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

FORM 10-K

(Mark one)

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

For the fiscal year ended March 31, 2024

OR

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

For the transition period from ____ to ____

Commission File Number 0-01989

Seneca Foods Corporation
(Exact name of Registrant as specified in its charter)

New York	**16-0733425**
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification No.)
350 WillowBrook Office Park, Fairport, New York	**14450**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(585) 495-4100**

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

Title of Each Class	Trading Symbol	Name of Exchange on Which Registered
Common Stock Class A, $0.25 Par	**SENEA**	**NASDAQ Global Select Market**
Common Stock Class B, $0.25 Par	**SENEB**	**NASDAQ Global Select Market**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant as of September 29, 2023, the last business day of the Registrant's most recently completed second fiscal quarter, was $296,458,515 (based on the closing share price per market reports generated from the NASDAQ Global Select Market System on September 29, 2023).

As of May 23, 2024, there were 5,312,025 shares of Class A common stock and 1,652,411 shares of Class B common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the registrant's definitive Proxy Statement for the 2024 Annual Meeting of Shareholders to be held hereafter, and the Annual Report to Shareholders of Seneca Foods Corporation for the fiscal year ended March 31, 2024 (the "Annual Report"), included as Exhibit 13 to this Form 10-K, are incorporated by reference in Parts I, II, III, and IV hereof.

SENECA FOODS CORPORATION
ANNUAL REPORT ON FORM 10-K
FOR THE FISCAL YEAR ENDED MARCH 31, 2024
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Forward-Looking Statements

This Annual Report on Form 10-K contains “forward-looking statements” as that term is used in the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they address future events, developments, and results and do not relate strictly to historical facts. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate, or imply future results, performance, or achievements, and may contain the words "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "seeks," "should," "likely," "targets," "may", "can" and variations thereof and similar expressions. Forward-looking statements are subject to known and unknown risks, uncertainties, and other important factors that could cause actual results to differ materially from those expressed. We believe important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- the effects of rising costs and availability of raw fruit and vegetables, steel, ingredients, packaging, other raw materials, distribution and labor;
- crude oil prices and their impact on distribution, packaging and energy costs;
- an overall labor shortage, ability to retain a sufficient seasonal workforce, lack of skilled labor, labor inflation or increased turnover impacting our ability to recruit and retain employees;
- climate and weather affecting growing conditions and crop yields;
- our ability to successfully implement sales price increases and cost saving measures to offset cost increases;
- the loss of significant customers or a substantial reduction in orders from these customers;
- effectiveness of our marketing and trade promotion programs;
- competition, changes in consumer preferences, demand for our products and local economic and market conditions;
- the impact of a pandemic on our business, suppliers, customers, consumers and employees;
- unanticipated expenses, including, without limitation, litigation or legal settlement expenses;
- product liability claims;
- the anticipated needs for, and the availability of, cash;
- the availability of financing;
- leverage and the ability to service and reduce debt;
- foreign currency exchange and interest rate fluctuations;
- the risks associated with the expansion of our business;
- the ability to successfully integrate acquisitions into our operations;
- our ability to protect information systems against, or effectively respond to, a cybersecurity incident or other disruption;
- other factors that affect the food industry generally, including:
  - recalls if products become adulterated or misbranded, liability if product consumption causes injury, ingredient disclosure and labeling laws and regulations and the possibility that consumers could lose confidence in the safety and quality of certain food products;
  - competitors’ pricing practices and promotional spending levels;
  - fluctuations in the level of our customers’ inventories and credit and other business risks related to our customers operating in a challenging economic and competitive environment; and
  - the risks associated with third-party suppliers, including the risk that any failure by one or more of our third-party suppliers to comply with food safety or other laws and regulations may disrupt our supply of raw materials or certain finished goods products or injure our reputation; and
- changes in, or the failure or inability to comply with, U.S., foreign and local governmental regulations, including environmental and health and safety regulations.

Any of these factors, as well as such other factors as discussed in (1) Part I, Item 1A., “Risk Factors” of this Annual Report on Form 10-K, (2) Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and (3) in our other periodic filings with the Securities and Exchange Commission (the “SEC”), could cause our actual results to differ materially from our anticipated results. The information provided in this Form 10-K is based upon the facts and circumstances known as of the date of this report, and any forward-looking statements made by us in this Form 10-K speak only as of the date on which they are made. Except as required by law, we undertake no obligation to update these forward-looking statements after the date of this Form 10-K to reflect events or circumstances after such date, or to reflect the occurrence of unanticipated events.

PART I

Item 1. Business

Overview

Seneca Foods Corporation (“Seneca” or the “Company”) was founded in 1949 and has evolved through internal growth and strategic acquisitions into a leading provider of packaged fruits and vegetables, with 26 main facilities located throughout the United States. The facilities are comprised of plants for packaging, can manufacturing, seed production, a farming operation and a logistical support network. Food packaging operations are primarily supported by plant locations in New York, Michigan, Oregon, Wisconsin, Washington, Idaho, Illinois, and Minnesota. The Company also maintains warehouses which are generally located adjacent to its packaging plants. The Company is incorporated in New York with its headquarters located at 350 WillowBrook Office Park, Fairport, New York 14450 and its telephone number is (585) 495-4100.

The Company’s business strategies are designed to grow its market share and enhance sales and margins. These strategies include: 1) expand the Company’s leadership in the packaged fruit and vegetable industry; 2) provide low-cost, high-quality fruit and vegetable products to consumers through the elimination of costs from the Company’s supply chain and investment in state-of-the-art production and logistical technology; 3) focus on growth opportunities to capitalize on higher expected returns; and 4) pursue strategic acquisitions that leverage the Company’s core competencies.

Available Information

The Company’s Internet address is www.senecafoods.com. The Company’s annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available on the Company’s web site, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. All such filings on the Company’s web site are available free of charge. Information on our website is not part of the annual report on Form 10-K.

In addition, the Company's website includes items related to corporate governance matters, including charters of various committees of the Board of Directors and the Company's Code of Business Conduct and Ethics. The Company intends to disclose on its website any amendment to or waiver of any provision of the Code of Business Conduct and Ethics that would otherwise be required to be disclosed under the rules of the SEC and NASDAQ.

Financial Information about Industry Segments

The Company manages its business almost entirely on the basis of two reportable food packaging segments: Vegetable and Fruit/Snack. The Other category comprises non-food operations including revenue derived from the sale of cans, ends, seed, and outside revenue from the Company's trucking and aircraft operations, and certain corporate items. The Company’s food operations constituted 98% of total net sales in fiscal year 2024. Canned vegetables represented 83%, frozen vegetables represented 8%, fruit products represented 6%, and snack products represented 1% of the total food packaging net sales. Non-food packaging sales represented 2% of the Company's fiscal year 2024 net sales. Refer to the information set forth under the heading “*Segment Information*” in Note 13 of the Notes to Consolidated Financial Statements in Part II, Item 8, “Financial Statements and Supplementary Data”, for additional discussion about the Company’s segments.

Principal Products and Markets

The Company’s principal product offerings include canned, frozen and jarred produce, and snack chips. The Company manufactures and sells the following:

- private label products to retailers, such as supermarkets, mass merchandisers, and specialty retailers, for resale under the retailers’ own or controlled labels;
- private label and branded products to the foodservice industry, including foodservice distributors and national restaurant operators;
- branded products under national and regional brands that the Company owns or licenses, including Seneca®, Libby’s®, Green Giant®, Aunt Nellie’s®, CherryMan®, Green Valley® and READ®;
- branded products under co-pack agreements to other major branded companies for their distribution; and
- products to the Company’s industrial customer base for repackaging in portion control packages and for use as ingredients by other food manufacturers.

The Company's fruits and vegetables are sold nationwide by major grocery outlets, including supermarkets, mass merchandisers, limited assortment stores, club stores and dollar stores. The Company also sells its products to foodservice distributors, restaurant chains, industrial markets, other food processors, export customers in approximately 55 countries and federal, state and local governments for school and other food programs. Additionally, the Company packs canned and frozen vegetables under contract packing agreements. The following table summarizes net sales by major product category for fiscal years 2024 and 2023 (in thousands):

	Fiscal Year: 2024	Fiscal Year: 2023
Canned vegetables	$ 1,204,823	$ 1,253,257
Frozen vegetables	120,795	121,211
Fruit products	87,435	91,495
Snack products	13,400	12,661
Other	32,150	30,728
	$ 1,458,603	$ 1,509,352

Source and Availability of Raw Materials

The Company's high-quality products are primarily sourced from more than 1,200 American farms. The Company purchases other raw materials, including steel, ingredients and packaging materials from commodity processors, steel producers and packaging suppliers. Raw materials and other input costs, such as labor, fuel, utilities and transportation, are subject to fluctuations in price attributable to a number of factors. Fluctuations in commodity prices can lead to retail price volatility and can influence consumer and trade buying patterns. The cost of raw materials, fuel, labor, distribution and other costs related to our operations can increase from time to time significantly and unexpectedly.

The Company continues to experience material cost inflation for many of its raw materials and other input costs attributable to a number of factors, including but not limited to, supply chain disruptions (including raw material shortages), labor shortages, the conflict between Russia and Ukraine, and the conflict in Israel and Gaza. While the Company has no direct exposure to these conflicts, it has continued to experience increased costs for transportation, energy, and raw materials due in part to the negative impact on the global economy. The Company attempts to manage cost inflation risks by locking in prices through short-term supply contracts, advance grower purchase agreements, and by implementing cost saving measures. The Company also attempts to offset rising input costs by raising sales prices to its customers. However, increases in the prices the Company charges its customers may lag behind rising input costs. Competitive pressures also may limit the Company's ability to quickly raise prices in response to rising costs. To the extent the Company is unable to avoid or offset any present or future cost increases, its operating results could be materially adversely affected.

Domestic and International Sales

The following table sets forth domestic and international sales (in thousands, except percentages):

	Fiscal Year 2024	Fiscal Year 2023
Net sales:		
Domestic	$ 1,374,774	$ 1,408,710
International	83,829	100,642
Total net sales	$ 1,458,603	$ 1,509,352
As a percentage of net sales:		
Domestic	94.3%	93.3%
International	5.7%	6.7%
Total	100.0%	100.0%

Intellectual Property

The Company has a license agreement with B&G Foods, Inc., for use of the Green Giant® brand name to manufacture, market, distribute, and sell shelf-stable vegetable products within the United States and its territories, and certain Caribbean islands in perpetuity. The license is royalty free and does not include *Green Giant* frozen, *Green Giant* Canada or the *Le Sueur* brand.

The Company holds the Libby's® brand name pursuant to a trademark license. The license is limited to vegetables which are shelf-stable, frozen, and thermally packaged, and includes the Company's major vegetable varieties – corn, peas and green beans – as well as certain other thermally packaged vegetable varieties and sauerkraut. The license is renewable by the Company every 10 years for an aggregate period expiring in March 2081.

The Company is required to pay an annual royalty to Libby's Brand Holding, Ltd., who may terminate the license for non-payment of royalty, use of the trademark in sales outside the licensed territory, failure to achieve a minimum level of sales under the licensed trademark during any calendar year or a material breach or default by the Company under the agreement (which is not cured within the specified cure period). A total of $0.1 million was paid as a royalty fee for the fiscal year ended March 31, 2024.

The Company also sells canned vegetables, frozen vegetables, jarred fruit, and other food products under several other brands for which the Company has obtained registered trademarks, including, Aunt Nellie's®, CherryMan®, Green Valley®, READ®, Seneca®, and other regional brands.

Seasonality

While individual vegetables have seasonal cycles of peak production and sales, the different cycles are somewhat offsetting. Minimal food packaging occurs in the Company's last fiscal quarter ending March 31, which is the optimal time for maintenance, repairs and equipment changes in its packaging plants. The supply of commodities, current pricing, and expected new crop quantity and quality affect the timing and amount of the Company's sales and earnings. When the seasonal harvesting periods of the Company's major vegetables are newly completed, inventories for these packaged vegetables are at their highest levels. For peas, the peak inventory time is mid-summer and for corn and green beans, the Company's highest volume vegetables, the peak inventory is in mid-autumn. The seasonal nature of the Company's production cycle results in inventory and accounts payable reaching their lowest point late in mid-to-late first quarter prior to the new seasonal pack commencing. As the seasonal pack progresses, these components of working capital both increase until the pack is complete.

The Company's revenues typically are highest in the second and third fiscal quarters. This is due, in part, because the Company's fruit and vegetable sales exhibit seasonal increases in the third fiscal quarter due to increased retail demand during the holiday season. In addition, the Company sells canned and frozen vegetables to a co-pack customer on a bill and hold basis at the end of each pack cycle, which typically occurs during these quarters.

These seasonal fluctuations are illustrated in the following table, which presents certain unaudited quarterly financial information for the periods indicated (in thousands):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Fiscal Year 2024:				
Net sales	$ 298,664	$ 407,475	$ 444,481	$ 307,983
Gross margin	55,289	58,118	54,033	20,778
Net earnings (loss)	23,111	24,779	17,675	(2,247)
Revolver outstanding (at quarter end)	52,064	134,757	258,108	237,225
Fiscal Year 2023:				
Net sales	$ 265,193	$ 439,842	$ 473,254	$ 331,063
Gross margin	22,843	41,779	53,789	(14,092)
Net earnings (loss)	5,103	16,131	21,054	(33,057)
Revolver outstanding (at quarter end)	78,965	229,213	313,808	180,598

Competition

Competition in the packaged food industry is substantial with brand recognition and promotion, quality, service, and pricing being the major determinants in the Company's relative market position. The Company believes that it is a major producer of canned vegetables, frozen vegetables, and jarred fruit but some producers of these products have sales which exceed the Company's sales. The Company is aware of at least 13 competitors in the U.S. packaged fruit and vegetable industry, many of which are privately held companies.

Government Regulation

The Company is subject to extensive regulations in the United States by federal, state and local government authorities. In the United States, the federal agencies governing the manufacture, marketing and distribution of our products include, among others, the Federal Trade Commission ("FTC"), the United States Food & Drug Administration ("FDA"), the United States Department of Agriculture ("USDA"), the United States Environmental Protection Agency ("EPA") and the Occupational Safety and Health Administration ("OSHA"). Under various statutes, these agencies prescribe and establish, among other things, the requirements and standards for quality, safety and representation of the Company's products to the consumer in labeling and advertising.

Environmental protection is an area that has been worked on diligently at each food packaging facility. In all locations, the Company has cooperated with federal, state, and local environmental protection authorities in developing and maintaining suitable antipollution facilities. In general, we believe our pollution control facilities are equal to or somewhat superior to those of our competitors and are within environmental protection standards. The Company does not expect any capital expenditures out of the ordinary course of business in order to comply with environmental regulations in the near future.

There has been a broad range of proposed and promulgated state, national and international regulations aimed at reducing the effects of climate change. In the United States, there is a significant possibility that some form of regulation will be forthcoming at the federal level to address the effects of climate change. Such regulation could result in the creation of additional costs in the form of taxes, consultant expenses, the restriction of output, investments of capital to maintain compliance with laws and regulations or required acquisition or trading of emission allowances.

Environmental Matters

Seneca publishes an annual Corporate Responsibility Report which highlights its vision for and approach to corporate sustainability and details key initiatives it is undertaking in the areas of environmental stewardship, social responsibility, and corporate governance. The report is available on our website and is not a part of this Annual Report on Form 10-K.

The Company takes its responsibility to be a good steward of the environment seriously and adopts policies and procedures under the guidance of the Board of Directors that advance our performance. We monitor existing and pending climate legislation and regulation to evaluate any potential impact on our future results of operations, capital expenditures or financial position. The Board of Directors provides oversight as part of their evaluation of business responsibility and sustainability initiatives, and we will continue to monitor emerging developments and assess our performance in this area. We may face additional economic and operational impacts from ESG regulations as well as impacts from our suppliers and customers as they adhere to the laws and regulations.

Human Capital

Employment

As of March 31, 2024, Seneca employed approximately 2,900 employees and employed an additional approximately 3,900 seasonal employees during the Company's peak summer harvest season. 100% of our employees are located in the United States, distributed across the Company's facilities.

Culture

At Seneca, we work hard every day to feed the world safe and nutritious products, while adhering to our fundamental beliefs (which can be found on our website). These beliefs include acting with integrity in all matters, treating employees with respect, and maintaining the highest standards for protecting our workers. We also believe in promoting from within, which has resulted in many long-tenured employees in leadership positions throughout the Company.

Employee Health and Safety

The health and safety of our employees is a top priority at Seneca. The Company complies with all national and local laws of the jurisdictions in which we operate regarding worker health and safety. In addition, we work to continuously improve our safety record with worker safety training and Seneca's *HERO* ("Health Environment Risk Observation") program, in which employees proactively identify and mitigate potential safety risks. At Seneca, we believe that safety is everyone's responsibility, and the *HERO* program reflects that commitment, with close to 100% employee participation.

The Company also conducts annual safety audits at all processing locations to ensure compliance with Seneca and OSHA safety standards. External risk management services are also consulted as part of this process. The Company's management recognizes plants that achieve at least one million work hours or 1,000 days worked without a lost time injury to employees with the President's "Bronze Eagle" award, which is prominently displayed at many of our processing facilities.

Employee Training and Development

Seneca believes in developing internal talent and providing employees with an opportunity for education and advancement. In support of this endeavor, we have developed three key programs. *SAVES* ("Seneca Adding Value Employee System") focuses on employee empowerment, education, and application of lean manufacturing principles. The Company's dedicated *SAVES* instructors and project leaders educate employees and empower them to make process improvements at all of our processing facilities. *GROWS* ("Get Rid of Waste Systemically") supports our leadership development efforts through continuous improvement project leadership. *LEADS* ("Leadership Education and Development at Seneca") is a training program focused on leadership, managing employees in a positive and productive manner, and reinforces many of our fundamental beliefs, such as treating employees with respect.

