 29, 2025 and March 30, 2024, the Company recorded purchases of $616.4 million and $526.7 million, respectively, through the purchasing alliance. For the nine-month periods ended March 29, 2025 and March 30, 2024, the Company recorded purchases of $1,803.8 million and $1,597.3 million, respectively, through the purchasing alliance.

12. Earnings Per Common Share

Basic earnings per common share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding during the period. Diluted earnings per common share is calculated using the weighted-average number of common shares and dilutive potential common shares outstanding during the period. The Company's potential common shares include outstanding stock-based compensation awards and expected issuable shares under the employee stock purchase plan. In computing diluted earnings per common share, the average closing stock price for the period is used in determining the number of shares assumed to be purchased with the assumed proceeds under the treasury stock method. Potential common shares of 0.2 million for the three months ended March 29, 2025 were not included in computing diluted earnings per common share because the effect would have been antidilutive, while no potential common shares were considered antidilutive for the three months ended March 30, 2024. Potential common shares of 0.1 million for each of the nine months ended March 29, 2025 and March 30, 2024 were not included in computing diluted earnings per common share because the effect would have been antidilutive.

A reconciliation of the numerators and denominators for the basic and diluted earnings per common share computations is as follows:

(In millions, except per share amounts)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Nine Months Ended March 29, 2025	Nine Months Ended March 30, 2024
Numerator:				
Net income	$ 58.3	$ 70.4	$ 208.7	$ 269.4
Denominator:				
Weighted-average common shares outstanding	155.0	154.3	154.8	154.4
Dilutive effect of potential common shares	1.5	1.8	1.5	1.8
Weighted-average dilutive common shares outstanding	156.5	156.1	156.3	156.2
Basic earnings per common share	$ 0.38	$ 0.46	$ 1.35	$ 1.74
Diluted earnings per common share	$ 0.37	$ 0.45	$ 1.34	$ 1.72

13. Segment Information

The Company regularly monitors for changes in facts and circumstances that would necessitate changes in its determination of operating segments. In the third quarter of fiscal 2025, the Company changed its operating segments to reflect the manner in which the chief operating decision maker ("CODM") manages the business. Based on changes to the Company's organizational structure and how the CODM reviews operating results and makes decisions about resource allocation, certain operations and administrative and corporate costs previously reported in Corporate & All Other are now included in the Foodservice segment. The Company continues to have three reportable segments: Foodservice, Specialty (formerly Vistar), and Convenience. The presentation and amounts for the three and nine months ended March 30, 2024 and as of June 29, 2024 have been recast to reflect these segment changes.

The Foodservice segment distributes a broad line of national brands, customer brands, and our proprietary-branded food and food-related products, or "Performance Brands." Foodservice sells to independent and multi-unit "Chain" restaurants and other institutions such as schools, healthcare facilities, business and industry locations, and retail establishments. Our Chain customers are multi-unit restaurants with five or more locations and include some of the most recognizable family and casual dining restaurant chains. Our Specialty segment, previously referred to as Vistar, specializes in distributing candy, snacks, beverages, and other items nationally to vending, office coffee service, theater, retail, hospitality, and other channels. Our Convenience segment distributes candy, snacks, beverages, cigarettes, other tobacco products, food and foodservice related products, and other items to convenience stores across North America.

Corporate & All Other is comprised of corporate overhead and certain operations that are not considered separate reportable segments based on their size. Corporate & All Other may also include capital expenditures for certain information technology projects that are transferred to the segments once placed in service.

Intersegment sales represent sales between the segments, which are eliminated in consolidation.

Management evaluates the performance of each operating segment based on various operating and financial metrics, including total sales and Segment Adjusted EBITDA, which is the Company's GAAP measure of segment profit. Segment Adjusted EBITDA is defined as net income before interest expense, interest income, income taxes, depreciation, and amortization and excludes certain items that the Company does not consider part of its segments' core operating results, including stock-based compensation expense, changes in the last-in-first-out ("LIFO") reserve, acquisition, integration and reorganization expenses, and gains and losses related to fuel derivatives.

(In millions)	Foodservice	Specialty	Convenience	Corporate & All Other	Eliminations	Consolidated
For the three months ended March 29, 2025						
Net external sales	$ 8,372.5	$ 1,129.8	$ 5,739.9	$ 64.1	$ —	$ 15,306.3
Inter-segment sales	2.0	1.4	0.1	157.4	(160.9)	—
Total sales	8,374.5	1,131.2	5,740.0	221.5	(160.9)	15,306.3
Depreciation and amortization	120.5	13.4	39.2	13.8	—	186.9
Capital expenditures	100.3	9.2	14.3	5.0	—	128.8
For the three months ended March 30, 2024						
Net external sales	$ 7,017.5	$ 1,132.8	$ 5,640.1	$ 67.3	$ —	$ 13,857.7
Inter-segment sales	5.5	1.0	—	156.8	(163.3)	—
Total sales	7,023.0	1,133.8	5,640.1	224.1	(163.3)	13,857.7
Depreciation and amortization	74.8	12.8	38.7	13.0	—	139.3
Capital expenditures	68.8	13.8	10.1	4.6	—	97.3

(In millions)	Foodservice	Specialty	Convenience	Corporate & All Other	Eliminations	Consolidated
For the Nine Months Ended March 29, 2025						
Net external sales	$ 24,442.6	$ 3,648.2	$ 18,070.8	$ 198.4	$ —	$ 46,360.0
Inter-segment sales	12.0	3.3	0.4	499.7	(515.4)	—
Total sales	24,454.6	3,651.5	18,071.2	698.1	(515.4)	46,360.0
Depreciation and amortization	321.5	41.1	116.8	42.9	—	522.3
Capital expenditures	266.8	20.4	29.9	15.6	—	332.7
For the Nine Months Ended March 30, 2024						
Net external sales	$ 21,387.2	$ 3,583.4	$ 17,918.5	$ 202.9	$ —	$ 43,092.0
Inter-segment sales	13.2	2.7	—	468.2	(484.1)	—
Total sales	21,400.4	3,586.1	17,918.5	671.1	(484.1)	43,092.0
Depreciation and amortization	218.6	36.0	113.6	43.7	—	411.9
Capital expenditures	161.6	32.4	22.0	28.4	—	244.4

Segment Adjusted EBITDA for each reportable segment and Corporate & All Other is presented below along with a reconciliation to consolidated income before taxes.

	Three Months Ended		Nine Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Foodservice Adjusted EBITDA	$ 275.0	$ 213.2	$ 834.7	$ 675.9
Specialty Adjusted EBITDA	77.9	72.9	255.0	255.1
Convenience Adjusted EBITDA	74.7	70.9	287.3	249.1
Corporate & All Other Adjusted EBITDA	(42.5)	(36.3)	(157.0)	(130.2)
Depreciation and amortization	(186.9)	(139.3)	(522.3)	(411.9)
Interest expense	(96.9)	(57.1)	(263.9)	(174.6)
Change in LIFO reserve	(8.4)	(9.5)	(38.9)	(50.5)
Stock-based compensation expense	(12.6)	(10.0)	(35.6)	(31.7)
Gain (loss) on fuel derivatives	0.2	0.6	(0.4)	2.3
Acquisition, integration & reorganization expenses	(5.8)	(5.4)	(76.2)	(19.1)
Other adjustments [(1)]	3.8	(3.2)	(0.6)	7.4
Income before taxes	$ 78.5	$ 96.8	$ 282.1	$ 371.8

(1) Other adjustments include asset impairments, gains and losses on disposal of fixed assets, amounts related to favorable and unfavorable leases, foreign currency transaction gains and losses, and franchise tax expense.

Total assets by reportable segment, excluding intercompany receivables between segments, are as follows:

(In millions)	As of March 29, 2025	As of June 29, 2024
Foodservice	$ 10,845.7	$ 7,052.4
Specialty	1,444.8	1,519.1
Convenience	4,086.5	4,080.9
Corporate & All Other	746.4	740.5
Total assets	$ 17,123.4	$ 13,392.9

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

The following discussion and analysis of our financial condition and results of operations should be read together with the unaudited consolidated financial statements and notes thereto included elsewhere in this Form 10-Q and the audited consolidated financial statements and the notes thereto included in the Form 10-K. In addition to historical consolidated financial information, this discussion contains forward-looking statements that reflect our plans, estimates, and beliefs and involve numerous risks and uncertainties, including but not limited to those described in the "Item 1A. Risk Factors" section of the Form 10-K. Actual results may differ materially from those contained in any forward-looking statements. You should carefully read "Special Note Regarding Forward-Looking Statements" in this Form 10-Q.