Culture

Seneca believes that everyone should feel respected and welcome in our workplace. The Company is committed to providing equal opportunity in all aspects of employment, and to applying fair labor practices while respecting the national and local laws of the states and communities where we have operations. The Company does not engage in or tolerate discrimination, intimidation, harassment, or any other unlawful conduct. We believe that a diverse and inclusive workforce provides the Company with the benefits of different viewpoints and perspectives, as well as a talented and innovative employee base.

Item 1A. Risk Factors

The following factors as well as factors described elsewhere in this Form 10-K or in other filings by the Company with the SEC, could adversely affect the Company's consolidated financial position, results of operations or cash flows. Other factors not presently known to us or that we presently believe are not material could also affect our business operations or financial results. The Company refers to itself as "we", "our" or "us" in this section.

Fruit and Vegetable Industry Risks

Excess capacity in the fruit and vegetable industry has a downward impact on selling price.

If canned vegetable, frozen vegetable, or jarred fruit categories decline, less shelf space will be devoted to these categories in the supermarkets. Fresh and perishable businesses are improving their delivery systems around the world and the availability of fresh produce is impacting the consumers purchasing patterns relating to packaged fruit and vegetables. Our financial performance and growth are related to conditions in the United States' fruit and vegetable packaging industry which is a mature industry. Our net sales are a function of product availability and market pricing. In the fruit and vegetable packaging industry, product availability and market prices tend to have an inverse relationship: market prices tend to decrease as more product is available and to increase if less product is available. Product availability is a direct result of plantings, growing conditions, crop yields and inventory levels, all of which vary from year to year. These factors may have a significant effect on supply and competition and create downward pressure on prices. In addition, market prices can be affected by the planting and inventory levels and individual pricing decisions of our competitors. Generally, market prices in the fruit and vegetable packaging industry adjust more quickly to variations in product availability than an individual packager can adjust its cost structure; thus, in an oversupply situation, a packager's margins likely will weaken. We typically have experienced lower margins during times of industry oversupply.

In the past, the fruit and vegetable packaging industry has been characterized by excess capacity, with resulting pressure on our prices and profit margins. We have closed packaging plants in past years in response to the downward pressure on prices. There can be no assurance that our margins will improve in response to favorable market conditions or that we will be able to operate profitably during depressed market conditions.

Growing cycles and adverse weather conditions may decrease our results from operations.

Our operations are affected by the growing cycles of the vegetables we package. When the vegetables are ready to be picked, we must harvest and package them quickly or lose the opportunity to package the impacted vegetables for an entire year. Most of our vegetables are grown by farmers under contract with us. Consequently, we must pay the contract grower for the vegetables even if we cannot or do not harvest or package them. Most of our production occurs during the second quarter (July through September) of our fiscal year, which corresponds with the quarter that the growing season ends for most of the produce packaged by us. A majority of our sales occur during the second and third quarters of each fiscal year due to seasonal consumption patterns for our products. Accordingly, inventory levels and accounts receivable levels are highest during the second and third quarters. Net sales generated during our second and third fiscal quarters have a significant impact on our results of operations. Because of these seasonal fluctuations, the results of any particular quarter, particularly in the first half of our fiscal year, will not necessarily be indicative of results for the full year or for future years.

We set our planting schedules without knowing the effect of the weather on the crops or on the entire industry's production. Weather conditions during the course of each vegetable crop's growing season will affect the volume and growing time of that crop. As most of our vegetables are produced in more than one part of the United States, this somewhat reduces the risk that our entire crop will be subject to disastrous weather. The upper Midwest is the primary growing region for the principal vegetables which we pack, namely peas, green beans and corn, and it is also a substantial source of our competitors' vegetable production. A sizeable portion of our vegetable production areas are serviced with irrigation systems to help minimize (i) wet conditions for planting and (ii) dry conditions during the growing season. Any adverse effects of weather-related reduced production may be partially mitigated by higher selling prices for the vegetables which are produced.

The commodity materials that we package or otherwise require are subject to price increases that could adversely affect our profitability.

The materials that we use, such as raw fruit and vegetables, steel, ingredients, pouches and other packaging materials as well as the electricity, diesel fuel, and natural gas used in our business, are commodities that may experience price volatility caused by external factors, including but not limited to market fluctuations, availability, currency fluctuations and changes in governmental regulations and agricultural programs. General inventory positions of major commodities, such as field corn, soybeans and wheat, all commodities with which we must compete for acreage, can have dramatic effects on prices for those commodities, which can translate into similar swings in prices needed to be paid for our contracted commodities. These programs and other events can result in reduced supplies of these commodities, higher supply costs or interruptions in our production schedules. If prices of these commodities increase beyond what we can pass along to our customers, our operating income will decrease.

Risks Associated with Our Operations

Changes in economic conditions that impact consumer spending could harm our business.

The food products industry and our financial performance are sensitive to changes in overall economic conditions that impact consumer spending, including but not limited to inflation, economic volatility resulting from a pandemic and global conflicts. Future economic conditions affecting consumer income such as employment levels, business conditions, interest rates, inflation and tax rates could reduce consumer spending or cause consumers to shift their spending to other products. Historic increases in inflation following the COVID-19 pandemic may cause consumers to be more sensitive to price changes. A general reduction in the level of consumer spending or shifts in consumer spending to other products could have a material adverse effect on our growth, sales, and profitability.

Pandemics or disease outbreaks may disrupt our business, including among other things, our supply chain, our manufacturing operations and customer and consumer demand for our products, and could have a material adverse impact on our business.

The spread of pandemics or disease outbreaks may negatively affect our operations. If a significant percentage of our workforce or the workforce of our third-party business partners is unable to work, including because of illness or travel or government restrictions in connection with a pandemic or disease outbreak, our operations may be negatively impacted. Some of our workforce dwell in company provided housing and therefore any outbreaks would need to be managed, to the extent possible, to meet health care protocols. Pandemics or disease outbreaks could result in a widespread health crisis that could adversely affect economies and financial markets, consumer spending and confidence levels resulting in an economic downturn that could affect customer and consumer demand for our products.

Our efforts to manage and mitigate these factors may be unsuccessful, and the effectiveness of these efforts depends on factors beyond our control, including the duration and severity of any pandemic or disease outbreak, as well as third party actions taken to contain its spread and mitigate public health effects.

The ultimate impact of a pandemic on our business will depend on many factors, including, among others, the duration of social distancing and stay-at-home mandates, our ability to continue to operate our manufacturing facilities and maintain the supply chain without material disruption, and the extent to which macroeconomic conditions resulting from the pandemic and the pace of the subsequent recovery may impact consumer eating habits.

We depend upon key customers.

Our products are sold in a highly competitive marketplace, which includes increased concentration and a growing presence of large-format retailers and discounters. Dependence upon key customers could lead to increased pricing pressure by these customers. A relatively limited number of customers account for a large percentage of the Company’s total net sales. The top ten customers represented approximately 52% and 55% of net sales for fiscal years 2024 and 2023, respectively. If we lose a significant customer or if sales to a significant customer materially decrease, our business, financial condition and results of operations may be materially and adversely affected.

If we do not maintain the market shares of our products, our business and revenues may be adversely affected.

All of our products compete with those of other national and regional food packaging companies under highly competitive conditions. The fruit and vegetable products which we sell under our own brand names not only compete with fruit and vegetable products produced by food packaging competitors, but also compete with products we produce and sell under contract packing agreements with other companies who market those products under their own brand names and the vegetables we sell to various retail grocery chains which carry our customer’s own brand names.

The customers who buy our products to sell under their own brand names control the marketing programs for those products. In recent years, many major retail food chains have been increasing their promotions, offerings and shelf space allocations for their own fruit and vegetable brands, to the detriment of fruit and vegetable brands owned by the packagers, including our own brands. We cannot predict the pricing or promotional activities of our customers/competitors or whether they will have a negative effect on us. There are competitive pressures and other factors, which could cause our products to lose market share or result in significant price erosion that could materially and adversely affect our business, financial condition and results of operations.

The domestic packaged food industry continues to face import competition which has increased in recent years. The ramifications include, but are not limited to, market oversaturation, inferior quality of imported products competing in the same market as products sourced from the United States, and potential increased pricing pressure on domestic producers for finished goods. These factors could negatively affect our existing market share and adversely impact the Company's financial condition and results of operations.

Increases in logistics and other transportation-related costs could materially adversely impact our results of operations.

Our ability to competitively serve our customers depends on the availability of reliable and low-cost transportation. We use multiple forms of transportation to bring our products to market. They include trucks, intermodal, rail cars, and ships. Disruption to the timely supply of these services or increases in the cost of these services for any reason, including availability or cost of fuel, regulations affecting the industry, or labor shortages in the transportation industry, could have an adverse effect on our ability to serve our customers, and could materially and adversely affect our business, financial condition and results of operations.

A recall of our products could have a material adverse effect on our business. In addition, we may be subject to significant liability should the consumption of any of our products cause injury, illness or death.

The sale of food products for human consumption involves the risk of illness or injury to consumers. Such injuries may result from mislabeling, tampering by unauthorized third parties or product contamination or spoilage, including the presence of foreign objects, undeclared allergens, substances, chemicals, other agents or residues introduced during the growing, manufacturing, storage, handling or transportation phases of production. Under certain circumstances, we may be required to recall products, leading to a material adverse effect on our business, financial condition, results of operations or liquidity. Even if a situation does not necessitate a recall, product liability claims might be asserted against us. We have from time to time been involved in product liability lawsuits, none of which have been material to our business. While we are subject to governmental inspection and regulations and believe our facilities comply in all material respects with all applicable laws and regulations, if the consumption of any of our products causes, or is alleged to have caused, a health-related illness in the future we may become subject to claims or lawsuits relating to such matters. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused injury, illness or death could adversely affect our reputation with existing and potential customers and our corporate and brand image. Moreover, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution that we may have against others. We maintain product liability insurance in an amount we believe to be adequate. However, we cannot assure you that we will not incur claims or liabilities for which we are not insured or that exceed the amount of our insurance coverage. A product liability judgment against us or a product recall or the damage to our reputation resulting therefrom could have a material adverse effect on our business, consolidated financial condition, results of operations or liquidity.

Pending and future litigation may lead us to incur significant costs.

We are, or may become, party to various lawsuits and claims arising in the normal course of business, which may include lawsuits or claims relating to contracts, intellectual property, product recalls, product liability, the marketing and labeling of products, employment matters, environmental matters or other aspects of our business. Even when not merited, the defense of these lawsuits may divert our management's attention, and we may incur significant expenses in defending these lawsuits. In addition, we may be required to pay damage awards or settlements or become subject to injunctions or other equitable remedies, which could have a material adverse effect on our business, consolidated financial condition, results of operations or liquidity. The outcome of litigation is often difficult to predict, and the outcome of pending or future litigation may have a material adverse effect on our business, consolidated financial condition, results of operations or liquidity.

We face risks associated with our defined benefit pension plan.

We maintain a company-sponsored defined benefit pension plan. A deterioration in the value of plan assets resulting from poor market performance, a general financial downturn or otherwise could cause an increase in the amount of contributions we are required to make to these plans. For example, our defined benefit pension plan may from time to time move from an overfunded to underfunded status driven by decreases in plan asset values that may result from changes in long-term interest rates and disruptions in U.S. or global financial markets. For a more detailed description of the pension plan, refer to the information set forth under the heading "*Retirement Plans*" in Note 10 of the Notes to Consolidated Financial Statements in Part II, Item 8, "Financial Statements and Supplementary Data." An obligation to make additional, unanticipated contributions to our defined benefit plans could reduce the cash available for working capital and other corporate uses and may have a material adverse effect on our business, consolidated financial position, results of operations and liquidity.

Our business is dependent on our information technology systems and software, and failure to protect against or effectively respond to cyber-attacks, security breaches, or other incidents involving those systems, could adversely affect day-to-day operations and decision making processes and have an adverse effect on our performance and reputation.

The efficient operation of our business depends on our information technology systems, which we rely on to effectively manage our business data, communications, logistics, accounting, regulatory and other business processes. If we do not allocate and effectively manage the resources necessary to build and sustain an appropriate technology environment, our business, reputation, or financial results could be negatively impacted. In addition, our information technology systems may be vulnerable to damage or interruption from circumstances beyond our control, including systems failures, natural disasters, terrorist attacks, viruses, ransomware, security breaches or cyber incidents. Cyber-attacks are becoming more sophisticated and are increasing in the number of attempts and frequency by groups and individuals with a wide range of motives. A security breach of sensitive information could result in damage to our reputation and our relations with our customers or employees. Any such damage or interruption could have a material adverse effect on our business. Also see "Cybersecurity" included as part of Item 1C. of this Annual Report on Form 10-K.

We generate agricultural food packaging wastes and are subject to substantial environmental regulation.

As a food packager, we regularly dispose of produce wastes (silage) and processing water as well as materials used in plant operation and maintenance and our plant boilers, which generate heat used in packaging and can manufacturing operations, producing generally small emissions into the air. These activities and operations are regulated by federal and state laws and the respective federal and state environmental agencies. Occasionally, we may be required to remediate conditions found by the regulators to be in violation of environmental law or to contribute to the cost of remediating waste disposal sites, which we neither owned nor operated, but in which, we and other companies deposited waste materials, usually through independent waste disposal companies. Future possible costs of environmental remediation, contributions and penalties could materially and adversely affect our business, financial condition and results of operations.

Our production capacity for certain products and commodities is concentrated in a limited number of facilities, exposing us to a material disruption in production in the event that a disaster strikes.

We only have one plant that produces fruit products and one plant that produces pumpkin products. We have two plants that manufacture empty cans, one with substantially more capacity than the other, which are not interchangeable since each plant cannot necessarily produce all the can sizes needed. Although we maintain property and business interruption insurance coverage, there can be no assurance that this level of coverage is adequate in the event of a catastrophe or significant disruption at these or other Company facilities. If such an event occurs, it could materially and adversely affect our business, financial condition and results of operations.

We may undertake acquisitions or product innovations and may have difficulties integrating them or may not realize the anticipated benefits.

In the future, we may undertake acquisitions of other businesses or introduce new products, although there can be no assurances that these will occur. Such undertakings involve numerous risks and significant investments. There can be no assurance that we will be able to identify and acquire acquisition candidates on favorable terms, to profitably manage or to successfully integrate future businesses that we may acquire or new products we may introduce without substantial costs, delays or problems. Any of these outcomes could materially and adversely affect our business, financial condition and results of operations.

We are dependent upon a seasonal workforce and our inability to hire sufficient employees may adversely affect our business.

At the end of March 2024, we had roughly 2,900 employees of which approximately 2,800 were full time and approximately 100 seasonal employees worked in food packaging. During the peak summer harvest period, we employed an additional approximately 3,900 seasonal employees to help package fruit and vegetables. If there is a shortage of seasonal labor, or if there is an increase to minimum wage rates, this could have a negative impact on our cost of operations. Many of our packaging operations are located in rural communities that may not have sufficient labor pools, requiring us to hire employees from other regions. An inability to hire and train sufficient employees during the critical harvest period could materially and adversely affect our business, financial condition and results of operations.

Increases in labor costs or work stoppages or strikes could materially and adversely affect our financial condition and results of operations.

Personnel costs, including the costs of medical and other employee health and welfare benefits, have increased. These costs can vary substantially as a result of an increase in the number, mix and experience of our employees and changes in health care and other employment-related laws. There are no assurances that we will succeed in reducing future increases in such costs. Increases in personnel costs can also be amplified by low unemployment rates, preferences among workers in the labor market and general tight labor market conditions in any of the areas where we operate. Our inability to control such costs could materially and adversely affect our financial condition and results of operations. Although we consider our labor relations to be good, if a significant number of our employees engaged in a work slowdown, or other type of labor unrest, it could in some cases impair our ability to supply our products to customers, which could result in reduced sales, and may distract our management from focusing on our business and strategic priorities. Any of these activities could materially and adversely affect our financial condition and results of operations.

Environmental and other regulation of our business, including climate change regulation, could adversely impact us by increasing our production cost or restricting our ability to import certain products into the United States.

Climate change serves as a risk multiplier increasing both the frequency and severity of natural disasters that may affect our business operations. Moreover, there has been a broad range of proposed and promulgated state, national and international regulation aimed at reducing the effects of climate change. Such regulation could result in additional costs in the form of taxes, consultant costs, the restriction of output, investments of capital to maintain compliance with laws and regulations, or required acquisition or trading of emission allowances. Disclosure requirements imposed by different regulators may not always be uniform, which may result in increased complexity, increased compliance costs, and other compliance-related risks. Climate change regulation continues to evolve, and it is not possible to accurately estimate either a timetable for implementation or our future compliance costs relating to implementation.

There may be increased governmental legislative and regulatory activity in reaction to consumer perception related to enamels.

There has been continued state legislative activity to ban certain enamels used to line cans; such as Bisphenol-A ("BPA"). These legislative decisions are predominantly driven by consumer perception that BPA may be harmful. These actions have been taken despite the scientific evidence and general consensus of United States and international government agencies that BPA is safe and does not pose a risk to human health. The legislative actions combined with growing public perception about food safety may require us to change some of the materials used as linings in our packaging materials. Failure to do so could result in a loss of sales as well as loss in value of the inventory utilizing certain materials. In collaboration with other can makers as well as enamel suppliers, we have aggressively worked to find alternative materials for can linings not manufactured using BPA. We have fully transitioned to BPA Non-Intent (“BPANI”) for our canned product volume. Even though BPANI has been fully approved by the Food and Drug Administration (“FDA”), there could be future legislative or regulatory actions that claim BPANI also poses a risk to human health. Future changes or additional health and safety laws and regulations in connection with our products, packaging or processes may also impose upon us new requirements, costs, and changes to production. Such requirements, changes, liabilities, and costs could materially and adversely affect our business, financial condition and results of operations.