Our Company

We market and distribute food and food-related products to customers across North America from our over 150 locations to over 300,000 customer locations in the "food-away-from-home" industry. We offer our customers a broad assortment of products including our proprietary-branded products, nationally branded products, and products bearing our customers' brands. Our product assortment ranges from "center-of-the-plate" items (such as beef, pork, poultry, and seafood), frozen foods, and groceries to candy, snacks, and beverages. We also sell disposables, cleaning and kitchen supplies, and related products used by our customers, as well as cigarettes and other tobacco products. In addition to the products we offer to our customers, we provide value-added services by allowing our customers to benefit from our industry knowledge, scale, and expertise in the areas of product selection and procurement, menu development, and operational strategy.

The Company regularly monitors for changes in facts and circumstances that would necessitate changes in its determination of operating segments. In the third quarter of fiscal 2025, the Company changed its operating segments to reflect the manner in which the business is managed. Based on changes to the Company's organizational structure and how operating results are reviewed and decisions about resource allocations are made, certain operations and administrative and corporate costs previously reported in Corporate & All Other are now included in the Foodservice segment. The Company continues to have three reportable segments: Foodservice, Specialty (formerly Vistar), and Convenience.

Our Foodservice segment distributes a broad line of national brands, customer brands, and our proprietary-branded food and food-related products, or "Performance Brands." Foodservice sells to independent and multi-unit "Chain" restaurants and other institutions such as schools, healthcare facilities, business and industry locations, and retail establishments. Our Chain customers are multi-unit restaurants with five or more locations and include some of the most recognizable family and casual dining restaurant chains. Our Specialty segment, previously referred to as Vistar, specializes in distributing candy, snacks, beverages, and other items nationally to vending, office coffee service, theater, retail, hospitality, and other channels. Our Convenience segment distributes candy, snacks, beverages, cigarettes, other tobacco products, food and foodservice related products, and other items to convenience stores across North America. We believe that there are substantial synergies across our segments. Cross-segment synergies include procurement, operational best practices such as the use of new productivity technologies, and supply chain and network optimization, as well as shared corporate functions such as accounting, treasury, tax, legal, information systems, and human resources.

On October 8, 2024, the Company acquired Cheney Bros., Inc. ("Cheney Brothers"), expanding its Foodservice operations in the Southeastern portion of the United States. Refer to Note 5. *Business Combinations* of the consolidated financial statements in this Form 10-Q for additional details regarding the acquisition of Cheney Brothers.

Key Factors Affecting Our Business

Our business, our industry and the economy are influenced by a number of general macroeconomic factors, including, but not limited to, reduced demand for our products related to unfavorable macroeconomic conditions triggered by developments beyond our control, including geopolitical events and other events that trigger economic volatility or negatively affect consumer confidence and discretionary spending. We continue to actively monitor the impacts of the evolving macroeconomic and geopolitical landscape, including rapidly evolving tariff and global trade policies, on all aspects of our business. The Company and our industry may face challenges related to deteriorating economic conditions and heightened uncertainty in the financial markets, inflationary pressure, an uncertain political environment, supply chain disruptions, and lower disposable incomes due to macroeconomic conditions. The extent and duration of the tariffs and the resulting impact on general economic conditions and our future financial position, liquidity, and results of operations remains uncertain. Sustained macroeconomic challenges, whether due to tariffs or otherwise, could negatively affect consumer discretionary spending decisions within our customers' establishments, which could negatively impact our sales and profitability.

We believe that our long-term performance is principally affected by the following key factors:

- *Changing demographic and macroeconomic trends.* Excluding the peak years of the COVID-19 pandemic, the share of consumer spending captured by the food-away-from-home industry has increased steadily for several decades. The share increases in periods of increasing employment, rising disposable income, increases in the number of restaurants, and

favorable demographic trends, such as smaller household sizes, an increasing number of dual income households, and an aging population base that spends more per capita at foodservice establishments and is adversely impacted when these factors move in the opposite direction. The foodservice distribution industry is also sensitive to national and regional economic conditions, such as changes in consumer spending, changes in consumer confidence, and changes in the rate of inflation and fuel prices, supply chain disruptions, and labor shortages.

- *Food distribution market structure.* The food distribution market consists of a wide spectrum of companies ranging from businesses selling a single category of product (e.g., produce) to large national and regional broadline distributors with many distribution centers and thousands of products across all categories. We believe our scale enables us to invest in our Performance Brands, to benefit from economies of scale in purchasing and procurement, and to drive supply chain efficiencies that enhance our customers' satisfaction and profitability. We believe that the relative growth of larger foodservice distributors will continue to outpace that of smaller, independent players in our industry.
- *Our ability to successfully execute our segment strategies and implement our initiatives.* Our performance will continue to depend on our ability to successfully execute our segment strategies and to implement our current and future initiatives. The key strategies include focusing on independent sales and Performance Brands, pursuing new customers for our three reportable segments, expansion of geographies, utilizing our infrastructure to gain further operating and purchasing efficiencies, and making strategic acquisitions.

How We Assess the Performance of Our Business

In assessing the performance of our business, we consider a variety of performance and financial measures. The key measures used by our management are discussed below. The percentages on the results presented below are calculated based on rounded numbers.

Net Sales

Net sales is equal to gross sales, plus excise taxes, minus sales returns; sales incentives that we offer to our customers, such as rebates and discounts that are offsets to gross sales; and certain other adjustments. Our net sales are driven by changes in case volumes and product inflation that is reflected in the pricing of our products and mix of products sold.

Gross Profit

Gross profit is equal to our net sales minus our cost of goods sold. Cost of goods sold primarily includes inventory costs (net of supplier consideration), inbound freight, and remittances of excise tax. Cost of goods sold generally changes as we incur higher or lower costs from our suppliers and as our customer and product mix changes.

Adjusted EBITDA

Management measures operating performance based on our Adjusted EBITDA, defined as net income before interest expense, interest income, income and franchise taxes, and depreciation and amortization, further adjusted to exclude certain items that we do not consider part of our core operating results. Such adjustments include certain unusual, non-cash, non-recurring, cost reduction, and other adjustment items permitted in calculating covenant compliance under our ABL Facility and indentures (other than certain pro forma adjustments permitted under our ABL Facility and indentures governing the Notes due 2027, Notes due 2029, and Notes due 2032 relating to the Adjusted EBITDA contribution of acquired entities or businesses prior to the acquisition date). Under our ABL Facility and indentures, our ability to engage in certain activities such as incurring certain additional indebtedness, making certain investments, and making restricted payments is tied to ratios based on Adjusted EBITDA (as defined in the ABL Facility and indentures). Our definition of Adjusted EBITDA may not be the same as similarly titled measures used by other companies.

Adjusted EBITDA is not defined under GAAP, is not a measure of operating income, operating performance, or liquidity presented in accordance with GAAP, and is subject to important limitations. We use this measure to evaluate the performance of our business on a consistent basis over time and for business planning purposes. In addition, targets based on Adjusted EBITDA are among the measures we use to evaluate our management's performance for purposes of determining their compensation under our incentive plans. We believe that the presentation of Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors, and other interested parties, including our lenders under the ABL Facility and holders of our Notes due 2027, Notes due 2029, and Notes due 2032, in their evaluation of the operating performance of companies in industries similar to ours.

Adjusted EBITDA has important limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. For example, Adjusted EBITDA:

- excludes certain tax payments that may represent a reduction in cash available to us;
- does not reflect any cash capital expenditure requirements for the assets being depreciated and amortized that may have to be replaced in the future;

- does not reflect changes in, or cash requirements for, our working capital needs; and
- does not reflect the significant interest expense, or the cash requirements, necessary to service our debt.

In calculating Adjusted EBITDA, we add back certain non-cash, non-recurring, and other items as permitted or required by our ABL Facility and indentures. Adjusted EBITDA among other things:

- does not include non-cash stock-based employee compensation expense and other non-cash charges; and
- does not include acquisition, restructuring, and other costs incurred to realize future cost savings and enhance our operations.

We have included the calculation of Adjusted EBITDA for the periods presented.

Results of Operations and Adjusted EBITDA

The following table sets forth a summary of our results of operations and Adjusted EBITDA for the periods indicated (in millions, except per share data):

	Three Months Ended			
	March 29, 2025	March 30, 2024	Change	%
Net sales	$ 15,306.3	$ 13,857.7	$ 1,448.6	10.5
Cost of goods sold	13,483.9	12,288.8	1,195.1	9.7
Gross profit	1,822.4	1,568.9	253.5	16.2
Operating expenses	1,648.0	1,414.0	234.0	16.5
Operating profit	174.4	154.9	19.5	12.6
Other expense, net				
Interest expense	96.9	57.1	39.8	69.7
Other, net	(1.0)	1.0	(2.0)	(200.0)
Other expense, net	95.9	58.1	37.8	65.1
Income before income taxes	78.5	96.8	(18.3)	(18.9)
Income tax expense	20.2	26.4	(6.2)	(23.5)
Net income (GAAP)	$ 58.3	$ 70.4	$ (12.1)	(17.2)
Adjusted EBITDA (Non-GAAP)	$ 385.1	$ 320.7	$ 64.4	20.1
Weighted-average common shares outstanding:				
Basic	155.0	154.3	0.7	0.5
Diluted	156.5	156.1	0.4	0.3
Earnings per common share:				
Basic	$ 0.38	$ 0.46	$ (0.08)	(17.4)
Diluted	$ 0.37	$ 0.45	$ (0.08)	(17.8)

	For the Nine Months Ended			
	March 29, 2025	March 30, 2024	Change	%
Net sales	$ 46,360.0	$ 43,092.0	$ 3,268.0	7.6
Cost of goods sold	40,945.6	38,262.1	2,683.5	7.0
Gross profit	5,414.4	4,829.9	584.5	12.1
Operating expenses	4,865.9	4,284.9	581.0	13.6
Operating profit	548.5	545.0	3.5	0.6
Other expense, net				
Interest expense	263.9	174.6	89.3	51.1
Other, net	2.5	(1.4)	3.9	278.6
Other expense, net	266.4	173.2	93.2	53.8
Income before income taxes	282.1	371.8	(89.7)	(24.1)
Income tax expense	73.4	102.4	(29.0)	(28.3)
Net income (GAAP)	$ 208.7	$ 269.4	$ (60.7)	(22.5)
Adjusted EBITDA (Non-GAAP)	$ 1,220.0	$ 1,049.9	$ 170.1	16.2
Weighted-average common shares outstanding:				
Basic	154.8	154.4	0.4	0.3
Diluted	156.3	156.2	0.1	0.1
Earnings per common share:				
Basic	$ 1.35	$ 1.74	$ (0.39)	(22.4)
Diluted	$ 1.34	$ 1.72	$ (0.38)	(22.1)

We believe that the most directly comparable GAAP measure to Adjusted EBITDA is net income. The following table reconciles Adjusted EBITDA to net income for the periods presented:

	Three Months Ended		Nine Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
	(In millions)		(In millions)	
Net income (GAAP)	$ 58.3	$ 70.4	$ 208.7	$ 269.4
Interest expense	96.9	57.1	263.9	174.6
Income tax expense	20.2	26.4	73.4	102.4
Depreciation	117.6	90.7	329.1	260.8
Amortization of intangible assets	69.3	48.6	193.2	151.1
Change in LIFO reserve (1)	8.4	9.5	38.9	50.5
Stock-based compensation expense	12.6	10.0	35.6	31.7
(Gain) loss on fuel derivatives	(0.2)	(0.6)	0.4	(2.3)
Acquisition, integration & reorganization expenses (2)	5.8	5.4	76.2	19.1
Other adjustments (3)	(3.8)	3.2	0.6	(7.4)
Adjusted EBITDA (Non-GAAP)	$ 385.1	$ 320.7	$ 1,220.0	$ 1,049.9

(1) Includes an increase in the LIFO reserve of $0.2 million for Foodservice and an increase of $8.2 million for Convenience for the third quarter of fiscal 2025 compared to a decrease of $1.2 million for Foodservice and an increase of $10.7 million for Convenience for the third quarter of fiscal 2024. The LIFO reserve increased $1.0 million for Foodservice and increased $37.9 million for Convenience for the first nine months of fiscal 2025 compared to a decrease of $0.6 million for Foodservice and an increase of $51.1 million for Convenience for the first nine months of fiscal 2024.

(2) Includes professional fees and other costs related to in-progress, completed, and abandoned acquisitions, costs of integrating certain of our facilities, and facility closing costs.

(3) Includes a $3.8 million gain on the sale of a Foodservice warehouse facility for the three and nine months ended March 29, 2025 and an $8.1 million gain on the sale of a Foodservice warehouse facility for the nine months ended March 30, 2024, as well as asset impairments, insurance proceeds due to hurricane and other weather related events, amounts related to favorable and unfavorable leases, foreign currency transaction gains and losses, franchise tax expense, and other adjustments permitted by our ABL Facility.

Consolidated Results of Operations

Three and nine months ended March 29, 2025 compared to the three and nine months ended March 30, 2024

Net Sales

Net sales growth is a function of acquisitions, case growth, pricing (which is primarily based on product inflation/deflation), and a changing mix of customers, channels, and product categories sold. Net sales increased $1,448.6 million, or 10.5%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025, and net sales increased $3,268.0 million, or 7.6%, for the first nine months of fiscal 2025 compared to the first nine months of fiscal 2024.

The increase in net sales was driven by recent acquisitions, including the Cheney Brothers Acquisition, an increase in cases sold including a favorable shift in mix of cases sold, and an increase in selling price per case as a result of inflation. Total case volume increased 10.0% and 7.4% during the third quarter and first nine months of fiscal 2025, respectively, compared to the same periods of fiscal 2024. Total organic case volume increased 1.3% in the third quarter of fiscal 2025 and increased 1.5% in the first nine months of fiscal 2025, compared to the same periods of fiscal 2024. Total organic case volume benefited from an increase of 3.4% and 4.2% in organic independent cases sold during the third quarter and first nine months of fiscal 2025, respectively, including growth in Performance Brands cases and growth in cases sold to Foodservice’s Chain business. The overall rate of product cost inflation was approximately 4.9% and 4.8% for the third quarter and first nine months of fiscal 2025, respectively.

Gross Profit

Gross profit increased $253.5 million, or 16.2%, for the third quarter of fiscal 2025 compared to the third quarter of fiscal 2024 and increased $584.5 million, or 12.1%, for the first nine months of fiscal 2025 compared to the first nine months of fiscal 2024. The increases in gross profit for the third quarter and the first nine months of fiscal 2025 were primarily driven by recent acquisitions, including the Cheney Brothers Acquisition, cost of goods sold optimization through procurement efficiencies, as well as a favorable shift in the mix of cases sold, including growth in the independent channel. Independent customers typically receive more services from us, cost more to serve, and pay a higher gross profit per case than other customers.

Operating Expenses

Operating expenses increased $234.0 million, or 16.5%, for the third quarter of fiscal 2025 compared to the third quarter of fiscal 2024. The increase in operating expenses was primarily driven by recent acquisitions, including the Cheney Brothers Acquisition, a $36.9 million increase in personnel expense primarily related to wages and salaries, commissions, and benefits, a $11.8 million increase in depreciation expense mainly driven by an increase in transportation equipment under finance leases, and a $9.2 million increase in insurance expense primarily related to workers' compensation, partially offset by a $6.1 million decrease in fuel expense primarily due to lower fuel prices, in the third quarter of fiscal 2025 as compared to the prior year period. Cheney Brothers operating expenses were $159.5 million for the third quarter of fiscal 2025.

Operating expenses increased $581.0 million, or 13.6%, for the first nine months of fiscal 2025 compared to the first nine months of fiscal 2024. The increase in operating expenses for the first nine months of fiscal 2025 was primarily driven by recent acquisitions, including the Cheney Brothers Acquisition, a $127.0 million increase in personnel expenses primarily related to wages, commissions, and benefits, a $37.4 million increase in depreciation expense mainly driven by an increase in transportation equipment under finance leases, a $20.2 million increase in insurance expense primarily related to workers’ compensation and vehicle liability, a $22.2 million increase in professional fees and outside services related to recent acquisitions, and a $7.0 million increase in repairs and maintenance expense primarily related to information technology maintenance for the first nine months of fiscal 2025 compared to the prior year period. These increases were partially offset by a $27.7 million decrease in fuel expense primarily due to lower fuel prices for the first nine months of fiscal 2025 compared to the prior year period. Cheney Brothers operating expenses were $299.5 million for the first nine months of fiscal 2025.