The implementation of the Food Safety Modernization Act of 2011 may affect operations.

The Food Safety Modernization Act ("FSMA") was enacted with the goal of enabling the FDA to better protect public health by strengthening the food safety system. FSMA was designed to focus the efforts of the FDA on preventing food safety problems rather than relying primarily on reacting to problems after they occur. The law also provides the FDA with new enforcement authorities designed to achieve higher rates of compliance with prevention and risk-based food safety standards and to better respond to and contain problems when they do occur. The increased inspections, mandatory recall authority of the FDA, increased scrutiny of foreign sourced or supplied food products, and increased records access may have an impact on our business. As we are already in a highly regulated business, operating under the increased scrutiny of more FDA authority does not appear likely to negatively impact our business. The law also gives the FDA important new tools to hold imported foods to the same standards as domestic foods.

Our results are dependent on successful marketplace initiatives and acceptance by consumers of our products.

Our product introductions and product improvements, along with other marketplace initiatives, are designed to capitalize on new customer or consumer trends. The FDA has issued a statement on sodium which referred to an Institute of Medicine statement that too much sodium is a major contributor to high blood pressure. Some of our products contain a moderate amount of sodium per recommended serving, which is based on consumer preferences for taste. In order to remain successful, we must anticipate and react to these new trends and develop new products or packages to address them. While we devote significant resources to meeting this goal, we may not be successful in developing new products or packages, or our new products or packages may not be accepted by customers or consumers.

Financing Risks

Global economic conditions may materially and adversely affect our business, financial condition and results of operations.

Unfavorable economic conditions, including the impact of recessions in the United States and throughout the world, may negatively affect our business and financial results. These economic conditions could negatively impact (i) consumer demand for our products, (ii) the mix of our products' sales, (iii) our ability to collect accounts receivable on a timely basis, (iv) the ability of suppliers to provide the materials required in our operations and (v) our ability to obtain financing or to otherwise access the capital markets. The strength of the U.S. dollar versus other world currencies could result in increased competition from imported products and decreased sales to our international customers. A prolonged recession could result in decreased revenue, margins and earnings. Additionally, the economic situation could have an impact on our lenders or customers, causing them to fail to meet their obligations to us. Certain of our raw materials, namely steel, are subject to import tariffs and other restrictions, and the United States government may periodically impose new or revise existing duties, quotas, tariffs or other restrictions to which we are subject. The occurrence of any of these risks could materially and adversely affect our business, financial condition and results of operations.

Our ability to manage our working capital and our Revolving Credit Facility is critical to our success.

As of March 31, 2024, we had a $237.2 million outstanding balance on our revolving credit facility ("Revolver"). During our second and third fiscal quarters, our operations generally require more cash than is available from operations. In these circumstances, it is necessary to borrow under our Revolver. Our ability to obtain financing in the future through credit facilities will be affected by several factors, including our creditworthiness, our ability to operate in a profitable manner and general market and credit conditions. Significant changes in our business or cash outflows from operations could create a need for additional working capital. An inability to obtain additional working capital on terms reasonably acceptable to us or access the Revolver would materially and adversely affect our operations. Additionally, if we need to use a portion of our cash flows to pay principal and interest on our debt, it will reduce the amount of money we have for operations, working capital, capital expenditures, expansions, acquisitions or general corporate or other business activities.

Failure to comply with the requirements of our debt agreements could have a material adverse effect on our business.

Our debt agreements contain financial and other restrictive covenants which, among other things, limit our ability to borrow money, including with respect to the refinancing of existing indebtedness. These provisions may limit our ability to conduct our business, take advantage of business opportunities and respond to changing business, market and economic conditions. In addition, they may place us at a competitive disadvantage relative to other companies that may be subject to fewer, if any, restrictions. Failure to comply with the requirements of our debt agreements could materially and adversely affect our business, financial condition and results of operations. We have pledged our accounts receivable, inventory, equipment, certain facilities, capital stock, or other ownership interests that we own in our subsidiaries to secure certain debt. If a default occurred and was not cured, secured lenders could foreclose on this collateral.

Risks Relating to Our Stock

Our existing shareholders, if acting together, may be able to exert control over matters requiring shareholder approval.

Holders of our Class B common stock are entitled to one vote per share, while holders of our Class A common stock are entitled to one-twentieth of a vote per share. In addition, holders of our 10% Cumulative Convertible Voting Preferred Stock, Series A, our 10% Cumulative Convertible Voting Preferred Stock, Series B and, solely with respect to the election of directors, our 6% Cumulative Voting Preferred Stock, which we refer to as our voting preferred stock, are entitled to one vote per share. As of March 31, 2024, holders of Class B common stock and voting preferred stock held 90.8% of the combined voting power of all shares of capital stock then outstanding and entitled to vote. These shareholders, if acting together, would be in a position to control the election of our directors and to effect or prevent certain corporate transactions that require majority or supermajority approval of the combined classes, including mergers and other business combinations. This may result in us taking corporate actions that shareholders may not consider to be in their best interest and may affect the price of our common stock.

As of March 31, 2024, our current executive officers and directors beneficially owned 12.74% of our outstanding shares of Class A common stock, 54.47% of our outstanding shares of Class B common stock and 27.12% of our voting preferred stock, or 41.25% of the combined voting power of our outstanding shares of capital stock. This concentration of voting power may inhibit changes in control of the Company and may adversely affect the market price of our common stock.

Our certificate of incorporation and bylaws contain provisions that discourage corporate takeovers.

Certain provisions of our certificate of incorporation and bylaws and provisions of the New York Business Corporation Law may have the effect of delaying or preventing a change in control. Various provisions of our certificate of incorporation and bylaws may inhibit changes in control not approved by our directors and may have the effect of depriving shareholders of any opportunity to receive a premium over the prevailing market price of our common stock in the event of an attempted unsolicited takeover. In addition, the existence of these provisions may adversely affect the market price of our common stock. These provisions include:

- a classified board of directors;
- a requirement that special meetings of shareholders be called only by our directors or holders of 25% of the voting power of all shares outstanding and entitled to vote at the meeting;
- our board of directors has the power to classify and reclassify any of our unissued shares of capital stock into shares of capital stock with such preferences, rights, powers and restrictions as the board of directors may determine;
- the affirmative vote of two-thirds of the shares present and entitled to vote is required to amend our bylaws or remove a director; and
- under the New York Business Corporation Law, in addition to certain restrictions which may apply to “business combinations” involving us and an “interested shareholder”, a plan for our merger or consolidation must be approved by two-thirds of the votes of all outstanding shares entitled to vote thereon. See “Our existing shareholders, if acting together, may be able to exert control over matters requiring shareholder approval.”

We have not paid dividends on our common stock in the past.

We have not declared or paid any cash dividends on our common stock in the past. In addition, payment of cash dividends on our common stock is not permitted by the terms of our revolving credit facility. This policy may be revisited under the correct circumstances in the future.

Other Risks

Tax legislation could impact future cash flows.

We use the last-in, first-out (“LIFO”) method of inventory accounting. As of March 31, 2024, we had a LIFO reserve of $324.8 million which, at the statutory tax rate of 24.6%, represents approximately $79.9 million of income taxes, payment of which is delayed to future dates based upon changes in inventory costs. From time-to-time, discussions regarding changes in U.S. corporate and state tax laws have included the potential of LIFO being repealed. Should LIFO be repealed, the $79.9 million of postponed taxes, plus any future benefit realized prior to the date of repeal, would likely have to be repaid over some period of time. Repayment of these postponed taxes will reduce the amount of cash that we would have available to fund our operations, working capital, capital expenditures, expansions, acquisitions or general corporate or other business activities. This could materially and adversely affect our business, financial condition and results of operations.

The tax status of our insurance subsidiary could be challenged resulting in an acceleration of income tax payments.

In conjunction with our workers’ compensation program, we operate a wholly owned insurance subsidiary, Dundee Insurance Company, Inc. We recognize this subsidiary as an insurance company for federal income tax purposes with respect to our consolidated federal income tax return. In the event the Internal Revenue Service (“IRS”) were to determine that this subsidiary does not qualify as an insurance company, we could be required to make accelerated income tax payments to the IRS that we otherwise would have deferred until future periods.

Item 1B. Unresolved Staff Comments

None

Item 1C. Cybersecurity

Risk Management and Strategy

The Company's cybersecurity risk management program is integrated with its overall enterprise risk management program and shares common methodologies, reporting channels and governance processes that apply across functions to other legal, compliance, strategic, operational, and financial risk areas.

The Company designs and assesses the cybersecurity risk management program based on the National Institute of Standards and Technology Cybersecurity Framework ("NIST CSF"). The Company uses the NIST CSF as a guide to help identify, assess, and manage cybersecurity risks relevant to its business; this does not imply that the Company's cybersecurity program meets any particular technical standards, specifications, or requirements.

The cybersecurity risk management program is grounded in a zero-trust framework and employs a multi-layered approach, including:

- Awareness and training for employees, involving phishing campaigns, informational sessions at management meetings, and annual mandatory training with simulations of common cybersecurity threats;
- Security tools and technologies, along with control policies and active review procedures which strengthen authentication and access protection;
- Third-party risk management process and monitoring procedures for service providers, suppliers, and vendors who have access to critical systems and information;
- Risk and vulnerability management encompassing both proactive and predictive defenses which provides opportunities to assess, remediate, and validate; and
- Managed detection and incident response, including advanced endpoint protection.

In evaluating the risks identified as a part of the annual assessment process, the Company's information technology team considers the likelihood and severity of the respective risk and the potential impact of the risk on the Company, its customers, and its employees. These risks are then prioritized and monitored by the information technology team.

The Company conducts periodic testing of software, hardware, defensive capabilities, and other information security systems to assess its cybersecurity readiness and maturity of the cybersecurity program. Tests are conducted by the information technology team and reputable third-party consultants and auditors. In developing and evaluating the testing procedures, the Company considers both its individual risks and industry standards.

The cybersecurity risk management program includes an incident response plan with a cross-functional team comprised of designated members of the information technology department, senior management, and other appropriate individuals. The team is responsible for assessing and managing the cybersecurity incident response process, as outlined within the incident response plan, and taking necessary corrective actions to mitigate and eliminate the issue.

As of the date of this report, the Company is not aware of any cybersecurity incidents that have materially affected or are reasonably likely to materially affect the Company, including its business strategy, results of operations, or financial condition that are required to be reported in this Form 10-K. For further discussion of the risks associated with cybersecurity incidents and potential impact to the Company, see the cybersecurity risk factor within "Item 1A. Risk Factors" in this Form 10-K.

Governance

The information technology department, led by the Senior Vice President of Technology and Planning, Chief Information Officer ("CIO"), is responsible for the Company's cybersecurity program. The CIO, along with the certified Information Security Officer and VP Information Technology have significant experience spanning over 20 years in information security, infrastructure, and compliance.

The Board of Directors considers cybersecurity risk as part of its overall risk oversight function. The Board of Directors receives briefings from the CIO regarding the Company's cybersecurity risk management program at least annually. These briefings include updates on the Company's cybersecurity risks and threats, the status of projects to strengthen the information security systems, assessments of the information security program, and the emerging cybersecurity threat landscape.

Item 2. Properties

The following table details the Company's manufacturing plants and warehouses:

Food Group	(000s) Square Footage	Acres
Nampa, Idaho	244	16
Payette, Idaho	404	43
Princeville, Illinois	278	568
Hart, Michigan	365	83
Traverse City, Michigan	58	43
Blue Earth, Minnesota	287	429
Glencoe, Minnesota	699	921
LeSueur, Minnesota	81	497
Montgomery, Minnesota	572	1,172
Rochester, Minnesota	835	620
Geneva, New York	762	593
Leicester, New York	228	91
Dayton, Oregon	82	19
Dayton, Washington	250	29
Yakima, Washington	122	8
Baraboo, Wisconsin	641	13
Berlin, Wisconsin	96	125
Cambria East, Wisconsin	399	401
Cambria West, Wisconsin	365	321
Clyman, Wisconsin	474	724
Cumberland, Wisconsin	437	307
Gillett, Wisconsin	329	90
Janesville, Wisconsin	1,298	342
Mayville, Wisconsin	239	354
Oakfield, Wisconsin	231	2,135
Ripon, Wisconsin	647	87
Non-Food Group (1)		
Fairport, New York	12	
Penn Yan, New York	27	4
Total	10,462	10,035

The Company believes that these facilities are suitable and adequate for the purposes for which they are currently intended. All locations, although highly utilized, have the ability to expand as sales requirements justify. Because of the seasonal production cycles, the exact extent of utilization is difficult to measure.

Item 3. Legal Proceedings

The information set forth under the heading "*Legal Proceedings and Other Contingencies*" in Note 14 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for Registrant's Common Stock, Related Stockholder Matters and Issuer Purchases of Equity Securities

Refer to the information in the 2024 Annual Report, attached as Exhibit 13 to this Annual Report on Form 10-K, under the section "Shareholder Information", which is incorporated by reference.

Issuer Purchases of Equity Securities

On August 10, 2022, the Board approved an amendment to the Company's stock repurchase program which increased the maximum number of shares to be repurchased under the program up to 2,000,000 shares of the Company's Class A and/or Class B Common Stock, including the shares of convertible participating preferred stock of the Company (collectively, the "Common Stock"). Under the repurchase program, the Company may purchase shares of Common Stock from time to time in the open market or in privately negotiated transactions in compliance with the applicable rules and regulations of the Securities and Exchange Commission. The Board also authorized the establishment of a stock trading plan pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, to make purchases of Common Stock pursuant to the stock repurchase program. The timing and amount of stock repurchases under the program, if any, will be at the discretion of management, and will depend on available cash, market conditions and other considerations. Therefore, we cannot assure you as to the number or aggregate dollar amount of shares, if any, that will be repurchased under the repurchase program. We may discontinue the program at any time.

On August 9, 2023, the Board approved an amendment to the Company's stock repurchase program which increased the maximum number of shares to be repurchased under the program up to 2,500,000 shares of the Common Stock. The Company's stock repurchase program does not have an expiration date.

	Total Number of Shares Purchased		Average Price Paid per Share		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
Period	Class A Common	Class B Common	Class A Common	Class B Common		
01/01/2024 – 01/31/2024	-	-		-		
02/01/2024 – 02/29/2024	-	-		-		
03/01/2024 – 03/31/2024 (1)	109,633	-	$54.21	-	98,996	
Total	109,633	-	$54.21	-	98,996	506,277

(1) Includes 10,637 shares that were purchased from the Seneca Foods Corporation Employees' Savings Plan to satisfy the cash needs for transfers and payments in connection with the employer stock investment fund under the plan.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Refer to the information in the 2024 Annual Report, attached as Exhibit 13 to this Annual Report on Form 10-K, under the section "Management's Discussion and Analysis of Financial Condition and Results of Operations", which is incorporated by reference.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Refer to the information in the 2024 Annual Report, attached as Exhibit 13 to this Annual Report on Form 10-K, under the section "Management's Discussion and Analysis of Financial Condition and Results of Operations", which is incorporated by reference.

Item 8. Financial Statements and Supplementary Data

Refer to the information in the 2024 Annual Report, attached as Exhibit 13 to this Annual Report on Form 10-K, which is incorporated herein by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Effective November 7, 2023, the Audit Committee approved the engagement of Deloitte & Touche LLP ("Deloitte") as the Company's independent registered public accounting firm for the Company's fiscal year ending March 31, 2024 and dismissed Plante Moran, P.C. ("Plante Moran") from that role. Plante Moran reviewed the Company's interim condensed consolidated financial statements for the quarterly periods ended July 1, 2023 and September 30, 2023 and Deloitte reviewed the Company's interim condensed consolidated financial statements for the quarterly period ended December 30, 2023. Refer to the Company's Current Report on Form 8-K filed on November 13, 2023, for additional information regarding the change in accountants.

In connection with the foregoing change in accountants, there was no disagreement of the type described in paragraph (a)(1)(iv) of Item 304 of Regulation S-K or any reportable event as described in paragraph (a)(1)(v) of such Item, except that, as previously reported in the Company's Form 10-K/A (Amendment No. 1) for the fiscal year ended March 31, 2023, the Company reported that there was a material weakness in the Company's internal control over financial reporting as of March 31, 2023.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of March 31, 2024. Based upon this evaluation, our Principal Executive Officer and Principal Financial Officer concluded that, as of March 31, 2024, the Company's disclosure controls and procedures: (1) were designed to ensure that material information relating to the Company is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, particularly during the period in which this report was being prepared, so as to allow timely decisions regarding required disclosure and (2) were effective, in that they provide reasonable assurance that information required to be disclosed by the Company in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2024. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework (2013).* Based on our assessment, management believes that, as of March 31, 2024, our internal control over financial reporting is effective based on those criteria. Our independent registered public accounting firm, Deloitte & Touche LLP, has audited the effectiveness of our internal control over financial reporting as of March 31, 2024, as stated in their report, which is included in Part II, Item 8 of this Annual Report on Form 10-K.

Remediation of Previously Identified Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

As previously disclosed in Part II, Item 9A of the Company's Form 10-K/A (Amendment No. 1) for the fiscal year ended March 31, 2023, filed on July 31, 2023, we identified a material weakness in our internal control over financial reporting relating to the accounting for valuing inventory using the LIFO method. The review controls in place with respect to a year-end adjustment to the calculation of the LIFO reserve were not effective.

During fiscal year 2024, management implemented a remediation plan including the installation of software to recalculate the LIFO reserve and also provide analytic features to identify potential abnormalities in the underlying data, coupled with strengthening our review controls with improved documentation standards, technical oversight and training to ensure the accounting for valuing inventory was in compliance with U.S. generally accepted accounting principles.