Net Income

Net income decreased $12.1 million, or 17.2%, for the third quarter of fiscal 2025 compared to the third quarter of fiscal 2024 and decreased $60.7 million, or 22.5%, for the first nine months of fiscal 2025 compared to the first nine months of fiscal 2024 driven by an increase in depreciation and amortization and interest expense related to recent acquisitions, partially offset by a decrease in income tax expense and gross profit contributions from recent acquisitions. The increase in interest expense was primarily the result of an increase in the average borrowings, including finance lease obligations, during the third quarter and first nine months of fiscal 2025 compared to the prior year periods.

The Company reported income tax expense of $20.2 million and $73.4 million for the third quarter and first nine months of fiscal 2025, respectively, compared to income tax expense of $26.4 million and $102.4 million for the third quarter and first nine months of fiscal 2024, respectively. Our effective tax rates for the third quarter and first nine months of fiscal 2025 were 25.8% and 26.0%, respectively, compared to 27.3% and 27.5% for the third quarter and first nine months of fiscal 2024, respectively. The effective tax rates for the periods ended March 29, 2025, differed from the prior year periods primarily due to an increase in deductible

discrete items related to stock-based compensation and an increase in federal credits net of valuation allowance established, partially offset by an increase in non-deductible expenses and an increase in state and foreign taxes as a percentage of income.

Segment Results

In the third quarter of fiscal 2025, the Company changed its operating segments to reflect the manner in which the business is managed. The Company continues to have three reportable segments: Foodservice, Specialty (formerly Vistar), and Convenience. Management evaluates the performance of these segments based on various operating and financial metrics, including their respective sales growth and Segment Adjusted EBITDA, which is the Company's GAAP measure of segment profit. Segment Adjusted EBITDA is defined as net income before interest expense, interest income, income taxes, depreciation, and amortization and excludes certain items that the Company does not consider part of its segments' core operating results, including stock-based compensation expense, changes in the LIFO reserve, acquisition, integration, and reorganization expenses, and gains and losses related to fuel derivatives. Refer to Note 13. *Segment Information* of the consolidated financial statements in this Form 10-Q for additional information.

Corporate & All Other is comprised of unallocated corporate overhead and certain operations that are not considered separate reportable segments based on their size.

The presentation and amounts for the three and nine months ended March 30, 2024 have been recast to reflect the updated segments.

The following tables set forth net sales and Segment Adjusted EBITDA by segment for the periods indicated (dollars in millions):

Net Sales

	Three Months Ended			
	March 29, 2025	March 30, 2024	Change	%
Foodservice	$ 8,374.5	$ 7,023.0	$ 1,351.5	19.2
Specialty	1,131.2	1,133.8	(2.6)	(0.2)
Convenience	5,740.0	5,640.1	99.9	1.8
Corporate & All Other	221.5	224.1	(2.6)	(1.2)
Intersegment Eliminations	(160.9)	(163.3)	2.4	1.5
Total net sales	$ 15,306.3	$ 13,857.7	$ 1,448.6	10.5

	Nine Months Ended			
	March 29, 2025	March 30, 2024	Change	%
Foodservice	$ 24,454.6	$ 21,400.4	$ 3,054.2	14.3
Specialty	3,651.5	3,586.1	65.4	1.8
Convenience	18,071.2	17,918.5	152.7	0.9
Corporate & All Other	698.1	671.1	27.0	4.0
Intersegment Eliminations	(515.4)	(484.1)	(31.3)	(6.5)
Total net sales	$ 46,360.0	$ 43,092.0	$ 3,268.0	7.6

Segment Adjusted EBITDA

	Three Months Ended			
	March 29, 2025	March 30, 2024	Change	%
Foodservice	$ 275.0	$ 213.2	$ 61.8	29.0
Specialty	77.9	72.9	5.0	6.9
Convenience	74.7	70.9	3.8	5.4
Corporate & All Other	(42.5)	(36.3)	(6.2)	(17.1)
Total Adjusted EBITDA	$ 385.1	$ 320.7	$ 64.4	20.1

	Nine Months Ended			
	March 29, 2025	March 30, 2024	Change	%
Foodservice	$ 834.7	$ 675.9	$ 158.8	23.5
Specialty	255.0	255.1	(0.1)	(0.0)
Convenience	287.3	249.1	38.2	15.3
Corporate & All Other	(157.0)	(130.2)	(26.8)	(20.6)
Total Adjusted EBITDA	$ 1,220.0	$ 1,049.9	$ 170.1	16.2

Segment Results—Foodservice

Three and nine months ended March 29, 2025, compared to the three and nine months ended March 30, 2024

Net Sales

Net sales for Foodservice increased $1,351.5 million, or 19.2%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025 and increased $3,054.2 million, or 14.3%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. These increases in net sales were driven by recent acquisitions, an increase in selling price per case as a result of inflation, and case volume growth, including growth in our independent and Chain business. The acquisition of Cheney Brothers contributed $931.2 million and $1,756.2 million to net sales in the third quarter and first nine months of fiscal 2025, respectively. Total case growth for Foodservice was 15.5% in the third quarter of fiscal 2025 and 11.0% in the first nine months of fiscal 2025, compared to the prior year periods. Securing new and expanding business with independent customers resulted in total independent case growth of 20.0% and 15.6% for the third quarter and first nine months of fiscal 2025, respectively, compared to the prior year periods. Organic independent case growth was 3.4% and 4.2% in the third quarter and first nine months of fiscal 2025, respectively, compared to the prior year periods. For the third quarter and first nine months of fiscal 2025, independent sales as a percentage of total Foodservice sales were 39.8% and 40.5%, respectively.

Segment Adjusted EBITDA

Adjusted EBITDA for Foodservice increased $61.8 million, or 29.0%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025. Adjusted EBITDA for Foodservice increased $158.8 million, or 23.5%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. These increases were the result of an increase in gross profit, partially offset by an increase in operating expenses. Gross profit contributing to Foodservice's Adjusted EBITDA increased $245.4 million, or 25.1%, in the third quarter of fiscal 2025 and increased $532.9 million, or 17.8%, in the first nine months of fiscal 2025, compared to the prior year periods. The increase in gross profit was driven by recent acquisitions, a favorable shift in the mix of cases sold, and growth in cases sold, including more Performance Brands products sold to our independent customers. Cheney Brothers contributed $170.6 million and $316.0 million to Foodservice's gross profit impacting Adjusted EBITDA in the third quarter and first nine months of fiscal 2025, respectively.

Operating expenses impacting Foodservice's Adjusted EBITDA increased $183.6 million, or 24.0%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025. Operating expenses increased compared to the prior year period primarily as a result of recent acquisitions, including the Cheney Brothers acquisition, and a $36.5 million increase in personnel expenses primarily related to salaries and wages, benefits, and commissions, partially offset by a $3.3 million decrease in fuel expense primarily due to lower fuel prices. Cheney Brothers operating expenses impacting Foodservice's Adjusted EBITDA were $128.3 million for the third quarter of fiscal 2025.

Operating expenses impacting Foodservice's Adjusted EBITDA increased $374.0 million, or 16.1%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. Operating expenses increased compared to the prior year period primarily as a result of recent acquisitions, including the Cheney Brothers Acquisition, a $98.7 million increase in personnel expenses primarily related to salaries and wages, benefits, and commissions, and a $13.4 million increase in insurance expense primarily related to workers' compensation, partially offset by a $19.2 million decrease in fuel expense primarily due to lower fuel prices. Cheney Brothers operating expenses impacting Foodservice's Adjusted EBITDA were $238.5 million for the first nine months of fiscal 2025.

Depreciation and amortization of intangible assets recorded in this segment increased from $74.8 million in the third quarter of fiscal 2024 to $120.5 million in the third quarter of fiscal 2025 and increased from $218.6 million in the first nine months of fiscal 2024 to $321.5 million in the first nine months of fiscal 2025 as a result of recent acquisitions and an increase in transportation equipment under finance leases. Total depreciation and amortization related to Cheney Brothers was $28.0 million and $54.5 million in the third quarter and first nine months of fiscal 2025, respectively.

Segment Results—Specialty

Three and nine months ended March 29, 2025, compared to the three and nine months ended March 30, 2024

Net Sales

Net sales for Specialty decreased $2.6 million, or 0.2%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025 and increased $65.4 million, or 1.8%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. The decrease in net sales for the third quarter of fiscal 2025 was primarily driven by declines in the theater and value channels, slightly offset by an increase in selling price per case due to a change in channel mix. The increase in net sales for the first nine months of fiscal 2025 was driven primarily by growth in the vending channel and an acquisition in the second quarter of fiscal 2024. Total organic case volume growth for Specialty for the first nine months of fiscal 2025 was flat, as growth in the vending, office coffee service, corrections, and office supply channels was offset by declines in theater and retail cases sold compared to the prior year period.

Segment Adjusted EBITDA

Adjusted EBITDA for Specialty increased $5.0 million, or 6.9%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025. This increase was a result of an increase in gross profit and a decrease in operating expenses. Gross profit contributing to Specialty's Adjusted EBITDA increased $2.8 million, or 1.4%, for the third quarter of fiscal 2025 primarily driven by inventory holding gains, partially offset by a shift in channel mix and the margin rate impact resulting from the optimization of inventory levels. Operating expenses impacting Specialty's Adjusted EBITDA decreased $2.0 million, or 1.6%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025 primarily due to a decrease in personnel expenses.

Adjusted EBITDA for Specialty remained relatively flat from the first nine months of fiscal 2024 to the first nine months of fiscal 2025 as a result of an increase in gross profit, offset by an increase in operating expenses. Gross profit contributing to Specialty's Adjusted EBITDA increased $24.5 million, or 3.9%, for the first nine months of fiscal 2025 compared to the prior year period primarily driven by an acquisition in the second quarter of fiscal 2024. Operating expenses impacting Specialty's Adjusted EBITDA increased $25.0 million, or 6.6%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025 primarily driven by $18.1 million of expenses related to an acquisition in the second quarter of fiscal 2024, $4.2 million in variable operational expenses as a result of a shift in channel mix, and a $3.4 million increase in occupancy costs associated with building expansions compared to the prior year period.

Depreciation and amortization of intangible assets recorded in this segment increased from $12.8 million in the third quarter of fiscal 2024 to $13.4 million in the third quarter of fiscal 2025 and increased from $36.0 million in the first nine months of fiscal 2024 to $41.1 million in the first nine months of fiscal 2025 due primarily to an acquisition in the second quarter of fiscal 2024.

Segment Results—Convenience

Three and nine months ended March 29, 2025, compared to the three and nine months ended March 30, 2024

Net Sales

Net sales for Convenience increased $99.9 million, or 1.8%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025 and increased $152.7 million, or 0.9%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. These increases in net sales for the third quarter and the first nine months of fiscal 2025 were primarily attributable to higher selling prices per case driven by continued inflation. Additionally, net sales benefited from a favorable shift in sales mix resulting in higher case volumes sold for food and foodservice related products.

Segment Adjusted EBITDA

Adjusted EBITDA for Convenience increased $3.8 million, or 5.4%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025. This increase was a result of an increase in gross profit, partially offset by an increase in operating expenses. Gross profit contributing to Convenience's Adjusted EBITDA increased $8.1 million, or 2.2%, for the third quarter of fiscal 2025 compared to the prior year period primarily due to an increase in inventory holding gains, pricing improvement from procurement efficiencies, and a favorable shift in mix of cases sold. Operating expenses impacting Convenience's Adjusted EBITDA increased $4.3 million, or 1.4%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025 primarily as a result of a $3.0 million increase in insurance expense, a $1.3 million increase in occupancy costs, and a $1.1 million increase in freight expense, partially offset by a $2.2 million decrease in fuel expense primarily due to lower fuel prices compared to the prior year period.

Adjusted EBITDA for Convenience increased $38.2 million, or 15.3%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. This increase was a result of an increase in gross profit, partially offset by an increase in operating expenses. Gross profit contributing to Convenience's Adjusted EBITDA increased $53.9 million, or 4.6%, for the first nine months of fiscal 2025 compared to the prior year period primarily due to an increase in inventory holding gains, pricing improvement from procurement efficiencies, and a favorable shift in mix of cases sold. Operating expenses impacting Convenience's Adjusted EBITDA increased $15.4 million, or 1.7%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. Operating expenses

increased primarily as a result of a $9.4 million increase in personnel expenses, a $8.2 million increase in insurance expense, and a $3.3 million increase in freight expense, partially offset by a $7.0 million decrease in fuel expense driven by lower fuel prices compared to the prior year period.

Depreciation and amortization of intangible assets recorded in this segment increased from $38.7 million in the third quarter of fiscal 2024 to $39.2 million in the third quarter of fiscal 2025 and increased from $113.6 million in the first nine months of fiscal 2024 to $116.8 million in the first nine months of fiscal 2025.

Segment Results—Corporate & All Other

Three and nine months ended March 29, 2025, compared to the three and nine months ended March 30, 2024

Net Sales

Net sales for Corporate & All Other decreased $2.6 million, or 1.2%, from the third quarter of fiscal 2024 to the third quarter of fiscal 2025 and increased $27.0 million, or 4.0%, from the first nine months of fiscal 2024 to the first nine months of fiscal 2025. The increase in net sales for the first nine months of fiscal 2025 was primarily attributable to an increase in products and services sold to our other segments.

Segment Adjusted EBITDA

Adjusted EBITDA for Corporate & All Other was a negative $42.5 million for the third quarter of fiscal 2025 compared to a negative $36.3 million for the third quarter of fiscal 2024 and was a negative $157.0 million for the first nine months of fiscal 2025 compared to a negative $130.2 million for the first nine months of fiscal 2024. The decline in Adjusted EBITDA was primarily driven by increases in corporate personnel expenses of $5.9 million and $18.0 million and increases in information technology maintenance expense primarily related to cloud-based services of $1.3 million and $5.1 million, partially offset by a decrease in insurance expense primarily related to workers' compensation of $2.3 million and $3.1 million for the third quarter and first nine months of fiscal 2025 compared to the prior year periods, respectively.

Depreciation and amortization of intangible assets recorded in this segment increased from $13.0 million in the third quarter of fiscal 2024 to $13.8 million in the third quarter of fiscal 2025 and decreased from $43.7 million for the first nine months of fiscal 2024 to $42.9 million for the first nine months of fiscal 2025.

Liquidity and Capital Resources

We have historically financed our operations and growth primarily with cash flows from operations, borrowings under our credit facility, operating and finance leases, and normal trade credit terms. We have typically funded our acquisitions with additional borrowings under our credit facility or net proceeds from the issuances of senior notes. Our working capital and borrowing levels are subject to seasonal fluctuations and the timing of procurement and acquisition activities. We borrow under our credit facility or pay it down regularly based on our cash flows from operating and investing activities. Our practice is to minimize interest expense while maintaining reasonable liquidity.

As market conditions warrant, we may from time to time seek to repurchase our securities or loans in privately negotiated or open market transactions, by tender offer or otherwise. Any such repurchases may be funded by incurring new debt, including additional borrowings under our credit facility. In addition, depending on conditions in the credit and capital markets and other factors, we will, from time to time, consider other financing transactions, the proceeds of which could be used to refinance our indebtedness, make investments or acquisitions or for other purposes. Any new debt may be secured debt.

We are exposed to interest rate risk related to changes in interest rates for borrowings under our ABL Facility. To add stability to interest expense and manage our exposure to interest rate movements, we enter into interest rate swap agreements. These swaps are designated as cash flow hedges and involve the receipt of variable-rate amounts from a counterparty in exchange for making fixed-rate payments. As of March 29, 2025, $150.0 million of the outstanding ABL Facility balance is currently hedged under interest rate swaps which results in 66% of our total debt outstanding, including finance lease obligations, being fixed-rate debt.

In November 2022, the Board of Directors authorized a share repurchase program for up to $300 million of the Company's outstanding common stock. This authorization replaced the previously authorized $250 million share repurchase program. The current share repurchase program has an expiration date of November 16, 2026 and may be amended, suspended, or discontinued at any time at the Company's discretion, subject to compliance with applicable laws. Repurchases under this program depend upon marketplace conditions and other factors, including compliance with the covenants in the agreements governing our existing indebtedness. During the three months ended March 29, 2025, the Company repurchased and subsequently retired 0.2 million shares of the Company's common stock for a total of $10.6 million or an average cost of $76.82 per share. During the nine months ended March 29, 2025, the Company repurchased and subsequently retired 0.6 million shares of common stock, for a total of $44.2 million or an average cost of $75.57 per share. The Company did not repurchase any shares of common stock during the three months ended March 30, 2024. During the nine months ended March 30, 2024, the Company repurchased and subsequently retired 1.3 million shares of the

Company's common stock for a total of $78.1 million or an average cost of $58.83 per share. As of March 29, 2025, approximately $166.4 million remained available for share repurchases.