Through effective implementation of our remediation plan and in conjunction with the results of our testing over the design and operating effectiveness of the relevant controls, management determined that as of March 31, 2024, the identified material weakness has been remediated. However, completion of remediation does not provide assurance that our remediated controls will continue to operate properly or that our financial statements will be free from error.

Changes in Internal Control over Financial Reporting

Other than as described above in connection with the remediation of the material weakness, there were no changes in our internal control over financial reporting (as defined in rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2024 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

During the quarterly period ended March 31, 2024, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (in each case, as defined in Item 408(a) of Regulation S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

PART III

Certain information required by Part III is incorporated by reference from the Company's Definitive Proxy Statement for its 2024 Annual Meeting of Shareholders to be held on August 8, 2024 ("Proxy Statement"). The Proxy Statement will be filed within 120 days after the end of the Company's fiscal year ended March 31, 2024.

Item 10. Directors, Executive Officers and Corporate Governance

The following sections of the Proxy Statement are incorporated herein by reference:

- Information Concerning Directors
- Executive Officers
- Delinquent Section 16(a) Reports
- Board Governance
- Audit Committee Matters

Item 11. Executive Compensation

The following sections of the Proxy Statement are incorporated herein by reference:

- Compensation Discussion and Analysis
- Summary Compensation Table
- Grants of Plan-Based Awards in Fiscal Year 2024
- Outstanding Equity Awards at 2024 Fiscal Year-End
- Option Exercises and Stock Vested in Fiscal Year 2024
- Pension Benefits
- Compensation of Directors
- Compensation Committee Interlocks
- Pay Versus Performance
- CEO Pay Ratio

The information included under the heading “Compensation Committee Report” in the Proxy Statement is also incorporated herein by reference; however, this information shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Securities Authorized for Issuance Under Equity Compensation Plans

The 2007 Equity Incentive Plan (the “2007 Equity Plan”) was approved by shareholders at the Company’s annual meeting on August 10, 2007 and extended on July 28, 2017. The 2007 Equity Plan expires in August 2027 and originally authorized the issuance of up to 100,000 shares of either Class A Common Stock and Class B Common Stock or a combination of the two classes of stock. During fiscal year 2024, 4,864 shares were awarded under the terms of the 2007 Equity Plan. As of March 31, 2024, there were 40,094 shares available for distribution as part of future awards under the 2007 Equity Plan. No additional shares have been awarded under the 2007 Equity Plan through the date of this Annual Report on Form 10-K. There are no equity compensation plans not approved by the Company’s shareholders.

The following sections of the Proxy Statement are incorporated herein by reference:

- Security Ownership of Certain Beneficial Owners
- Security Ownership of Management and Directors

Item 13. Certain Relationships and Related Transactions, and Director Independence

The following sections of the Proxy Statement are incorporated herein by reference:
- Independent Directors
- Certain Transactions and Relationships

Item 14. Principal Accountant Fees and Services

The following sections of the Proxy Statement are incorporated herein by reference:
- Principal Accountant Fees and Services

PART IV

Item 15. Exhibits and Financial Statement Schedule

A. Exhibits, Financial Statements, and Supplemental Schedule

1. Financial Statements – the following consolidated financial statements of the Registrant, included in the 2024 Annual Report to Shareholders, are incorporated by reference in Part II, Item 8 “Financial Statements and Supplementary Data”:

    a. Consolidated Statements of Net Earnings – Years ended March 31, 2024, 2023, and 2022
    b. Consolidated Statements of Comprehensive Income (Loss) – Years ended March 31, 2024, 2023, and 2022
    c. Consolidated Balance Sheets – As of March 31, 2024 and 2023
    d. Consolidated Statements of Cash Flows – Years ended March 31, 2024, 2023, and 2022
    e. Consolidated Statements of Stockholders’ Equity – Years ended March 31, 2024, 2023, and 2022
    f. Notes to Consolidated Financial Statements – Years ended March 31, 2024, 2023, and 2022
    g. Reports of Independent Registered Public Accounting Firms (PCAOB ID 34 and PCAOB ID 6581)

2. Supplemental Schedule:

    a. Report of Independent Registered Public Accounting Firm on Schedule
    b. Schedule II—Valuation and Qualifying Accounts

    Other schedules have not been filed because the conditions requiring the filing do not exist or the required information is included in the consolidated financial statements, including the notes thereto.

Exhibit Number	Description
3.1	The Company’s Restated Certificate of Incorporation, (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated August 11, 2010)
3.2	The Company’s Bylaws (incorporated by reference to Exhibit 3.3 to the Company’s Quarterly Report on Form 10-Q/A for the quarterly period ended July 1, 1995 filed with the SEC on August 18, 1995)
3.3	Amendment to the Company’s Bylaws (incorporated by reference to Exhibit 3 to the Company’s Current Report on Form 8-K dated November 6, 2007)
4.1	Description of Capital Stock (incorporated by reference to Exhibit 4.1 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2019)
10.1	Fourth Amended and Restated Loan and Security Agreement dated as of March 24, 2021 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, Green Valley Foods, LLC and certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, as agent, issuing bank, and syndication agent, and BofA Securities, Inc. as lead arranger (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 26, 2021)
10.2	First Amendment to Fourth Amended and Restated Loan and Security Agreement dated as of September 14, 2022 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, Green Valley Foods, LLC and certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, as agent, issuing bank, and syndication agent, and BofA Securities, Inc. as lead arranger (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended October 1, 2022, filed with the SEC on November 9, 2022)
10.3	Second Amendment to Fourth Amended and Restated Loan and Security Agreement dated as of May 23, 2023 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, Green Valley Foods, LLC and certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, as agent, issuing bank, and syndication agent, and BofA Securities, Inc. as lead arranger (filed herewith)
10.4	Third Amendment to Fourth Amended and Restated Loan and Security Agreement dated as of March 8, 2024 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, Green Valley Foods, LLC and certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, as agent, issuing bank, and syndication agent, and BofA Securities, Inc. as lead arranger (filed herewith)
10.5	Second Amended and Restated Loan and Guaranty Agreement as of January 20, 2023 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, Green Valley Foods, LLC and certain other subsidiaries of Seneca Foods Corporation and Farm Credit East, ACA (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated January 26, 2023)
10.6	Amendment 1 to Second Amended and Restated Loan and Guaranty Agreement as of May 23, 2023 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, Green Valley Foods, LLC and certain other subsidiaries of Seneca Foods Corporation and Farm Credit East, ACA (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated May 30, 2023)
10.7*	Indemnification Agreement between the Company and the directors of the Company (incorporated by reference to Exhibit 10.3 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 26, 2020, filed with the SEC on November 4, 2020)
10.8*	Amended and Restated Seneca Foods Corporation Executive Profit Sharing Bonus Plan (incorporated by reference to Exhibit 10.4 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2022, filed with the SEC on June 10, 2022)

10.9*	Amended and Restated Seneca Foods Corporation Manager Profit Sharing Bonus Plan (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2022, filed with the SEC on June 10, 2022)
10.10*	2007 Equity Incentive Plan effective August 3, 2007 as extended on July 28, 2017 (incorporated by reference to Appendix A to the Company's Proxy Statement dated June 28, 2007)
10.11*	Seneca Foods Corporation Division Management Bonus Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 5, 2020)
10.12*	Executive Transition Services Agreement dated as of August 31, 2020 between the Company and Kraig H. Kayser (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 26, 2020, filed with the SEC on November 4, 2020)
10.13*	Supplemental Retirement Agreement between Seneca Foods Corporation and Kraig H. Kayser (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 26, 2020, filed with the SEC on November 4, 2020)
10.14*	Supplemental Retirement Agreement between Seneca Foods Corporation and Timothy J. Benjamin (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 11, 2021)
13	Portions of Annual Report to Shareholders for the fiscal year ended March 31, 2024 (filed herewith)
16	Letter of Plante Moran to the Securities and Exchange Commission dated November 13, 2023 (incorporated by reference to Exhibit 16.1 to the Company's Current Report on Form 8-K dated November 7, 2023)
19	Insider Trading Policy (filed herewith)
21	List of Subsidiaries (filed herewith)
23.1	Consent of Deloitte & Touche LLP (filed herewith)
23.2	Consent of Plante Moran, P.C. (filed herewith)
31.1	Certification of Paul L. Palmby as Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of Michael S. Wolcott as Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
97	Clawback Policy (filed herewith)
101.INS	Inline XBRL Instance Document (filed herewith).
101.1.SCH	Inline XBRL Taxonomy Extension Calculation Schema Document (filed herewith)
101.2.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith)
101.3.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document (filed herewith)
101.4.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document (filed herewith)
101.5.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith)
104	Cover page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*) (filed herewith)

* Indicates management or compensatory agreement

Item 16. Form 10-K Summary

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SENECA FOODS CORPORATION

By: /s/ Michael S. Wolcott
Michael S. Wolcott
Senior Vice President, Chief Financial Officer and Treasurer

June 13, 2024

Pursuant to the requirements of the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Paul L. Palmby Paul L. Palmby	President and Chief Executive Officer Director (Principal Executive Officer)	June 13, 2024
/s/ Michael S. Wolcott Michael S. Wolcott	Senior Vice President, Chief Financial Officer, and Treasurer (Principal Financial Officer)	June 13, 2024
/s/ Gregory R. Ide Gregory R. Ide	Vice President, Controller, and Assistant Secretary (Principal Accounting Officer)	June 13, 2024
/s/ Kraig H. Kayser Kraig H. Kayser	Director (Chairman)	June 13, 2024
/s/ Kathryn J. Boor Kathryn J. Boor	Director	June 13, 2024
/s/ Peter R. Call Peter R. Call	Director	June 13, 2024
/s/ John P. Gaylord John P. Gaylord	Director	June 13, 2024
/s/ Linda K. Nelson Linda K. Nelson	Director	June 13, 2024
/s/ Donald J. Stuart Donald J. Stuart	Director	June 13, 2024
/s/ Bruce E. Ware Bruce E. Ware	Director	June 13, 2024
/s/ Keith A. Woodward Keith A. Woodward	Director	June 13, 2024

SECOND AMENDMENT
TO
FOURTH AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

This Second Amendment to Fourth Amended and Restated Loan and Security (this "**Amendment**") is dated as of May 5, 2023, by and among **SENECA FOODS CORPORATION**, a New York corporation (the "**Parent**"), **SENECA FOODS, LLC**, a Delaware limited liability company ("**Seneca LLC**"), **SENECA SNACK COMPANY**, a Washington corporation ("**Seneca Snack**"), **GREEN VALLEY FOODS, LLC**, a Delaware limited liability company ("**Green Valley**", and together with the Parent, Seneca LLC and Seneca Snack, collectively, the "**Borrowers**"), **MARION FOODS, INC.**, a New York corporation ("**Marion**"), **PORTLAND FOOD PRODUCTS COMPANY**, an Oregon corporation ("**Portland Food**"), and **GRAY & COMPANY**, an Oregon corporation ("**Gray**", and together with Marion, and Portland Food, collectively, the "**Guarantors**"), the financial institutions party to this Agreement from time to time as lenders (collectively, "**Lenders**"), **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Secured Parties ("**Agent**"), as Issuing Bank and as Syndication Agent and **BOFA SECURITIES, INC.**, a Delaware corporation, as Lead Arranger (the "**Lead Arranger**").

RECITALS

A. The Borrowers and the Guarantors (collectively, the "**Obligors**"), the Lenders, the Agent, and the Lead Arranger are parties to that certain Fourth Amended and Restated Loan and Security Agreement, dated as of March 24, 2021 (as amended, restated, supplemented or otherwise modified from time to time prior to the Second Amendment Effective Date, the "**Loan Agreement**"). All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Amended Loan Agreement (as defined below).

B. The Obligors have requested that the Lenders, the Agent and the Lead Arranger modify certain provisions of the Loan Agreement as more fully set forth below to reflect the addition of TD Bank, N.A. as a Lender and the conversion of the interest rates applicable to the Loans.

C. The Lenders, the Agent, and the Lead Arranger have agreed to such requests provided that, among other conditions precedent, the Obligors execute and deliver this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Modifications of Loan Agreement. The parties hereto agree that, on the Second Amendment Effective Date (as defined below), the Loan Agreement is hereby amended as follows:

(a) Section 10.2.1(l) is amended and restated to read in its entirety as follows:

> (l) Indebtedness that is not included in any of the preceding clauses of this Section (and which is not owing to Dundee) and is either (i) not secured by any Lien and does not exceed $400,000,000 in the aggregate at any time; or (ii) secured by a Lien and does not exceed $400,000,000 in the aggregate at any time to the extent such Lien is permitted by **Section 10.2.2(j)** or **Section 10.2.2(k)**.

The Loan Agreement as so amended and as further amended, restated, supplemented or otherwise modified from time to time is hereinafter referred to as the "**Amended Loan Agreement**".

2. **<u>Ratification of Loan Documents and Collateral</u>**. The Obligors hereby ratify and affirm the Amended Loan Agreement, which shall continue to apply with full force and effect, and agree to perform each obligation set forth in the Amended Loan Agreement. Except as specifically modified and amended herein, all terms, warranties, representations, conditions and covenants contained in the Loan Agreement, the Notes and the other Loan Documents shall remain in full force and effect. Any property or rights to or interests in property granted as security in the Loan Agreement or the other Loan Documents shall remain as security for the Obligations pursuant to the Amended Loan Agreement and the other Loan Documents, as amended by and subject to the terms of this Amendment. Each Obligor hereby consents to this Amendment and the transactions contemplated hereby, and hereby (i) agrees that the security interests securing the Obligations continue to constitute valid first-priority liens on the collateral described in the Loan Documents, (ii) in the case of any Guarantor, ratifies, affirms and confirms its guarantee of the Obligations (as modified hereby) all as provided in the Loan Documents, and (iii) acknowledges and agrees that all of the Collateral does, and is intended to continue to, secure all of the Obligations, in each case, under the Amended Loan Agreement and the other Loan Documents.

3. **<u>Representations and Warranties</u>**. Each Obligor represents and warrants to the Lender as of the date hereof and the Second Amendment Effective Date that:

(a) The execution, delivery and performance by the Obligors of this Amendment and any related documents has been duly authorized by all necessary corporate action on the part of each Obligor party thereto and does not violate, conflict with, or result in a breach of the organizational documents of any Obligor or any agreement, instrument, court order, or judgment to which any Obligor is a party or which is binding upon any Obligor or any of its properties. This Amendment, the Amended Loan Agreement and the other Loan Documents, and any related documents to which any Obligor is a party, are the legal, valid and binding obligations of each Obligor party thereto, enforceable in accordance with their respective terms.

(b) After giving effect to the amendments set forth in <u>Section 1</u> on the Second Amendment Effective Date, the representations, warranties, certifications and agreements contained in the Amended Loan Agreement and the other Loan Documents are true, complete and accurate in all material respects as of the date hereof; provided, however, that those representations and warranties expressly referring to another date shall be true, correct and complete in all material respects as of such date.

(c) Each Obligor has performed all of its obligations under the Loan Agreement, the Notes, and the other Loan Documents and will continue to perform all of its obligations under the Amended Loan Agreement and the other Loan Documents and no Obligor has knowledge of any event which, with the giving of notice, the passage of time or both, would constitute an Event of Default under the Amended Loan Agreement or the other Loan Documents.

(d) No Obligor has any claims, defenses, counterclaims, or rights of rescission or offset against the Lender, whether relating to the Loan Agreement, Amended Loan Agreement, the other Loan Documents or otherwise.

(e) No voluntary actions or, to any Obligor's knowledge, involuntary actions are pending against any Obligor under the bankruptcy or insolvency laws of the United States or any state thereof.

4. **Further Assurances**. The Obligors shall, at the request of the Lender from time to time, make, execute and deliver, and cause each other Obligor to make, execute and deliver, such additional agreements, documents and instruments, and take such further action, as the Lender may reasonably request, in each case further to effect the purposes of this Amendment, the Amended Loan Agreement and/or any other Loan Document.

5. **Conditions Precedent**. The Lender's agreement to execute, deliver and be bound by this Amendment is contingent upon the following conditions precedent being satisfied by the Obligors (the date of such satisfaction, the "**Second Amendment Effective Date**"):

(a) The Obligors shall execute and deliver, or cause the execution and delivery of, this Amendment and such other documents as the Lender may reasonably require, including, without limitation, those set forth on Annex I attached hereto.

(b) The Obligors shall have reimbursed the Lender for its costs and expenses, including attorneys' fees, incurred in connection with this Amendment.

(c) After giving effect to the amendments set forth in Section 1 on the Second Amendment Effective Date, each of the representations and warranties of the Obligors set forth in the Loan Documents shall be true and correct in all respects, in each case, on and as of the date hereof as if made on the date hereof; provided that to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all respects as of such earlier date.

(d) After giving effect to the amendments set forth in Section 1 on the Second Amendment Effective Date, no Default or Event of Default shall have occurred and be continuing.

6. **Miscellaneous**.

(a) The Amended Loan Agreement and the other Loan Documents, as modified herein and as previously modified, contain the entire understanding and agreement of the Obligors and the Lender with respect to the Obligations and supersede all prior representations, warranties, agreements, arrangements, and understandings. No provision of the Amended Loan Agreement or the other Loan Documents as modified may be changed, discharged, supplemented, terminated, or waived except in a writing signed by the Lender, the Obligors and any Guarantor party thereto. This Amendment will inure to the benefit of and bind the respective heirs, administrators, executors, representatives, successors and permitted assigns of the parties hereto.