Our contractual cash requirements over the next 12 months and beyond relate to our long-term debt and associated interest payments, operating and finance leases, and purchase obligations. Refer to Note 6. *Debt* and Note 7. *Leases* of the consolidated financial statements in this Form 10-Q for information regarding the Company's expected cash requirements related to long-term debt and operating and finance leases, respectively. As of March 29, 2025, the Company had total purchase obligations of $304.3 million, which includes agreements for purchases related to capital projects and services in the normal course of business, for which all significant terms have been confirmed, as well as a minimum amount due for various Company meetings and conferences. Purchase obligations also include amounts committed to various capital projects in process or scheduled to be completed in the coming fiscal years. As of March 29, 2025, the Company had commitments of $197.5 million for capital projects related to warehouse expansion and improvements and warehouse equipment. The Company anticipates using cash flows from operations or borrowings under the ABL Facility to fulfill these commitments. Amounts due under these agreements were not included in the Company's consolidated balance sheet as of March 29, 2025.

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

We believe that our cash flows from operations and available borrowing capacity will be sufficient both to meet our anticipated cash requirements over at least the next 12 months and to maintain sufficient liquidity for normal operating purposes and to fund capital expenditures.

As of March 29, 2025, our cash balance totaled $18.3 million, including restricted cash of $8.1 million, as compared to a cash balance totaling $27.7 million, including restricted cash of $7.7 million, as of June 29, 2024.

Nine months ended March 29, 2025, compared to the nine months ended March 30, 2024

Operating Activities

During the first nine months of fiscal 2025 and fiscal 2024, our operating activities provided cash flow of $827.1 million and $956.7 million, respectively. The decrease in cash flow provided by operating activities in the first nine months of fiscal 2025 compared to the first nine months of fiscal 2024 was largely driven by a change in the timing of advanced purchases of cigarette inventory to take advantage of preferred pricing.

Investing Activities

Cash used in investing activities totaled $2,875.1 million in the first nine months of fiscal 2025 compared to $533.0 million in the first nine months of fiscal 2024. These investments consisted of cash paid for acquisitions of $2,552.9 million in the first nine months of fiscal 2025 compared to $307.9 million in the first nine months of fiscal 2024, along with capital purchases of property, plant, and equipment of $332.7 million and $244.4 million for the first nine months of fiscal 2025 and the first nine months of fiscal 2024, respectively. For the first nine months of both fiscal 2025 and fiscal 2024, purchases of property, plant, and equipment primarily consisted of outlays for warehouse improvements and expansion, warehouse equipment, transportation equipment, and information technology. The following table presents the capital purchases of property, plant, and equipment by segment:

	Nine Months Ended	
(Dollars in millions)	**March 29, 2025**	**March 30, 2024**
Foodservice	$ 266.8	$ 161.6
Specialty	20.4	32.4
Convenience	29.9	22.0
Corporate & All Other	15.6	28.4
Total capital purchases of property, plant and equipment	$ 332.7	$ 244.4

Financing Activities

During the first nine months of fiscal 2025, our financing activities provided cash flow of $2,038.6 million, which consisted primarily of $1,229.7 million in net borrowings under our ABL Facility and $1.0 billion in cash received from the issuance and sale of the Notes due 2032, partially offset by $135.4 million in payments under finance lease obligations and $43.6 million in cash paid for repurchases of common stock.

During the first nine months of fiscal 2024, our financing activities used cash flow of $419.6 million, which consisted primarily of $249.1 million in net payments under our ABL Facility, $87.8 million in payments under finance lease obligations, and $78.1 million in repurchases of common stock.

The following describes our financing arrangements as of March 29, 2025:

Credit Agreement: PFGC, Inc. ("PFGC"), a wholly-owned subsidiary of the Company, and Performance Food Group, Inc., a wholly-owned subsidiary of PFGC, were parties to the Fifth Amended and Restated Credit Agreement dated September 17, 2021, as amended by the First Amendment to the Fifth Amended and Restated Credit Agreement, dated April 17, 2023 (as amended, the "Prior Credit Agreement"). The Prior Credit Agreement had an aggregate principal amount available of $4.0 billion and was scheduled to mature on September 17, 2026.

On September 9, 2024, PFGC and Performance Food Group, Inc. entered into the Sixth Amended and Restated Credit Agreement (the "ABL Facility"), with Wells Fargo Bank, National Association, as Administrative Agent and Collateral Agent, and the other lenders party thereto, which amends and restates the Prior Credit Agreement. The ABL Facility, among other things, (i) increases the total revolving commitments from $4.0 billion under the Prior Credit Agreement to $5.0 billion under the ABL Facility and (ii) extends the stated maturity date from September 17, 2026, under the Prior Credit Agreement to September 9, 2029, under the ABL Facility. The ABL Facility also provides for up to $1.0 billion of uncommitted incremental facilities. The terms of any such incremental facility shall be agreed between Performance Food Group, Inc. and the lenders providing the new commitments, subject to certain limitations set forth in the ABL Facility.

Performance Food Group, Inc. is the lead borrower under the ABL Facility, which is jointly and severally guaranteed by, and secured by the majority of the assets of, PFGC and all material domestic direct and indirect wholly-owned subsidiaries of PFGC (other than the captive insurance subsidiary and other excluded subsidiaries). Availability for loans and letters of credit under the ABL Facility is governed by a borrowing base, determined by the application of specified advance rates against eligible assets, including trade accounts receivable, inventory, owned real property, and owned transportation equipment. The borrowing base is reduced quarterly by a cumulative fraction of the real property and transportation equipment values. Advances on accounts receivable and inventory are subject to change based on periodic commercial finance examinations and appraisals, and the real property and transportation equipment values included in the borrowing base are subject to change based on periodic appraisals. Audits and appraisals are conducted at the direction of the administrative agent for the benefit and on behalf of all lenders.

Borrowings under the ABL Facility bear interest, at Performance Food Group, Inc.'s option, at (a) the Base Rate (defined as the greatest of (i) a floor rate of 0.00%, (ii) the federal funds rate in effect on such date plus 0.5%, (iii) the prime rate on such day, or (iv) one month Term SOFR plus 1.0%) plus a spread or (b) Term SOFR plus a spread. The ABL Facility also provides for an unused commitment fee at a rate of 0.250% per annum based on average excess availability.

The following table summarizes outstanding borrowings, availability, and the average interest rate under the Company's credit agreement:

(Dollars in millions)	As of March 29, 2025	As of June 29, 2024
Aggregate borrowings	$ 2,390.5	$ 1,160.8
Letters of credit	167.0	160.4
Excess availability, net of lenders' reserves of $93.7 and $96.3	2,442.5	2,678.8
Average interest rate, excluding impact of interest rate swaps	5.95%	6.79%

The ABL Facility contains covenants requiring the maintenance of a minimum consolidated fixed charge coverage ratio if Alternate Availability (as defined in the ABL Facility) falls below the greater of (i) $375.0 million and (ii) 10% of the lesser of the borrowing base and the sum of (a) the aggregate commitments plus (b) any outstanding term loans for five consecutive business days. The ABL Facility also contains customary restrictive covenants that include, but are not limited to, restrictions on the loan parties' and their subsidiaries' abilities to incur additional indebtedness, pay dividends, create liens, make investments, make prepayments, redemptions, or defeasances prior to the maturity of certain restricted debt and dispose of assets. The ABL Facility provides for customary events of default, including payment defaults and cross-defaults on other material indebtedness. If an event of default occurs and is continuing, amounts due under the ABL Facility may be accelerated and the rights and remedies of the lenders may be exercised, including rights with respect to the collateral securing the obligations under such agreement.

Senior Notes due 2027: On September 27, 2019, PFG Escrow Corporation (which merged with and into Performance Food Group, Inc.) issued and sold $1,060.0 million aggregate principal amount of its 5.500% Senior Notes due 2027 (the "Notes due 2027"). The Notes due 2027 are jointly and severally guaranteed on a senior unsecured basis by PFGC and all domestic direct and indirect wholly-owned subsidiaries of PFGC (other than captive insurance subsidiaries and other excluded subsidiaries). The Notes due 2027 are not guaranteed by the Company.

The proceeds from the Notes due 2027 along with an offering of shares of the Company's common stock and borrowings under a prior credit agreement, were used to fund the cash consideration for the acquisition of Reinhart Foodservice, L.L.C and to pay related fees and expenses.

The Notes due 2027 were issued at 100.0% of their par value. The Notes due 2027 mature on October 15, 2027 and bear interest at a rate of 5.500% per year, payable semi-annually in arrears.