(b) All references in the Loan Documents to the Loan Agreement shall mean the Amended Loan Agreement as modified and amended. This Amendment shall also constitute a "Loan Document" and all terms and conditions of the Amended Loan Agreement including, without limitation, events of default, maturity dates and the miscellaneous provisions set forth therein, including without limitation, consent to jurisdiction, applicable law, and waiver of jury are incorporated herein as though set forth in full and the Lender shall be entitled to the benefits thereof with respect to this Amendment.

(c) Without limiting any of the Obligors' other obligations under this Amendment, the Loan Agreement, the Amended Loan Agreement or any other Loan Document, the Obligors jointly and severally agree to pay to the Agent upon demand (i) an amount equal to any and all reasonable out-of-pocket costs or expenses (including legal fees and disbursements) incurred or sustained by the Agent in connection with the preparation of this Amendment and all related matters, and (ii) and all reasonable out-of-pocket costs or expenses (including legal fees and disbursements and consulting, accounting, appraisal and other similar professional fees and expenses) hereafter incurred or sustained by the Agent in connection with the administration of credit extended by the Lenders to the Obligors or the preservation of, or enforcement of, any rights of the Agent or the Lenders under the Amended Loan Agreement and the other Loan Documents or in respect of any of the Obligors' other obligations to the Agent and the Lenders.

(d) THIS AMENDMENT, AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAW.

(e) This Amendment may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid, effective and binding for all purposes.

7. No Waiver. Nothing in this Amendment shall extend or affect in any way any of the Obligors' obligations, or any of the rights and remedies of the Agent or the Lenders, arising under any of the Loan Documents, and neither the Agent nor the Lenders shall be deemed to have waived any or all of such rights or remedies with respect to any Event of Default or event or condition which, with notice or the lapse of time or both, would become an Event of Default under any of the Loan Documents and which upon the Obligors' execution and delivery of this Agreement might otherwise exist or which might hereafter occur.

8. **Release of the Agent and the Lenders**. By execution of this Amendment, each Obligor acknowledges and confirms that neither it nor any other Obligor has any offsets, defenses, recoupments or claims against the Agent or any of the Lenders, or any of their respective present or former officers, agents, directors, attorneys or employees whether asserted or unasserted. To the extent that any Obligor may have such offsets, defenses, recoupments or claims, each Obligor, and its successors, assigns, parent companies, subsidiaries, affiliates, predecessors, employees, agents, heirs, executors, as applicable, release and forever discharge the the Agent, the Lenders, their respective parent companies, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, successors and assigns, both present and former (collectively the "**Lender Affiliates**") of and from any and all manner of action and actions, cause and causes of action, suits, debts, controversies, damages, judgments, executions, recoupments, claims and demands whatsoever, asserted or unasserted, in law or in equity which against the Agent, any of the Lenders, or any of the Lender Affiliates they ever had, now have or which the Obligor's successors, assigns, parent companies, subsidiaries, affiliates, predecessors, employees, agents, heirs, executors, as applicable, both present and former ever had or now has, upon or by reason of any matter, cause, causes or thing whatsoever, including, without limitation, any presently existing claim or defense, whether or not presently suspected, contemplated or anticipated. In any litigation arising from, or related to an alleged breach of the foregoing release, the foregoing release may be pleaded as a defense, counterclaim or crossclaim, and shall be admissible into evidence without any foundation testimony whatsoever.

9. **Severability**. If any clause or provision of this Amendment or the Amended Loan Agreement is determined to be illegal, invalid or unenforceable under any present or future law by the final judgment of a court of competent jurisdiction, the remainder of this Amendment or the Amended Loan Agreement, as applicable, will not be affected thereby. It is the intention of the parties that if any such provision is held to be invalid, illegal or unenforceable, there will be added by the Agent in lieu thereof a provision as similar in terms to such provision as is possible, and that such added provision will be legal, valid and enforceable.

10. **Headings**. All headings contained in this Amendment are for reference purposes only and are not intended to affect in any way the meaning or interpretation of this Amendment.

11. **Negation of Partnership**. The relationship among the Obligors, the Agent and the Lenders is that of debtor and creditor. Nothing contained in this Amendment, the Amended Loan Agreement or any other Loan Document will be deemed to create a partnership or joint venture between any Obligor and the Agent or any of the Lenders, or to cause the Agent or any of the Lenders to be liable or responsible in any way for the actions, liabilities, debts, or obligations of any Obligor.

12. **Voluntary Agreement**. The Obligors represent and warrant that the Obligors are represented by legal counsel of their choice, are fully aware of and understand the terms contained in this Amendment and the Amended Loan Agreement and have voluntarily and without coercion or duress of any kind, entered into this Amendment and the documents executed in connection with this Amendment.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have entered into this Amendment as of the date first above written.

BORROWERS:

SENECA FOODS CORPORATION

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

SENECA FOODS, LLC

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

SENECA SNACK COMPANY

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

GREEN VALLEY FOODS, LLC

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

__GUARANTORS__:

MARION FOODS, INC.

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

PORTLAND FOOD PRODUCTS COMPANY

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

GRAY & COMPANY

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

__**AGENT AND LENDERS**__:

BANK OF AMERICA, N.A.,
as Agent, Lender, Issuing Bank and Syndication Agent

By: /s/ Edgar Ezerins
Name: Edgar Ezerins
Title: SVP

Address: 185 Asylum St
Hartford, CT 06103

Attn:
Telecopy:

BOFA SECURITIES, INC.,
as Lead Arranger

By: /s/ Edgar Ezerins
Name: Edgar Ezerins
Title: SVP

Address: 185 Asylum St
Hartford, CT 06103

Attn:
Telecopy:

[***Signature Page to Second Amendment***]

MANUFACTURERS AND TRADERS TRUST COMPANY, as a Lender

By: /s/ Jason Thomas
Name: Jason Thomas
Title: Senior Vice President

Address: M&T Bank
3 City Center, Suite 700
180 South Clinton Ave.
Rochester, NY 14604

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ John R. LePage
Name: John R. LePage
Title: Vice President

Address: Asset Based Finance
185 Asylum Street, 27th Floor
Hartford, CT 06103

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Ryan More
Name: Ryan More
Title: Vice President

Address: Wells Fargo Capital Finance
125 High Street, 11th Floor
Boston, MA 02125

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

BMO HARRIS BANK, N.A,
as a Lender

By: /s/ Katherine McCuen
Name: Katherine McCuen
Title: Authorized Signatory

Address: 320 S Canal St, Floor 16
Chicago, IL 60606

Attn:
Telecopy:

[***Signature Page to Second Amendment***]

JPMORGAN CHASE BANK, N.A.,
as a Lender

By: /s/ Anne Hall
Name: Anne Hall
Title: Authorized Officer

Address: North Service Rd., Suite 302
Melville, NY 11747

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

TD BANK, N.A.,
as a Lender

By: /s/ Edmundo Kuhn
Name: Edmundo Kuhn
Title: Vice President

Address: 2005 Market St. 2nd Floor
Philadelphia, PA 19103

Attn:
Telecopy:

[*Signature Page to Second Amendment*]

ANNEX I

CLOSING CHECKLIST

1. Second Amendment, dated as of the date hereof, to the Fourth Amended and Restated Loan Agreement (the "**Second Amendment**"). Defined terms used herein but not defined herein shall have the meanings set forth for such term in the Second Amendment or in the Amended Loan Agreement, as applicable.

THIRD AMENDMENT
TO
FOURTH AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

This Third Amendment to Fourth Amended and Restated Loan and Security (this "**Amendment**") is dated as of March 6, 2024, by and among **SENECA FOODS CORPORATION**, a New York corporation (the "**Parent**"), **SENECA FOODS, LLC**, a Delaware limited liability company ("**Seneca LLC**"), **SENECA SNACK COMPANY**, a Washington corporation ("**Seneca Snack**"), **GREEN VALLEY FOODS, LLC**, a Delaware limited liability company ("**Green Valley**", and together with the Parent, Seneca LLC and Seneca Snack, collectively, the "**Borrowers**"), **MARION FOODS, INC.**, a New York corporation ("**Marion**"), **PORTLAND FOOD PRODUCTS COMPANY**, an Oregon corporation ("**Portland Food**"), and **GRAY & COMPANY**, an Oregon corporation ("**Gray**", and together with Marion, and Portland Food, collectively, the "**Guarantors**"), the financial institutions party to this Agreement from time to time as lenders (collectively, "**Lenders**"), **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Secured Parties ("**Agent**"), as Issuing Bank and as Syndication Agent and **BOFA SECURITIES, INC.**, a Delaware corporation, as Lead Arranger (the "**Lead Arranger**").

RECITALS

A. The Borrowers and the Guarantors (collectively, the "**Obligors**"), the Lenders, the Agent, and the Lead Arranger are parties to that certain Fourth Amended and Restated Loan and Security Agreement, dated as of March 24, 2021 (as amended, restated, supplemented or otherwise modified from time to time prior to the Third Amendment Effective Date, the "**Loan Agreement**"). All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Amended Loan Agreement (as defined below).

B. The Obligors have requested that the Lenders, the Agent and the Lead Arranger modify certain provisions of the Loan Agreement as more fully set forth below.

C. The Lenders, the Agent, and the Lead Arranger have agreed to such requests provided that, among other conditions precedent, the Obligors execute and deliver this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Modifications of Loan Agreement. The parties hereto agree that, on the Third Amendment Effective Date (as defined below), the Loan Agreement is hereby amended as follows:

(a) Schedule 1.1 is hereby deleted in its entirety and replaced with Schedule 1.1 attached hereto.

The Loan Agreement as so amended and as further amended, restated, supplemented or otherwise modified from time to time is hereinafter referred to as the "**Amended Loan Agreement**".

2. **Ratification of Loan Documents and Collateral**. The Obligors hereby ratify and affirm the Amended Loan Agreement, which shall continue to apply with full force and effect, and agree to perform each obligation set forth in the Amended Loan Agreement. Except as specifically modified and amended herein, all terms, warranties, representations, conditions and covenants contained in the Loan Agreement, the Notes and the other Loan Documents shall remain in full force and effect. Any property or rights to or interests in property granted as security in the Loan Agreement or the other Loan Documents shall remain as security for the Obligations pursuant to the Amended Loan Agreement and the other Loan Documents, as amended by and subject to the terms of this Amendment. Each Obligor hereby consents to this Amendment and the transactions contemplated hereby, and hereby (i) agrees that the security interests securing the Obligations continue to constitute valid first-priority liens on the collateral described in the Loan Documents, (ii) in the case of any Guarantor, ratifies, affirms and confirms its guarantee of the Obligations (as modified hereby) all as provided in the Loan Documents, and (iii) acknowledges and agrees that all of the Collateral does, and is intended to continue to, secure all of the Obligations, in each case, under the Amended Loan Agreement and the other Loan Documents.

3. **Representations and Warranties**. Each Obligor represents and warrants to the Lender as of the date hereof and the Third Amendment Effective Date that:

(a) The execution, delivery and performance by the Obligors of this Amendment and any related documents has been duly authorized by all necessary corporate action on the part of each Obligor party thereto and does not violate, conflict with, or result in a breach of the organizational documents of any Obligor or any agreement, instrument, court order, or judgment to which any Obligor is a party or which is binding upon any Obligor or any of its properties. This Amendment, the Amended Loan Agreement and the other Loan Documents, and any related documents to which any Obligor is a party, are the legal, valid and binding obligations of each Obligor party thereto, enforceable in accordance with their respective terms.

(b) After giving effect to the amendments set forth in Section 1 on the Third Amendment Effective Date, the representations, warranties, certifications and agreements contained in the Amended Loan Agreement and the other Loan Documents are true, complete and accurate in all material respects (except in the case of any representation and warranty qualified by materiality, in which case such representation and warranty shall be true, complete and accurate in all respects) as of the date hereof; provided, however, that those representations and warranties expressly referring to another date shall be true, correct and complete in all material respects as of such date (except in the case of any representation and warranty qualified by materiality, in which case such representation and warranty shall be true, complete and accurate in all respects as of such date).

(c) Each Obligor has performed all of its obligations under the Loan Agreement, the Notes, and the other Loan Documents and will continue to perform all of its obligations under the Amended Loan Agreement and the other Loan Documents and no Obligor has knowledge of any event which, with the giving of notice, the passage of time or both, would constitute an Event of Default under the Amended Loan Agreement or the other Loan Documents.

(d) No Obligor has any claims, defenses, counterclaims, or rights of rescission or offset against the Lender, whether relating to the Loan Agreement, Amended Loan Agreement, the other Loan Documents or otherwise.

(e) No voluntary actions or, to any Obligor's knowledge, involuntary actions are pending against any Obligor under the bankruptcy or insolvency laws of the United States or any state thereof.

4. **Further Assurances**. The Obligors shall, at the request of the Lender from time to time, make, execute and deliver, and cause each other Obligor to make, execute and deliver, such additional agreements, documents and instruments, and take such further action, as the Lender may reasonably request, in each case further to effect the purposes of this Amendment, the Amended Loan Agreement and/or any other Loan Document.

5. **Conditions Precedent**. The Lender's agreement to execute, deliver and be bound by this Amendment is contingent upon the following conditions precedent being satisfied by the Obligors (the date of such satisfaction, the "**Third Amendment Effective Date**"):

(a) The Obligors shall execute and deliver, or cause the execution and delivery of, this Amendment and such other documents as the Lender may reasonably require, including, without limitation, those set forth on Annex I attached hereto.

(b) The Obligors shall have reimbursed the Lender for its costs and expenses, including attorneys' fees, incurred in connection with this Amendment.

(c) The Obligors shall have paid Agent an amendment fee in the amount of twenty-five thousand dollars ($25,000).

(d) After giving effect to the amendments set forth in Section 1 on the Third Amendment Effective Date, each of the representations and warranties of the Obligors set forth in the Loan Documents shall be true and correct in all respects, in each case, on and as of the date hereof as if made on the date hereof; provided that to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all respects as of such earlier date.

(e) After giving effect to the amendments set forth in Section 1 on the Third Amendment Effective Date, no Default or Event of Default shall have occurred and be continuing.

6. **Miscellaneous**.

(a) The Amended Loan Agreement and the other Loan Documents, as modified herein and as previously modified, contain the entire understanding and agreement of the Obligors and the Lender with respect to the Obligations and supersede all prior representations, warranties, agreements, arrangements, and understandings. No provision of the Amended Loan Agreement or the other Loan Documents as modified may be changed, discharged, supplemented, terminated, or waived except in a writing signed by the Lender, the Obligors and any Guarantor party thereto. This Amendment will inure to the benefit of and bind the respective heirs, administrators, executors, representatives, successors and permitted assigns of the parties hereto.

(b) All references in the Loan Documents to the Loan Agreement shall mean the Amended Loan Agreement as modified and amended. This Amendment shall also constitute a "Loan Document" and all terms and conditions of the Amended Loan Agreement including, without limitation, events of default, maturity dates and the miscellaneous provisions set forth therein, including without limitation, consent to jurisdiction, applicable law, and waiver of jury are incorporated herein as though set forth in full and the Lender shall be entitled to the benefits thereof with respect to this Amendment.

(c) Without limiting any of the Obligors' other obligations under this Amendment, the Loan Agreement, the Amended Loan Agreement or any other Loan Document, the Obligors jointly and severally agree to pay to the Agent upon demand (i) an amount equal to any and all reasonable out-of-pocket costs or expenses (including legal fees and disbursements) incurred or sustained by the Agent in connection with the preparation of this Amendment and all related matters, and (ii) and all reasonable out-of-pocket costs or expenses (including legal fees and disbursements and consulting, accounting, appraisal and other similar professional fees and expenses) hereafter incurred or sustained by the Agent in connection with the administration of credit extended by the Lenders to the Obligors or the preservation of, or enforcement of, any rights of the Agent or the Lenders under the Amended Loan Agreement and the other Loan Documents or in respect of any of the Obligors' other obligations to the Agent and the Lenders.

(d) THIS AMENDMENT, AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAW.

(e) This Amendment may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid, effective and binding for all purposes.

7. **No Waiver**. Nothing in this Amendment shall extend or affect in any way any of the Obligors' obligations, or any of the rights and remedies of the Agent or the Lenders, arising under any of the Loan Documents, and neither the Agent nor the Lenders shall be deemed to have waived any or all of such rights or remedies with respect to any Event of Default or event or condition which, with notice or the lapse of time or both, would become an Event of Default under any of the Loan Documents and which upon the Obligors' execution and delivery of this Agreement might otherwise exist or which might hereafter occur.

8. **Release of the Agent and the Lenders**. By execution of this Amendment, each Obligor acknowledges and confirms that neither it nor any other Obligor has any offsets, defenses, recoupments or claims against the Agent or any of the Lenders, or any of their respective present or former officers, agents, directors, attorneys or employees whether asserted or unasserted. To the extent that any Obligor may have such offsets, defenses, recoupments or claims, each Obligor, and its successors, assigns, parent companies, subsidiaries, affiliates, predecessors, employees, agents, heirs, executors, as applicable, release and forever discharge the Agent, the Lenders, their respective parent companies, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, successors and assigns, both present and former (collectively the "**Lender Affiliates**") of and from any and all manner of action and actions, cause and causes of action, suits, debts, controversies, damages, judgments, executions, recoupments, claims and demands whatsoever, asserted or unasserted, in law or in equity which against the Agent, any of the Lenders, or any of the Lender Affiliates they ever had, now have or which the Obligor's successors, assigns, parent companies, subsidiaries, affiliates, predecessors, employees, agents, heirs, executors, as applicable, both present and former ever had or now has, upon or by reason of any matter, cause, causes or thing whatsoever, including, without limitation, any presently existing claim or defense, whether or not presently suspected, contemplated or anticipated. In any litigation arising from, or related to an alleged breach of the foregoing release, the foregoing release may be pleaded as a defense, counterclaim or crossclaim, and shall be admissible into evidence without any foundation testimony whatsoever.