Upon the occurrence of a change of control triggering event or upon the sale of certain assets in which Performance Food Group, Inc. does not apply the proceeds as required, the holders of the Notes due 2027 will have the right to require Performance Food Group, Inc. to repurchase each holder's Notes due 2027 at a price equal to 101% (in the case of a change of control triggering event) or 100% (in the case of an asset sale) of their principal amount, plus accrued and unpaid interest. Performance Food Group, Inc. may redeem all or part of the Notes due 2027 at a redemption price equal to 100.0% of the principal amount redeemed, plus accrued and unpaid interest.

The indenture governing the Notes due 2027 contains covenants limiting, among other things, PFGC's and its restricted subsidiaries' ability to incur or guarantee additional debt or issue disqualified stock or preferred stock; pay dividends and make other distributions on, or redeem or repurchase, capital stock; make certain investments; incur certain liens; enter into transactions with affiliates; consolidate, merge, sell or otherwise dispose of all or substantially all of its assets; create certain restrictions on the ability of PFGC's restricted subsidiaries to make dividends or other payments to PFGC; designate restricted subsidiaries as unrestricted subsidiaries; and transfer or sell certain assets. These covenants are subject to a number of important exceptions and qualifications. The Notes due 2027 also contain customary events of default, the occurrence of which could result in the principal of and accrued interest on the Notes due 2027 to become or be declared due and payable.

Senior Notes due 2029: On July 26, 2021, Performance Food Group, Inc. issued and sold $1.0 billion aggregate principal amount of its 4.250% Senior Notes due 2029 (the "Notes due 2029"). The Notes due 2029 are jointly and severally guaranteed on a senior unsecured basis by PFGC and all domestic direct and indirect wholly-owned subsidiaries of PFGC (other than captive insurance subsidiaries and other excluded subsidiaries). The Notes due 2029 are not guaranteed by the Company.

The proceeds from the Notes due 2029 were used to pay down the outstanding balance of the ABL Facility, to redeem the 5.500% Senior Notes due 2024, and to pay the fees, expenses, and other transaction costs incurred in connection with the Notes due 2029.

The Notes due 2029 were issued at 100.0% of their par value. The Notes due 2029 mature on August 1, 2029 and bear interest at a rate of 4.250% per year, payable semi-annually in arrears.

Upon the occurrence of a change of control triggering event or upon the sale of certain assets in which Performance Food Group, Inc. does not apply the proceeds as required, the holders of the Notes due 2029 will have the right to require Performance Food Group, Inc. to repurchase each holder's Notes due 2029 at a price equal to 101% (in the case of a change of control triggering event) or 100% (in the case of an asset sale) of their principal amount, plus accrued and unpaid interest. Performance Food Group, Inc. may redeem all or part of the Notes due 2029 at a redemption price equal to 102.125% of the principal amount redeemed, plus accrued and unpaid interest. The redemption price decreases to 101.163% and 100% of the principal amount redeemed on August 1, 2025, and August 1, 2026, respectively.

The indenture governing the Notes due 2029 contains covenants limiting, among other things, PFGC's and its restricted subsidiaries' ability to incur or guarantee additional debt or issue disqualified stock or preferred stock; pay dividends and make other distributions on, or redeem or repurchase, capital stock; make certain investments; incur certain liens; enter into transactions with affiliates; consolidate, merge, sell or otherwise dispose of all or substantially all of its assets; create certain restrictions on the ability of PFGC's restricted subsidiaries to make dividends or other payments to PFGC; designate restricted subsidiaries as unrestricted subsidiaries; and transfer or sell certain assets. These covenants are subject to a number of important exceptions and qualifications. The Notes due 2029 also contain customary events of default, the occurrence of which could result in the principal of and accrued interest on the Notes due 2029 to become or be declared due and payable.

Senior Notes due 2032: On September 12, 2024, Performance Food Group, Inc. issued and sold $1.0 billion aggregate principal amount of its Notes due 2032. The Notes due 2032 are jointly and severally guaranteed on a senior unsecured basis by PFGC and all domestic direct and indirect wholly-owned subsidiaries of PFGC (other than captive insurance subsidiaries and other excluded subsidiaries). The Notes due 2032 are not guaranteed by the Company.

The Company intended to use the proceeds from the Notes due 2032, together with borrowings under the ABL Facility, to finance the cash consideration in connection with the acquisition of Cheney Brothers and to pay the fees, expenses, and other transaction costs incurred in connection with the Notes due 2032. However, since there was no requirement to hold the funds in escrow until the Cheney Brothers Acquisition closed, the net proceeds from the Notes due 2032 were initially used to pay down a portion of the outstanding balance of the ABL Facility. The Company subsequently funded the cash consideration for the Cheney Brothers Acquisition with borrowings under the ABL Facility.

The Notes due 2032 were issued at 100.0% of their par value. The Notes due 2032 mature on September 15, 2032, and bear interest at a rate of 6.125% per year, payable semi-annually in arrears.

Upon the occurrence of a change of control triggering event or upon the sale of certain assets in which Performance Food Group, Inc. does not apply the proceeds as required, the holders of the Notes due 2032 will have the right to require Performance Food Group, Inc. to repurchase each holder's Notes due 2032 at a price equal to 101% (in the case of a change of control triggering event) or 100% (in the case of an asset sale) of their principal amount, plus accrued and unpaid interest. Performance Food Group, Inc. may redeem all or a part of the Notes due 2032 at any time prior to September 15, 2027, at a redemption price equal to 100% of the principal amount of the Notes due 2032 being redeemed plus a make-whole premium and accrued and unpaid interest. In addition, beginning on September 15, 2027, Performance Food Group, Inc. may redeem all or a part of the Notes due 2032 at a redemption price equal to 103.063% of the principal amount redeemed, plus accrued and unpaid interest. The redemption price decreases to 101.531% and 100% of the principal amount redeemed on September 15, 2028, and September 15, 2029, respectively. In addition, at any time prior to September 15, 2027, Performance Food Group, Inc. may redeem up to 40% of the Notes due 2032 from the proceeds of certain equity offerings at a redemption price equal to 106.125% of the principal amount thereof, plus accrued and unpaid interest.

The indenture governing the Notes due 2032 contains covenants limiting, among other things, PFGC's and its restricted subsidiaries' ability to incur or guarantee additional debt or issue disqualified stock or preferred stock; pay dividends and make other distributions on, or redeem or repurchase, capital stock; make certain investments; incur certain liens; enter into transactions with affiliates; consolidate, merge, sell or otherwise dispose of all or substantially all of its assets; create certain restrictions on the ability of PFGC's restricted subsidiaries to make dividends or other payments to PFGC; designate restricted subsidiaries as unrestricted subsidiaries; and transfer or sell certain assets. These covenants are subject to a number of important exceptions and qualifications. The Notes due 2032 also contain customary events of default, the occurrence of which could result in the principal of and accrued interest on the Notes due 2032 to become or be declared due and payable.

The ABL Facility and the indentures governing the Company's outstanding notes contain customary restrictive covenants under which all of the net assets of PFGC and its subsidiaries were restricted from distribution to Performance Food Group Company, except for approximately $1,631.4 million of restricted payment capacity available under such debt agreements, as of March 29, 2025. Such minimum estimated restricted payment capacity is calculated based on the most restrictive of our debt agreements and may fluctuate from period to period, which fluctuations may be material. Our restricted payment capacity under other debt instruments to which the Company is subject may be materially higher than the foregoing estimate.

As of March 29, 2025, the Company was in compliance with all of the covenants under the ABL Facility and the indentures governing the Notes due 2027, the Notes due 2029, and the Notes due 2032.

Total Assets by Segment

Total assets by segment discussed below exclude intercompany receivables between segments and amounts in prior periods have been recast to reflect the changes to our reportable segments that occurred in the third quarter of fiscal 2025.

Total assets for Foodservice increased $3,994.2 million from $6,851.5 million as of March 30, 2024 to $10,845.7 million as of March 29, 2025 and increased $3,793.3 million from $7,052.4 million as of June 29, 2024 to $10,845.7 million as of March 29, 2025, primarily due to recent acquisitions within the segment.

Total assets for Specialty increased $13.4 million from $1,431.4 million as of March 30, 2024 to $1,444.8 million as of March 29, 2025. During this time period, this segment increased its property, plant and equipment due to additional transportation equipment under finance leases and increased its operating lease right-of-use assets due to warehouse expansion, partially offset by a decrease in inventory due to sell-throughs of advanced purchases made in the current fiscal year to take advantage of preferred pricing and a decrease in intangible assets due to normal amortization. Total assets for Specialty decreased $74.3 million from $1,519.1 million as of June 29, 2024 to $1,444.8 million as of March 29, 2025 primarily due to sell-throughs of inventory and a decrease in accounts receivable.