9. **Severability**. If any clause or provision of this Amendment or the Amended Loan Agreement is determined to be illegal, invalid or unenforceable under any present or future law by the final judgment of a court of competent jurisdiction, the remainder of this Amendment or the Amended Loan Agreement, as applicable, will not be affected thereby. It is the intention of the parties that if any such provision is held to be invalid, illegal or unenforceable, there will be added by the Agent in lieu thereof a provision as similar in terms to such provision as is possible, and that such added provision will be legal, valid and enforceable.

10. **Headings**. All headings contained in this Amendment are for reference purposes only and are not intended to affect in any way the meaning or interpretation of this Amendment.

11. **Negation of Partnership**. The relationship among the Obligors, the Agent and the Lenders is that of debtor and creditor. Nothing contained in this Amendment, the Amended Loan Agreement or any other Loan Document will be deemed to create a partnership or joint venture between any Obligor and the Agent or any of the Lenders, or to cause the Agent or any of the Lenders to be liable or responsible in any way for the actions, liabilities, debts, or obligations of any Obligor.

12. **Voluntary Agreement**. The Obligors represent and warrant that the Obligors are represented by legal counsel of their choice, are fully aware of and understand the terms contained in this Amendment and the Amended Loan Agreement and have voluntarily and without coercion or duress of any kind, entered into this Amendment and the documents executed in connection with this Amendment.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have entered into this Amendment as of the date first above written.

BORROWERS:

SENECA FOODS CORPORATION

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

SENECA FOODS, LLC

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

SENECA SNACK COMPANY

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

[*Signature Page to Third Amendment*]

GREEN VALLEY FOODS, LLC

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

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__GUARANTORS__:

MARION FOODS, INC.

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

PORTLAND FOOD PRODUCTS COMPANY

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

GRAY & COMPANY

By: /s/ Michael Wolcott
Name: Michael Wolcott
Title: CFO

Address:
c/o Seneca Foods Corporation
350 WillowBrook Office Park
Fairport, New York 14450

Attn:
Telecopy:

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AGENT AND LENDERS:

BANK OF AMERICA, N.A.,
as Agent, Lender, Issuing Bank and Syndication Agent

By: /s/ Rosemary Bluestein
Name: Rosemary Bluestein
Title: Vice President

Address: Bank of America
185 Asylum Street, 35th Floor
Hartford, CT 06103

Attn:
Telecopy:

BOFA SECURITIES, INC.,
as Lead Arranger

By: /s/ Stephen T. Szymanski
Name: Stephen T. Szymanski
Title: Director

Address: 720 S. Tryon Street
Charlotte, NC 28202

Attn:
Telecopy:

[*Signature Page to Third Amendment*]

MANUFACTURERS AND TRADERS TRUST COMPANY, as a Lender

By: /s/ Vito Caraccio
Name: Vito Caraccio
Title: Senior Vice President

Address: 3 City Center
180 S. Clinton Avenue
Rochester, NY 14604

Attn:
Telecopy:

[***Signature Page to Third Amendment***]

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ John R. LePage
Name: John R. LePage
Title: Vice President

Address: Asset Based Finance
185 Asylum Street, 27th Floor
Hartford, CT 06103

Attn:
Telecopy:

[*Signature Page to Third Amendment*]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Ryan More
Name: Ryan More
Title: Vice President

Address: 125 High Street, 11th Floor
MAC J9226-114
Boston, MA 02110

Attn:
Telecopy:

[***Signature Page to Third Amendment***]

BMO HARRIS BANK, N.A,
as a Lender

By: /s/ Terrence McKenna
Name: Terrence McKenna
Title: Director

Address: 320 South Canal St.
16th Floor South
Chicago, IL 60606

Attn:
Telecopy:

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JPMORGAN CHASE BANK, N.A.,
as a Lender

By: /s/ Anne Hall
Name: Anne Hall
Title: Authorized Officer

Address: 395 North Service Road
Melville, NY 11747

Attn:
Telecopy:

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TD BANK, N.A.,
as a Lender

By: /s/ Edmundo Kahn
Name: Edmundo Kahn
Title: Vice President

Address: 2005 Market Street, 2nd Floor
Philadelphia, PA 19103

Attn:
Telecopy:

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SCHEDULE 1.1
to
Fourth Amended and Restated Loan and Security Agreement

COMMITMENTS OF LENDERS

Lender	Commitment for the period from April 1 through and including July 31 of each year	Commitment for the period from August 1 through and including March 31 of each year	Percentage of Aggregate Commitments of all Lenders
Bank of America, N.A.	$85,750,000	$98,000,000	24.5%
U.S. Bank National Association	$56,000,000	$64,000,000	16.0%
Wells Fargo Bank, National Association	$45,500,000	$52,000,000	13.0%
JPMorgan Chase Bank, N.A.	$45,500,000	$52,000,000	13.0%
Manufacturers and Traders Trust Company	$45,500,000	$52,000,000	13.0%
BMO Harris Bank N.A.	$45,500,000	$52,000,000	13.0%
TD Bank, N.A.	$26,250,000	$30,000,000	7.5%
Total	$350,000,000	$400,000,000	100.00%

ANNEX I

CLOSING CHECKLIST

1. Third Amendment, dated as of the date hereof, to the Fourth Amended and Restated Loan Agreement (the "**Third Amendment**"). Defined terms used herein but not defined herein shall have the meanings set forth for such term in the Third Amendment or in the Amended Loan Agreement, as applicable.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Our Business

Seneca is a leading provider of packaged fruits and vegetables, with facilities located throughout the United States. Its high quality products are primarily sourced from more than 1,200 American farms. The Company's product offerings include canned, frozen and jarred produce, and snack chips. Its products are sold under private label as well as national and regional brands that the Company owns or licenses, including Seneca®, Libby's®, Green Giant®, Aunt Nellie's®, CherryMan®, Green Valley® and READ®. The Company's fruits and vegetables are sold nationwide by major grocery outlets, including supermarkets, mass merchandisers, limited assortment stores, club stores and dollar stores. The Company also sells its products to foodservice distributors, restaurant chains, industrial markets, other food processors, export customers in approximately 55 countries and federal, state and local governments for school and other food programs. Additionally, the Company packs canned and frozen vegetables under contract packing agreements.

The Company's business strategies are designed to grow its market share and enhance sales and margins. These strategies include: 1) expand the Company's leadership in the packaged fruit and vegetable industry; 2) provide low cost, high quality fruit and vegetable products to consumers through the elimination of costs from the Company's supply chain and investment in state-of-the-art production and logistical technology; 3) focus on growth opportunities to capitalize on higher expected returns; and 4) pursue strategic acquisitions that leverage the Company's core competencies.

All references to years are fiscal years ended March 31 unless otherwise indicated.

Fluctuations in Commodity, Production, Distribution and Labor Costs

We purchase raw materials, including raw produce, steel, ingredients and packaging materials from growers, commodity processors, steel producers and packaging suppliers. Raw materials and other input costs, such as labor, fuel, utilities and transportation, are subject to fluctuations in price attributable to a number of factors. Fluctuations in commodity prices can lead to retail price volatility and can influence consumer and trade buying patterns. The cost of raw materials, fuel, labor, distribution and other costs related to our operations can increase from time to time significantly and unexpectedly.

We continue to experience material cost inflation for many of our raw materials and other input costs attributable to a number of factors, including but not limited to, supply chain disruptions (including raw material shortages), labor shortages, the conflict between Russia and Ukraine, and the conflict in Israel and Gaza. While we have no direct exposure to these conflicts, we have continued to experience increased costs for transportation, energy, and raw materials due in part to the negative impact on the global economy. We attempt to manage cost inflation risks by locking in prices through short-term supply contracts, advance grower purchase agreements, and by implementing cost saving measures. We also attempt to offset rising input costs by raising sales prices to our customers. However, increases in the prices we charge our customers may lag behind rising input costs. Competitive pressures also may limit our ability to quickly raise prices in response to rising costs. To the extent we are unable to avoid or offset any present or future cost increases, our operating results could be materially adversely affected.

Results of Operations - Fiscal Year 2024 versus Fiscal Year 2023

The following discussion is a comparison between fiscal year 2024 and fiscal year 2023 results. For a discussion of the Company's results of operations for the year ended March 31, 2023 compared to the year ended March 31, 2022, please refer to the information under the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K/A (Amendment No. 1) for the fiscal year ended March 31, 2023, which was filed with the Securities and Exchange Commission ("SEC") on July 31, 2023.

Net Sales:

The following table presents net sales by product category (in thousands):

	Fiscal Year:	
	2024	2023
Canned vegetables	$ 1,204,823	$ 1,253,257
Frozen vegetables	120,795	121,211
Fruit products	87,435	91,495
Snack products	13,400	12,661
Other	32,150	30,728
	$ 1,458,603	$ 1,509,352

Management's Discussion and Analysis of Financial Condition and Results of Operations

Net sales for fiscal year 2024 totaled $1,458.6 million as compared to $1,509.4 million for fiscal year 2023. The overall net sales decrease of $50.8 million, or 3.4%, was due to lower sales volumes having an unfavorable impact of $102.7 million to net sales, partially offset by higher selling prices and favorable mix, contributing favorability of $51.9 million, as compared to the prior fiscal year.

Net sales of canned vegetables, frozen vegetables, and fruit products decreased over the prior fiscal year as volume in each of these product categories was down. Higher pricing necessitated by the material cost increases that the Company is experiencing partially offset a portion of the unfavorable impact on net sales generated by the volume decline.

Net sales of snack products increased as compared to the prior fiscal year as increased pricing offset volume declines.

Operating Income:

The following table sets forth the percentages of net sales represented by selected items for fiscal year 2024 and fiscal year 2023 reflected in our Consolidated Statements of Net Earnings (percentages shown as absolute values):

	Fiscal Year:	
	2024	2023
Gross margin	12.9%	6.9%
Selling, general, and administrative expense	5.6%	5.4%
Other operating income, net	0.0%	0.1%
Restructuring	0.0%	0.2%
Operating income	7.4%	1.4%
Other non-operating income	0.7%	0.4%
Interest expense, net	2.3%	0.9%
Income taxes	1.3%	0.3%

Gross Margin – Gross margin is equal to net sales less cost of products sold. As a percentage of net sales, gross margin was 12.9% for fiscal year 2024 as compared to 6.9% for fiscal year 2023. This increase in gross margin was due primarily to a LIFO charge of $22.3 million in fiscal year 2024 versus a LIFO charge of $131.6 million in fiscal year 2023, which equated to a year-over-year positive impact to gross margin of $109.3 million. The rate of inflation moderated during fiscal year 2024, however the Company continued to experience historically high costs at or near fiscal year 2023 levels for various inputs including steel, raw produce, packaging, ingredients, and labor. The continued high input costs, along with larger overall inventory levels in fiscal year 2024 as compared to fiscal year 2023, contributed to the current year LIFO charge.

Selling, General and Administrative Expense – Selling, general and administrative expense for fiscal year 2024 increased $0.1 million from fiscal year 2023. Selling, general and administrative expense was 5.6% of net sales in fiscal year 2024 and 5.4% of net sales in fiscal year 2023. The increase as a percentage of net sales is primarily due to lower sales, coupled with the fixed nature of certain expenses.

Other Operating Income, net – The Company had net other operating income of $0.6 million in fiscal year 2024, which was driven primarily by gains on the sale of non-operational assets in the Pacific Northwest, partially offset by transition service fees incurred in connection with an asset acquisition. Refer to Note 17 of the Notes to Consolidated Financial Statements for further details of that transaction.

The Company had net other operating income of $1.7 million in fiscal year 2023, which was driven primarily by gains on the sale of the Company's western trucking fleet and an aircraft. This other operating income was partially offset by a write down of idle equipment to estimated selling price, less commission, as the assets met the criteria to be classified as held for sale.

Restructuring – The Company did not incur significant restructuring charges during fiscal year 2024. During fiscal year 2023, the Company incurred restructuring charges of $3.6 million primarily due to ceasing production of green beans at a plant in the Northeast. The charges mainly consisted of severance and write-downs of production equipment that was to be scrapped or sold.

Non-Operating Income (Expense):

Interest Expense, Net – Interest expense as a percentage of net sales was 2.3% for fiscal year 2024 as compared to 0.9% for fiscal year 2023. Interest expense increased from $14.3 million in the prior fiscal year to $34.0 million for fiscal year 2024 as a result of higher interest rates and increased long-term debt levels.

Other Non-Operating Income – Other non-operating income totaled $9.8 million and $6.8 million in fiscal years 2024 and 2023, respectively, and is comprised mainly of the non-service related pension amounts that are actuarially determined. The non-service related pension amounts can either be income or expense depending on the results of the actuarial calculations. For details of the calculation of the pension amounts, refer to Note 10 of the Notes to Consolidated Financial Statements. For fiscal year 2024, other non-operating income also included the patronage distribution associated with the Company's term loans. The patronage distribution varies each year and there is no guarantee that an amount will be received by the Company; for further details refer to Note 7 of the Notes to Consolidated Financial Statements.

Income Taxes – As a result of the aforementioned factors, pre-tax earnings increased from $13.8 million in fiscal year 2023 to $83.0 million in fiscal year 2024. Income tax expense totaled $19.7 million and $4.6 million in fiscal years 2024 and 2023, respectively. The Company's effective tax rate was 23.7% and 33.1% in fiscal years 2024 and 2023, respectively. In fiscal year 2023, the Company added a valuation allowance against state tax credits as a result of a change in ordering of credit usage for Wisconsin because it was determined that it was more likely than not that the tax credits would not be used prior to expiration. This change in valuation allowance increased the fiscal year 2023 effective tax rate by 7.8%. There was not a similar change in valuation allowance in fiscal year 2024, which provided the effect of reducing the effective tax rate year-over-year. The effective tax rate was further decreased by 3.0% due to state rate changes which were mostly caused by changes in the Company's business activities that impact state apportionment. Offsetting those decreases was a 3.3% increase for various federal credits when comparing fiscal year 2024 to fiscal year 2023. For additional details of the calculation of the effective tax rate, refer to Note 9 of the Notes to Consolidated Financial Statements.

Earnings per Share:

	Fiscal Year:	
	2024	2023
Basic earnings per common share	$ 8.64	$ 1.19
Diluted earnings per common share	$ 8.56	$ 1.16

For details of the calculation of these amounts, refer to Note 3 of the Notes to Consolidated Financial Statements.

Liquidity and Capital Resources:

Material Cash Requirements – The Company's primary liquidity requirements include debt service, capital expenditures and working capital needs. The Company may also seek strategic acquisitions to leverage existing capabilities and further build upon its existing business. Liquidity requirements are funded primarily through cash generated from operations and external sources of financing, including the revolving credit facility.

During fiscal years 2024 and 2023, working capital needs trended higher than previously experienced by the Company in part because of larger annual pack sizes needed to replenish the Company's post-COVID inventory levels to meet customer demand, and because of supply chain challenges in the steel industry which impacted can manufacturing operations. In order to successfully navigate the uncertainty driven by inflation and import tariffs, and a desire to diversify its steel supply, the Company employed a strategic approach during the recent fiscal years and increased its steel coil purchases to better position itself for subsequent years. The Company's larger seasonal pack sizes driven by favorable growing conditions, coupled with lower sales in an industry that is experiencing negative sales category trends overall, have resulted in higher inventory levels for finished goods, which will favorably impact the availability of products in the subsequent fiscal year and result in a lower planned seasonal pack in fiscal year 2025.

The Company believes that its operations along with existing liquidity sources will satisfy its cash requirements for at least the next twelve months. The Company has borrowed funds and continues to believe that it has the ability to do so at reasonable interest rates, however additional borrowings would result in increased interest expense. The Company does not have any off-balance sheet financing arrangements.

Summary of Cash Flows – The following table presents a summary of the Company's cash flows from operating, investing, and financing activities (in thousands):

	Fiscal Year:	
	2024	2023
Cash used in operating activities	$ (82,963)	$ (212,796)
Cash used in investing activities	(47,202)	(64,877)
Cash provided by financing activities	129,762	279,025
(Decrease) increase in cash, cash equivalents and restricted cash	(403)	1,352
Cash, cash equivalents and restricted cash, beginning of year	12,256	10,904
Cash, cash equivalents and restricted cash, end of year	$ 11,853	$ 12,256

Net Cash Used in Operating Activities – For fiscal year 2024, cash used in operating activities was $83.0 million, which consisted of a use of cash of $215.1 million by operating assets and liabilities partially offset by net earnings of $63.3 million, adjusted by non-cash charges of $68.8 million. The non-cash charges were largely driven by $43.5 million of depreciation and amortization, $7.3 million of non-cash lease expense, and a $22.3 million LIFO charge. The change in operating assets and liabilities was largely due to inventories being a use of cash driven by higher finished goods inventory levels and by the material cost inflation to various production inputs, as further discussed above within the material cash requirements section. The increase in inventories was also impacted by finished goods acquired in the asset acquisition, refer to Note 17 of the Notes to Consolidated Financial Statements for further details of that transaction.

For fiscal year 2023, cash used in operating activities was $212.8 million, which consisted of a use of cash of $407.2 million by operating assets and liabilities partially offset by net earnings of $9.2 million, adjusted by non-cash charges of $185.2 million. The non-cash charges were largely driven by $40.9 million of depreciation and amortization, $11.6 million of non-cash lease expense, and a $131.6 million LIFO charge. The change in operating assets and liabilities was largely due to inventories being a use of cash driven by the increased size of the fiscal year 2023 harvest in addition to material cost inflation to various production inputs.