Total assets for Convenience increased $262.4 million from $3,824.1 million as of March 30, 2024 to $4,086.5 million as of March 29, 2025. During this time period, the segment increased its inventory due to advanced purchases of tobacco products to take advantage of preferred pricing, increased its property, plant and equipment due to additional transportation equipment under finance leases, and increased its operating lease right-of-use assets due to a new warehouse facility, partially offset by a decrease in intangible assets due to normal amortization and a decrease in prepaid expenses related to cigarette inventory. Total assets for Convenience increased $5.6 million from $4,080.9 million as of June 29, 2024 to $4,086.5 million as of March 29, 2025. During this time period, the segment increased its inventory due to advanced purchases of tobacco products to take advantage of preferred pricing and increased its transportation equipment and operating lease right-of-use assets due to a new warehouse facility, partially offset by a decrease in accounts receivable due to seasonal fluctuations in sales, a decrease in prepaid expenses related to cigarette inventory, and a decrease in intangible assets due to normal amortization.

Critical Accounting Policies and Estimates

Critical accounting policies and estimates are those that are most important to portraying our financial position and results of operations. These policies require our most subjective or complex judgments, often employing the use of estimates about the effect of matters that are inherently uncertain. Our most critical accounting policies and estimates include those that pertain to the allowance for doubtful accounts receivable, inventory valuation, insurance programs, income taxes, vendor rebates and promotional incentives, leases, and goodwill and other intangible assets, which are described in the Form 10-K. There have been no material changes to our critical accounting policies and estimates as compared to our critical accounting policies and estimates described in the Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our market risks consist of interest rate risk and fuel price risk. There have been no material changes to our market risks since June 29, 2024. However, due to the Cheney Brothers Acquisition, our variable-rate debt has increased.

Assuming an average daily balance on our ABL Facility of approximately $2.4 billion, approximately $150.0 million of our outstanding long-term debt is fixed through interest rate swap agreements over the next twelve months and approximately $2.2 billion represents variable-rate debt. A hypothetical 100 bps increase in SOFR on our variable-rate debt would lead to an increase of approximately $22.4 million in annual interest expense.

For further discussion on our exposure to market risk, see Part II, Item 7A. *Quantitative and Qualitative Disclosures about Market Risk* in the Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Regulations under the Exchange Act require public companies, including us, to maintain “disclosure controls and procedures,” which are defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act to mean a company’s controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required or necessary disclosures. In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. In accordance with Rule 13a-15(b) of the Exchange Act, as of the end of the period covered by this Form 10-Q, an evaluation was carried out under the supervision and with the participation of the Company’s management, including its principal executive officer and principal financial officer, of the effectiveness of its disclosure controls and procedures. Based on that evaluation, the Company’s principal executive officer and principal financial officer concluded that the Company’s disclosure controls and procedures, as of the end of the period covered by this Form 10-Q, were effective to accomplish their objectives at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as that term is defined in Rule 13a-15(f) under the Exchange Act), that occurred during the fiscal quarter ended March 29, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

As permitted by applicable SEC guidance, the scope of our evaluation regarding changes in our internal control over financial reporting during the fiscal quarter ended March 29, 2025 excluded internal control over financial reporting for Cheney Brothers, which was acquired on October 8, 2024.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are subject to various allegations, claims, and legal actions arising in the ordinary course of business. While it is impossible to determine with certainty the ultimate outcome of any of these proceedings, lawsuits, and claims, management believes that adequate provisions have been made or insurance secured for all currently pending proceedings so that the ultimate outcomes will not have a material adverse effect on our financial position. Refer to Note 10. *Commitments and Contingencies* of the consolidated financial statements in this Form 10-Q for disclosure of ongoing litigation.

Item 1A. Risk Factors

There have been no material changes to our principal risks that we believe are material to our business, results of operations, and financial condition from the risk factors previously disclosed in the Form 10-K.

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

The following table provides information relating to our purchases of the Company's common stock during the third quarter of fiscal 2025.

Period	Total Number of Shares Purchased(1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan(2)	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plan (in millions)(2)
December 29, 2024—January 25, 2025	8,061	$ 84.49	—	$ 177.0
January 26, 2025—February 22, 2025	8,077	$ 89.99	—	$ 177.0
February 23, 2025—March 29, 2025	138,679	$ 76.83	138,335	$ 166.4
Total	154,817	$ 77.91	138,335	

(1) During the third quarter of fiscal 2025, the Company repurchased 16,482 shares of the Company's common stock via share withholding for payroll tax obligations due from employees in connection with the delivery of shares of the Company's common stock under our incentive plans.

(2) In November 2022, the Board of Directors authorized a share repurchase program for up to $300 million of the Company's outstanding common stock. This authorization replaced the previously authorized $250 million share repurchase program. The current share repurchase program has an expiration date of November 16, 2026 and may be amended, suspended, or discontinued at any time at the Company's discretion, subject to compliance with applicable laws. Repurchases under this program depend upon marketplace conditions and other factors, including compliance with the covenants under the ABL Facility and the indentures governing the Notes due 2027, Notes due 2029, and Notes due 2032. As of March 29, 2025, approximately $166.4 million remained available for additional share repurchases.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

The table below shows the plans or other arrangements adopted or terminated during the three months ended March 29, 2025, providing for the purchase and/or sale of Performance Food Group securities by the Company's directors and Section 16 officers:

Name	Title	Action	Date	Rule 10b5-1 (1)	Non-Rule 10b5-1 (2)	Number of Securities Covered	Expiration Date (3)
H. Patrick Hatcher	Executive Vice President, Chief Financial Officer	Adopt	February 7, 2025	X		10,000 shares to be sold	February 28, 2026
Craig H. Hoskins	Executive Vice President, Chief Development Officer	Adopt	February 12, 2025	X		33,398 shares to be sold	December 31, 2025
A. Brent King	Executive Vice President, General Counsel and Secretary	Adopt	February 26, 2025	X		44,504 shares (of which 28,400 shares are to be acquired upon the exercise of employee stock options) and 100% net shares (not yet determinable) of common stock resulting from the vesting of certain equity awards (net shares are net of tax withholding) to be sold	February 23, 2026
Erika T. Davis	Executive Vice President, Chief Human Resources Officer	Adopt	February 27, 2025	X		12,300 shares and 100% net shares (not yet determinable) of common stock resulting from the vesting of certain equity awards (net shares are net of tax withholding) to be sold	February 28, 2026
Donald S. Bulmer	Executive Vice President and Chief Information Officer	Adopt	February 28, 2025	X		2,404 shares and 100% net shares (not yet determinable) of common stock resulting from the vesting of certain equity awards (net shares are net of tax withholding) to be sold	February 28, 2026

(1) Intended to satisfy the affirmative defense conditions of SEC Rule 10b5-1(c).

(2) Non-Rule 10b5-1 trading arrangement as defined in Item 408 of Regulation S-K.

(3) Each plan terminates on the earlier of: (i) the expiration date noted above; (ii) the first date on which all trades set forth in the plan have been executed; or (iii) such date the plan is otherwise terminated according to its terms.

Item 6. Exhibits

Exhibit No.	Description
31.1*	CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbases Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

*** Filed herewith.**

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

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 hereunto duly authorized.

PERFORMANCE FOOD GROUP COMPANY
(Registrant)

Dated: May 7, 2025

By:	/s/ H. Patrick Hatcher
Name:	H. Patrick Hatcher
Title:	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Authorized Signatory)

Exhibit 31.1

CERTIFICATION

I, George L. Holm, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 29, 2025 of Performance Food Group Company (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer 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 controls 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 controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize, and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 7, 2025

/s/ George L. Holm

George L. Holm
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, H. Patrick Hatcher, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 29, 2025 of Performance Food Group Company (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer 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 controls 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 controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize, and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 7, 2025

/s/ H. Patrick Hatcher

H. Patrick Hatcher
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report of Performance Food Group Company (the “Company”) on Form 10-Q for the fiscal quarter ended March 29, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, George L. Holm, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

/s/ George L. Holm
George L. Holm
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

In connection with the Quarterly Report of Performance Food Group Company (the “Company”) on Form 10-Q for the fiscal quarter ended March 29, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, H. Patrick Hatcher, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

/s/ H. Patrick Hatcher

H. Patrick Hatcher
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)