The cash requirements of the business fluctuate significantly throughout the year to coincide with the seasonal growing cycles of vegetables. The majority of the inventories are produced during the packing months, from June through November, and are then sold over the following year. Cash flow from operating activities is one of the Company's main sources of liquidity, excluding usual seasonal working capital swings.

Net Cash Used in Investing Activities – Net cash used in investing activities was $47.2 million for fiscal year 2024 and consisted of cash used for capital expenditures of $36.6 million and $18.7 million paid as deposits to vendors for a new can manufacturing line. Offsetting those amounts, the Company received proceeds from the sale of assets totaling $8.1 million.

Net cash used in investing activities was $64.9 million for fiscal year 2023 and consisted of cash used for capital expenditures of $70.6 million partially offset by proceeds from the sale of assets totaling $5.7 million.

Net Cash Provided by Financing Activities – Net cash provided by financing activities was $129.8 million for fiscal year 2024, driven primarily by a net $114.2 million increase on the Company's term loan and note payable, as well as an increase in net borrowings on the Company's revolving credit facility of $56.6 million during fiscal year 2024. Cash used to purchase treasury stock of $33.0 million and to make payments on financing leases of $8.0 million partially offset the cash provided by financing activities.

Net cash provided by financing activities was $279.0 million for fiscal year 2023, driven primarily by receiving proceeds from a new term loan of $175.0 million and an increase in net borrowings on the Company's revolving credit facility of $160.1 million during fiscal year 2023. Cash used to purchase treasury stock of $41.2 million and to make payments on financing leases of $8.8 million partially offset the cash provided by financing activities.

Debt – The Company's primary cash requirements are to make payments on the Company's debt, finance seasonal working capital needs and to make capital expenditures. Internally generated funds and amounts available under the revolving credit facility are the Company's primary sources of liquidity, although the Company believes it has the ability to raise additional capital by issuing additional stock, if it desires.

Revolving Credit Facility – On March 24, 2021, the Company entered into a Fourth Amended and Restated Loan and Security Agreement that provides for a senior revolving credit facility of up to $400.0 million that is seasonally adjusted (the "Revolver").

On September 14, 2022, the Company entered into a First Amendment to the Fourth Amended and Restated Loan and Security Agreement (the "Revolver Amendment") which amended several provisions to replace the London Interbank Offered Rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR") plus a spread adjustment as the interest rate benchmark on the Revolver. The transition to SOFR did not materially impact the interest rates applied to the Company's borrowings. No other material changes were made to the terms of the Company's Revolver as a result of the Revolver Amendment.

On May 5, 2023, the Company entered into a Second Amendment to the Fourth Amended and Restated Loan and Security Agreement (the "2023 Revolver Amendment") which updated certain provisions relating to permitted indebtedness. No other material changes were made as a result of the 2023 Revolver Amendment.

On March 8, 2024, the Company entered into a Third Amendment to the Fourth Amended and Restated Loan and Security Agreement (the "2024 Revolver Amendment") which increased the seasonal borrowing amount for the period from April through July by $50.0 million. No other material changes were made as a result of the 2024 Revolver Amendment.

Maximum borrowing availability under the Revolver totals $350.0 million from April through July and $400.0 million from August through March. In order to maintain availability of funds under the facility, the Company pays a commitment fee on the unused portion of the Revolver, which as of March 31, 2024 was $156.3 million. As of March 31, 2024 and 2023, the Revolver balance was $237.2 million and $180.6 million, respectively, and is included in Long-Term Debt in the accompanying Consolidated Balance Sheets due to the Revolver's March 24, 2026 maturity.

The Revolver is secured by substantially all of the Company's accounts receivable and inventories and contains borrowing base requirements as well as a financial covenant, if certain circumstances apply. The Company utilizes its Revolver for general corporate purposes, including seasonal working capital needs, to pay debt principal and interest obligations, and to fund capital expenditures and acquisitions. Seasonal working capital needs are affected by the growing cycles of the fruits and vegetables the Company packages. The majority of vegetable inventories are produced during the months of June through November and are then sold over the following year. Payment terms for vegetable produce are generally three months but may vary and range from approximately one to seven months. Accordingly, the Company's need to draw on the Revolver may fluctuate significantly throughout the year.

The following table documents the quantitative data for short-term borrowings on the Revolver during fiscal years 2024 and 2023 (in thousands, except for percentages):

	As of:	
	March 31, 2024	March 31, 2023
Outstanding borrowings	$ 237,225	$ 180,598
Interest rate	6.93%	6.34%

	Fiscal Year:	
	2024	2023
Maximum amount of borrowings drawn during the period	$ 290,968	$ 350,828
Average outstanding borrowings	$ 162,780	$ 159,670
Weighted average interest rate	6.78%	5.03%

Long-Term Debt – On May 28, 2020, the Company entered into an Amended and Restated Loan and Guaranty Agreement with Farm Credit East, ACA that provides for a $100.0 million unsecured term loan (the "Term Loan"). The amended and restated agreement has a maturity date of June 1, 2025 and converted the Term Loan to a fixed interest rate of 3.3012% until maturity rather than a variable interest rate in addition to requiring quarterly principal payments of $1.0 million, which commenced during fiscal year 2021. This agreement contains certain covenants, including maintaining a minimum EBITDA and minimum tangible net worth.

On January 20, 2023, the Company entered into a Second Amended and Restated Loan and Guaranty Agreement with Farm Credit East, ACA (the "Agreement") which governs two term loans, summarized below:

Term Loan A-1: The Agreement continues certain aspects of the $100.0 million term loan described above, namely Term Loan A-1 will continue to bear interest at a fixed interest rate of 3.3012%, mature on June 1, 2025, and remain unsecured. The Company's historical practice is to hold term debt until maturity. We expect to maintain or have access to sufficient liquidity to retire or refinance long-term debt at maturity or otherwise, from operating cash flows, access to the capital markets, and our Revolver. We continuously evaluate opportunities to refinance our debt; however, any refinancing is subject to market conditions and other factors, including financing options that may be available to us from time to time, and there can be no assurance that we will be able to successfully refinance any debt on commercially acceptable terms at all.

Term Loan A-2: The Agreement adds an additional term loan in the amount of $175.0 million that will mature on January 20, 2028, and is secured by a portion of the Company's property, plant and equipment. Term Loan A-2 bears interest at a variable interest rate based upon SOFR plus an additional margin determined by the Company's leverage ratio. Quarterly payments of principal outstanding on Term Loan A-2 in the amount of $1.5 million commenced on March 1, 2023.

On May 23, 2023, the Agreement was amended by the Second Amended and Restated Loan and Guaranty Agreement Amendment which amends, restates and replaces in its entirety Term Loan A-2 (the "Amendment"). The Amendment provides a single advance term facility in the principal amount of $125.0 million to be combined with the outstanding principal balance of $173.5 million on Term Loan A-2 into one single $298.5 million term loan ("Amended Term Loan A-2"). Amended Loan Term A-2 is secured by a portion of the Company's property, plant and equipment and bears interest at a variable interest rate based upon SOFR plus an additional margin determined by the Company's leverage ratio. Quarterly payments of principal outstanding on Amended Term Loan A-2 in the amount of $3.75 million commenced on June 1, 2023. The Amendment continues all aspects of Term Loan A-1 as defined in the Agreement. As of March 31, 2024, the interest rate on Amended Term Loan A-2 was 7.34%.

The Amendment for Term Loan A-1 and Term Loan A-2 (collectively, the "Term Loans") contains restrictive covenants usual and customary for loans of its type, in addition to financial covenants including minimum EBITDA and minimum tangible net worth which apply to both Terms Loans described above. In connection with the Amended Term Loan A-2, the Company incurred $1.1 million of financing costs which will be deferred and amortized over the life of the term loan.

As of March 31, 2024, scheduled maturities of long-term debt in each of the five succeeding fiscal years and thereafter are presented below. The Revolver balance is presented as being due in fiscal year 2026, based upon its March 24, 2026 maturity date (in thousands):

2025	$	19,000
2026		333,225
2027		15,000
2028		238,500
2029		-
Thereafter		-
Total	$	605,725

Note Payable — During fiscal year 2024, the Company entered into an unsecured note payable with an individual lender which provides for an interim short-term financing arrangement with an expiration date of June 30, 2024. The balance of the note payable as of March 31, 2024 was $8.9 million and is associated with certain deposits paid to vendors for a new can manufacturing line located at one of the Company's plant facilities. The note payable bears interest at a variable interest rate based upon SOFR plus 1.80%. Interest is payable monthly and the interest rate as of March 31, 2024 was 7.13%.

The Company believes that its cash flows from operations, availability under its Revolver, and cash and cash equivalents on hand will provide adequate funds for the Company's working capital needs, planned capital expenditures, operating and administrative expenses, and debt service obligations for at least the next twelve months and the foreseeable future.

Restrictive Covenants – The Company's debt agreements, including the Revolver and Term Loans, contain customary affirmative and negative covenants that restrict, with specified exceptions, the Company's ability to incur additional indebtedness, incur liens, pay dividends on the Company's capital stock, make other restricted payments, including investments, transfer all or substantially all of the Company's assets, enter into consolidations or mergers, and enter into transactions with affiliates. The Company's debt agreements also require the Company to meet certain financial covenants including a minimum EBITDA and minimum tangible net worth. The Revolver contains borrowing base requirements related to accounts receivable and inventories and also requires the Company to meet a financial covenant related to a minimum fixed charge coverage ratio if (a) an event of default has occurred or (b) availability on the Revolver is less than the greater of (i) 10% of the commitments then in effect and (ii) $25.0 million. The most restrictive financial covenant in the debt agreements is the minimum EBITDA within the Term Loans which for fiscal year 2024 was greater than $75.0 million in EBITDA. The Company computes its financial covenants as if the Company were on the first-in, first out ("FIFO") method of inventory accounting. The Company has met all such financial covenants as of March 31, 2024.

The Company's debt agreements limit the payment of dividends and other distributions, subject to availability under the Revolver. There is an annual total distribution limitation of $50,000, less aggregate annual dividend payments totaling $23,181 that the Company presently pays on two outstanding classes of preferred stock. See Note 11 of the Notes to Consolidated Financial Statements for additional information on the Company's preferred stock.

Standby Letters of Credit – The Company has standby letters of credit for certain insurance-related requirements. The majority of the Company's standby letters of credit are automatically renewed annually, unless the issuer gives cancellation notice in advance. On March 31, 2024, the Company had $6.5 million in outstanding standby letters of credit. These standby letters of credit are supported by the Company's Revolver and reduce borrowings available under the Revolver.

Obligations and Commitments:

The Company is party to many contractual obligations involving commitments to make payments to third parties. These obligations impact the Company’s short-term and long-term liquidity and capital resource needs. Certain contractual obligations are reflected on the Consolidated Balance Sheet as of March 31, 2024, while others are considered future obligations. Contractual obligations primarily consist of operating leases, purchase obligations and commitments, principal payments on long-term debt and related interest payments, and income taxes. All of these arrangements require cash payments over varying periods of time. Certain of these arrangements are cancelable on short notice and others require additional payments as part of any early termination. See Notes 7 and 8 of the Notes to Consolidated Financial Statements for information related to the Company’s debt and leases, respectively.

Purchase obligations and commitments consist of open purchase orders to purchase raw materials, including raw produce, steel, ingredients and packaging materials, as well as commitments for products and services used in the normal course of business. The Company expects that the majority of these purchase obligations and commitments will be settled within one year.

The Company’s contractual obligations related to income taxes are primarily related to unrecognized tax benefits. See Note 9 of the Notes to Consolidated Financial Statements for information related to income taxes.

The Company has no off-balance sheet debt or other unrecorded obligations other than purchase commitments noted above.

Impact of Seasonality on Financial Position and Results of Operations:

While individual vegetables have seasonal cycles of peak production and sales, the different cycles are somewhat offsetting. Minimal food packaging occurs in the Company's last fiscal quarter ending March 31, which is the optimal time for maintenance, repairs and equipment changes in its packaging plants. The supply of commodities, current pricing, and expected new crop quantity and quality affect the timing and amount of the Company’s sales and earnings. When the seasonal harvesting periods of the Company's major vegetables are newly completed, inventories for these packaged vegetables are at their highest levels. For peas, the peak inventory time is mid-summer and for corn and green beans, the Company's highest volume vegetables, the peak inventory is in mid-autumn. The seasonal nature of the Company’s production cycle results in inventory and accounts payable reaching their lowest point in mid-to-late first quarter prior to the new seasonal pack commencing. As the seasonal pack progresses, these components of working capital both increase until the pack is complete.

The Company’s revenues typically are highest in the second and third fiscal quarters. This is due, in part, because the Company’s fruit and vegetable sales exhibit seasonal increases in the third fiscal quarter due to increased retail demand during the holiday season. In addition, the Company sells canned and frozen vegetables to a co-pack customer on a bill and hold basis at the end of each pack cycle, which typically occurs during these quarters. The following table shows quarterly information for selected financial statement items during fiscal years 2024 and 2023 to illustrate the Company’s seasonal business (in thousands):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Fiscal Year 2024:				
Net sales	$ 298,664	$ 407,475	$ 444,481	$ 307,983
Gross margin	55,289	58,118	54,033	20,778
Net earnings (loss)	23,111	24,779	17,675	(2,247)
Revolver outstanding (at quarter end)	52,064	134,757	258,108	237,225
Fiscal Year 2023:				
Net sales	$ 265,193	$ 439,842	$ 473,254	$ 331,063
Gross margin	22,843	41,779	53,789	(14,092)
Net earnings (loss)	5,103	16,131	21,054	(33,057)
Revolver outstanding (at quarter end)	78,965	229,213	313,808	180,598

Critical Accounting Estimates:

In certain circumstances, the preparation of the Consolidated Financial Statements in conformity with generally accepted accounting principles in the United States (“GAAP”) requires management to use judgment to make certain estimates and assumptions. Critical accounting estimates are defined as those that involve a significant level of estimation uncertainty and have had, or are reasonably likely to have, a material impact on the financial condition or results of operations of the Company. These estimates affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of net sales and expenses during the reporting period. Actual results may differ from these estimates.

Management believes the accounting estimates listed below are those that are most critical to the portrayal of the Company’s financial condition and results of operations, and that require management’s most difficult, subjective, or complex judgments in estimating the effect of inherent uncertainties. Refer to Note 1 of the Notes to Consolidated Financial Statements for a detailed discussion of significant accounting policies.

Trade Promotion Expenses – The Company records both direct and estimated reductions to sales for trade promotions at the time of sale of the respective product. For estimated reductions, the Company maintains an accrual for customer promotional programs, in-store display incentives, and other sales and marketing expenses. This accrual requires management judgment regarding the volume of promotional offers that will be redeemed by the customer and is based on a combination of historical data on performance of similar programs and specific customer program activity. The amounts are subject to fluctuation due to the level of sales and marketing programs, and timing of deduction. Accrued trade promotions were $10.0 million and $5.3 million as of March 31, 2024 and 2023, respectively, and are included in other accrued expenses on the Consolidated Balance Sheets.

Inventories – The Company uses the lower of cost, determined under the last-in, first-out (“LIFO”) method, or market, to value substantially all of its inventories. In the high inflation environment that the Company has been experiencing, the Company believes that the LIFO method was preferable over the first-in, first-out (“FIFO”) method because it better matches the cost of current production to current revenue. An actual valuation of inventory under the LIFO method is made at the end of each fiscal year based on the inventory levels and costs at that time.

Pension Expense – The Company has a defined benefit plan which is subject to certain economic and demographic assumptions. The funded status of the pension plan is dependent upon key assumptions, including the discount rate, mortality, and the rate of increase in compensation levels. Additionally, the plan's funded status is dependent on other factors such as the actual return on plan assets. Certain assumptions reflect the Company's historical experience and management’s best judgment regarding future expectations. Management reviews these assumptions at least annually and uses independent actuaries to assist in formulating assumptions and making estimates.

The discount rate used is determined in conjunction with the Company’s actuary by reference to a current yield curve and by considering the timing and amount of projected future benefit payments. The expected return on plan assets is determined by evaluating the mix of investments that comprise the asset portfolio and external forecasts of future long-term investment returns, along with input from independent pension consultants. With respect to the mortality assumption, the Society of Actuaries’ published mortality tables and projection scales are used in developing the estimates of mortality. Assumptions for increases in the rate of compensation are based on management estimates, which incorporate historical experience and overall compensation trends in the current business environment.

The pension plan’s funded status decreased $6.9 million during fiscal year 2024 reflecting the actual fair value of plan assets and the projected benefit obligation as of March 31, 2024. This funded status decrease was primarily driven by a $5.4 million reduction in the fair value of plan assets, as described in more detail below, and $1.5 million increase to the projected benefit obligation.

During fiscal year 2024, the actuarial gain in the pension plan’s projected benefit obligation was driven by an increase in discount rates, partially offset by the annual update in plan census data resulting in losses and the reflection of an assumed salary increase rate for fiscal year 2025 in excess of the long-term rate. During fiscal year 2023, the actuarial gain in the pension plan’s projected benefit obligation was driven by an increase in discount rates and the annual update in plan census data resulting in gains, partially offset by an assumed salary increase rate for fiscal year 2024 in excess of the long-term rate. Plan assets decreased from $294.3 million as of March 31, 2023 to $288.9 million as of March 31, 2024 primarily due to normal payments of benefits which outpaced the return on plan assets.

The pension plan was amended to freeze accruals to new hires and rehires effective January 1, 2020. Refer to Note 10 of the Notes to Consolidated Financial Statements for the full pension plan disclosures.

Non-GAAP Financial Measures:

Adjusted net earnings, EBITDA, and FIFO EBITDA are non-GAAP financial measures and are provided for information purposes only. The Company believes these non-GAAP financial measures provide investors with helpful information to evaluate financial performance, perform comparisons from period to period, and to compare results against the Company’s industry peers. A non-GAAP financial measure is defined as a numerical measure of the Company’s financial performance that excludes or includes amounts so as to be different from the most directly comparable measure calculated and presented in accordance with GAAP in the Consolidated Balance Sheets and related Consolidated Statements of Net Earnings, Comprehensive Income (Loss), Stockholders’ Equity and Cash Flows. The Company does not intend for this information to be considered in isolation or as a substitute for other measures prepared in accordance with GAAP.

Adjusted net earnings are calculated on a FIFO basis which excludes the impact from the application of LIFO. Set forth below is a reconciliation of reported net earnings before income taxes to adjusted net earnings (in thousands):

	Fiscal Year:	
	2024	2023
Earnings before income taxes, as reported	$ 82,999	$ 13,793
LIFO charge	22,342	131,611
Adjusted earnings before income taxes	105,341	145,404
Income taxes at statutory rates (1)	25,177	37,596
Adjusted net earnings	$ 80,164	$ 107,808

(1) For fiscal years 2024 and 2023, income taxes on adjusted earnings before income taxes were calculated using the income tax provision amounts of $19.7 million and $4.6 million, respectively, and applying the statutory rates of 24.6% and 25.1%, respectively, for each of the respective periods to the pre-tax LIFO charge.

The Company believes EBITDA is often a useful measure of a Company’s operating performance because EBITDA excludes charges for depreciation, amortization, non-cash lease expense, and interest expense as well as the Company’s provision for income tax expense. EBITDA is frequently used as one of the bases for comparing businesses in the Company’s industry. FIFO EBITDA also excludes non-cash charges related to the LIFO inventory valuation method. The Company’s revolving credit facility and term loan agreements use FIFO EBITDA in the financial covenants thereunder. Set forth below is a reconciliation of reported net earnings to EBITDA and FIFO EBITDA (in thousands):

	Fiscal Year:	
	2024	2023
Net earnings	$ 63,318	$ 9,231
Income taxes	19,681	4,562
Interest expense, net of interest income	34,020	14,325
Depreciation and amortization (1)	50,729	52,577
Interest amortization (2)	(447)	(271)
EBITDA	167,301	80,424
LIFO charge	22,342	131,611
FIFO EBITDA	$ 189,643	$ 212,035

(1) Includes non-cash lease expense consistent with financial covenant calculations.

(2) Reconciling item needed to exclude debt issuance cost amortization from the amount shown for interest expense.

Recently Issued Accounting Standards:

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09") related to income tax disclosures. The amendments in this update are intended to enhance the transparency and decision usefulness of income tax disclosures primarily through changes to the rate reconciliation and income taxes paid information. This update is effective for annual periods beginning after December 15, 2024, though early adoption is permitted. The Company plans to adopt this pronouncement for its fiscal year beginning April 1, 2025, and is in the process of analyzing the impact on its consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07") to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This update is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective application to all prior periods presented in the financial statements. Early adoption is permitted. The Company plans to adopt this pronouncement for its fiscal year beginning April 1, 2024, and is in the process of analyzing the impact on its consolidated financial statements.

All other newly issued accounting pronouncements not yet effective have been deemed either not applicable or were related to technical amendments or codification. In addition, the Company did not adopt any other new accounting pronouncements during fiscal year 2024.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to the amount of interest expense we expect to pay with respect to our Revolver, Amended Term Loan A-2 and note payable (collectively, "Variable Rate Debt"), which are tied to the variable market rate SOFR. Interest rates on the remainder of our long-term debt, including Amended Term Loan A-1, are fixed and not subject to interest rate volatility. The Company uses its Variable Rate Debt for general corporate purposes, including seasonal working capital needs, to pay debt principal and interest obligations, and to fund capital expenditures and acquisitions. With $437.5 million in average Variable Rate Debt during fiscal 2024, a hypothetical 1% change in interest rates would have had a $4.4 million impact on interest expense.

Commodity Risk

The materials that the Company uses, such as vegetables, fruits, steel, ingredients, and packaging materials, as well as the electricity and natural gas used in the Company's business are commodities that may experience price volatility caused by external factors including but not limited to, market fluctuations, availability, weather, currency fluctuations, and changes in governmental regulations and agricultural programs. These events may result in reduced supplies of these materials, higher supply costs, or interruptions in the Company's production schedules. If prices of these raw materials increase and the Company is not able to effectively pass such price increases along to its customers, operating income will decrease. During fiscal year 2024, the Company purchased $211.2 million of steel and $191.9 million of raw produce, which are the two largest raw material input costs. A hypothetical 1% change in the cost for both steel and raw produce would have impacted product costs by $2.1 million and $1.9 million, respectively, during fiscal year 2024.

The principal effect of inflation in both commodity and consumer prices on the Company's operating results is to increase costs, both for products sold and selling, general and administrative expenses. Although the Company may attempt to offset these cost increases by increasing selling prices for its products, consumers may not have the buying power to cover these increased costs and may reduce their volume of purchases of those products. In that event, selling price increases may not be sufficient to completely offset the Company's cost increases.

The Company does not currently hedge or otherwise use derivative instruments to manage interest rate or commodity risks.

Consolidated Statements of Net Earnings

Seneca Foods Corporation

(In thousands, except per share amounts)

	Fiscal Year: 2024	Fiscal Year: 2023	Fiscal Year: 2022
Net sales	$ 1,458,603	$ 1,509,352	$ 1,385,280
Costs and expenses:			
Cost of products sold	1,270,385	1,405,033	1,243,684
Selling, general, and administrative expense	81,209	81,072	76,343
Other operating (income) expense, net	(647)	(1,662)	1,174
Plant restructuring	425	3,550	70
Total costs and expenses	1,351,372	1,487,993	1,321,271
Operating income	107,231	21,359	64,009
Other income and expenses:			
Interest expense, net of interest income of $699, $528 and $63, respectively	34,020	14,325	5,641
Loss from equity investment	-	-	7,775
Other non-operating income	(9,788)	(6,759)	(9,302)
Earnings before income taxes	82,999	13,793	59,895
Income taxes	19,681	4,562	13,695
Net earnings	$ 63,318	$ 9,231	$ 46,200
Earnings per share:			
Basic	$ 8.64	$ 1.19	$ 5.28
Diluted	$ 8.56	$ 1.16	$ 5.24
Weighted average common shares outstanding:			
Basic	7,318	7,796	8,707
Diluted	7,385	7,863	8,774

See notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

Seneca Foods Corporation

(In thousands)

	Fiscal Year: 2024	2023	2022
Comprehensive income:			
Net earnings	$ 63,318	$ 9,231	$ 46,200
Change in pension and postretirement benefits, net of tax (benefit) expense of ($1,628), $1,999 and ($2,423), respectively	(4,892)	5,980	(7,401)
Total	$ 58,426	$ 15,211	$ 38,799

See notes to consolidated financial statements.

Consolidated Balance Sheets
Seneca Foods Corporation
(In thousands)

	As of: March 31, 2024	As of: March 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 4,483	$ 5,236
Restricted cash	7,370	7,020
Accounts receivable, net of allowance for credit losses of $53 and $34, respectively	79,767	97,101
Inventories	872,692	670,898
Assets held for sale	64	4,358
Refundable income taxes	-	6,976
Other current assets	2,639	2,450
Total current assets	967,015	794,039
Property, plant, and equipment, net	305,016	301,212
Right-of-use assets operating, net	19,705	23,235
Right-of-use assets financing, net	20,386	33,571
Pension assets	52,442	59,304
Other assets	19,433	1,360
Total assets	$ 1,383,997	$ 1,212,721
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 40,326	$ 69,232
Note payable	8,926	-
Deferred revenue	8,185	9,956
Accrued vacation	11,632	11,143
Accrued payroll	15,845	16,772
Income taxes payable	2,648	-
Other accrued expenses	33,383	23,293
Current portion of long-term debt and lease obligations	30,090	25,792
Total current liabilities	151,035	156,188
Long-term debt	585,786	432,695
Operating lease obligations	13,758	16,675
Financing lease obligations	12,259	17,293
Deferred income tax liability, net	24,320	31,481
Other liabilities	13,946	3,639
Total liabilities	801,104	657,971
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	351	351
Common stock	3,050	3,049
Additional paid-in capital	100,425	99,152
Treasury stock, at cost	(200,107)	(168,573)
Accumulated other comprehensive loss	(25,380)	(20,488)
Retained earnings	704,554	641,259
Total stockholders' equity	582,893	554,750
Total liabilities and stockholders' equity	$ 1,383,997	$ 1,212,721

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows
Seneca Foods Corporation
(In thousands)

	Fiscal Year: 2024	2023	2022
Cash flows from operating activities:			
Net earnings	$ 63,318	$ 9,231	$ 46,200
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	43,478	40,941	36,523
Non-cash lease expense	7,251	11,636	16,680
LIFO charge	22,342	131,611	42,157
Deferred income tax expense	(5,533)	(3,534)	7,134
Gain on the sale of assets	(2,331)	(2,872)	(1,861)
Provision for restructuring and impairments	567	4,333	284
Gain on debt forgiveness	-	-	(500)
Loss from equity investment	-	-	7,775
Stock-based compensation expense	246	76	120
Pension expense	354	1,481	206
401(k) match stock contribution	2,453	1,515	1,107
Changes in operating assets and liabilities:			
Accounts receivable	17,334	22,098	(26,976)
Inventories	(224,136)	(398,514)	(103,008)
Other assets	91	2,743	(1,109)
Accounts payable	(29,213)	(18,370)	13,513
Accrued expenses and other	11,192	(13,641)	(11,032)
Income taxes	9,624	(1,530)	2,939
Net cash (used in) provided by operating activities	(82,963)	(212,796)	30,152
Cash flows from investing activities:			
Additions to property, plant, and equipment	(36,637)	(70,628)	(53,367)
Proceeds from the sale of assets	8,089	5,751	8,180
Increase in non-current deposits	(18,654)	-	-
Net cash used in investing activities	(47,202)	(64,877)	(45,187)
Cash flows from financing activities:			
Borrowings under revolving credit facility	783,650	777,083	398,550
Repayments under revolving credit facility	(727,023)	(616,939)	(379,011)
Borrowings under term loans and note payable	133,359	174,427	-
Principal payments on term loans	(19,215)	(5,500)	(4,000)
Other assets	-	-	(2,758)
Payments on financing leases	(7,956)	(8,814)	(7,868)
Purchase of treasury stock	(33,030)	(41,209)	(38,788)
Dividends	(23)	(23)	(23)
Net cash provided by (used in) financing activities	129,762	279,025	(33,898)
Net (decrease) increase in cash, cash equivalents and restricted cash	(403)	1,352	(48,933)
Cash, cash equivalents and restricted cash, beginning of year	12,256	10,904	59,837
Cash, cash equivalents and restricted cash, end of year	$ 11,853	$ 12,256	$ 10,904
Supplemental disclosures of cash flow information:			
Cash paid for:			
Interest, net of capitalized interest	$ 33,100	$ 11,218	$ 4,481
Income taxes	$ 15,105	$ 9,084	$ 2,971
Noncash transactions:			
Right-of-use assets obtained in exchange for lease obligations	$ 5,746	$ 10,187	$ 20,304
Right-of-use assets derecognized upon early lease termination	$ 2,286	$ 3,588	$ 1,570
Assets acquired from exercise of finance lease purchase options, net of accumulated depreciation	$ 6,681	$ -	$ -
Property, plant and equipment purchased on account	$ 307	$ 1,177	$ 1,267

See notes to consolidated financial statements.

Consolidated Statements of Stockholders' Equity

Seneca Foods Corporation

(In thousands, except share amounts)

	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance March 31, 2021	$ 663	$ 3,041	$ 98,502	$ (91,198)	$ (19,067)	$ 585,874	$ 577,815
Net earnings	-	-	-	-	-	46,200	46,200
Cash dividends paid on preferred stock	-	-	-	-	-	(23)	(23)
Equity incentive program	-	-	120	-	-	-	120
Contribution of 401(k) match	-	-	-	1,107	-	-	1,107
Purchase of treasury stock	-	-	-	(38,788)	-	-	(38,788)
Preferred stock conversion	(19)	-	19	-	-	-	-
Change in pension and postretirement benefits adjustment (net of tax $2,423)	-	-	-	-	(7,401)	-	(7,401)
Balance March 31, 2022	644	3,041	98,641	(128,879)	(26,468)	632,051	579,030
Net earnings	-	-	-	-	-	9,231	9,231
Cash dividends paid on preferred stock	-	-	-	-	-	(23)	(23)
Equity incentive program	-	-	150	-	-	-	150
Stock issued for profit sharing plan	-	-	76	-	-	-	76
Contribution of 401(k) match	-	-	-	1,515	-	-	1,515
Purchase of treasury stock	-	-	-	(41,209)	-	-	(41,209)
Preferred stock conversion	(293)	8	285	-	-	-	-
Change in pension and postretirement benefits adjustment (net of tax $1,999)	-	-	-	-	5,980	-	5,980
Balance March 31, 2023	351	3,049	99,152	(168,573)	(20,488)	641,259	554,750
Net earnings	-	-	-	-	-	63,318	63,318
Cash dividends paid on preferred stock	-	-	-	-	-	(23)	(23)
Equity incentive program	-	1	245	-	-	-	246
Stock issued for profit sharing plan	-	-	71	-	-	-	71
Contribution of 401(k) match	-	-	957	1,496	-	-	2,453
Purchase of treasury stock	-	-	-	(33,030)	-	-	(33,030)
Change in pension and postretirement benefits adjustment (net of tax $1,628)	-	-	-	-	(4,892)	-	(4,892)
Balance March 31, 2024	$ 351	$ 3,050	$ 100,425	$ (200,107)	$ (25,380)	$ 704,554	$ 582,893

	Preferred Stock				Common Stock	
	6% Voting Cumulative Callable Par $0.25	10% Voting Cumulative Convertible Par $0.025	Participating Convertible Par $0.025	2003 Series Participating Convertible Par $0.025	Class A Common Par $0.25	Class B Common Par $0.25
Shares authorized and designated:						
March 31, 2024	200,000	1,400,000	8,292	-	20,000,000	10,000,000
Shares outstanding:						
March 31, 2022	200,000	807,240	32,256	500	6,627,318	1,705,930
March 31, 2023	200,000	807,240	8,292	-	5,928,424	1,707,241
March 31, 2024	200,000	807,240	8,292	-	5,400,429	1,659,411
Balance in Equity at March 31, 2024	$ 50	$ 202	$ 99	$ -	$ 2,566	$ 484

See notes to consolidated financial statements.

Seneca Foods Corporation

1. Summary of Significant Accounting Policies

Nature of Operations — Seneca Foods Corporation (the "Company") currently has 26 facilities in eight states in support of its main operations. The Company markets private label and branded packaged foods to retailers and institutional food distributors.

Principles of Consolidation — The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates in the Preparation of Financial Statements — The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors that management believes to be reasonable under the circumstances, including the current economic environment. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ materially from those estimates.

Reclassification of Prior Year Balances — Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications have no impact on the amount of total assets or liabilities, net sales, or net earnings. Beginning in fiscal year 2024, the restricted cash line item was separately presented on the Consolidated Balance Sheets.

Cash, Cash Equivalents and Restricted Cash — The Company considers all highly liquid instruments purchased with an original maturity of three months or less as cash equivalents. The Company's primary workers' compensation, general liability, and automobile liability policies require deposits to be held in escrow related to the Company's deductible. Accordingly, the Company maintains the required deposit and records the amounts as restricted cash on the Consolidated Balance Sheets. These balances are classified as restricted cash as they are not available for use by the Company to fund operations.

The following table reconciles cash, cash equivalents and restricted cash as reported on the Consolidated Balance Sheets to the total amounts shown in the Company's Consolidated Statements of Cash Flows (in thousands):

	As of:	
	March 31, 2024	March 31, 2023
Cash and cash equivalents	$ 4,483	$ 5,236
Restricted cash	7,370	7,020
Total cash, cash equivalents and restricted cash	$ 11,853	$ 12,256

Fair Value of Financial Instruments — The carrying values of cash, cash equivalents and restricted cash, accounts receivable, short-term debt, accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturity of these financial instruments. See Note 12, Fair Value of Financial Instruments, for a discussion of the fair value of long-term debt.

The three-tier value hierarchy is utilized to prioritize the inputs used in measuring fair value. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobserved inputs (Level 3). The three levels are defined as follows:

- Level 1 - Quoted prices for identical instruments in active markets.
- Level 2 - Quoted prices for similar instruments; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs or significant value-drivers are observable.
- Level 3 - Model-derived valuations in which one or more inputs or value-drivers are both significant to the fair value measurement and unobservable.

Seneca Foods Corporation

Accounts Receivable and Doubtful Accounts — Accounts receivable is stated at invoice value, which is net of any off-invoice promotions. In determining the Company's reserve for credit losses, receivables are assigned an expected loss based on historical information adjusted for forward-looking economic factors. Management believes these provisions are adequate based upon the relevant information presently available.

Inventories — Substantially all inventories are stated at the lower of cost or market with cost determined using the last-in, first-out ("LIFO") method. An actual valuation of inventory under the LIFO method is made at the end of each fiscal year based on the inventory levels and costs at that time. In contrast, interim LIFO calculations are based on management's estimates of expected year-end inventory levels, production pack yields, sales and the expected rate of inflation or deflation for the year. The interim LIFO calculations are subject to adjustment in the final year-end LIFO inventory valuation.

Assets Held for Sale — The Company classifies its assets as held for sale at the time management commits to a plan to sell the asset, the asset is actively marketed and available for immediate sale, and the sale is expected to be completed within one year. Due to market conditions, certain assets may be classified as held for sale for more than one year as the Company continues to actively market the assets. Assets that meet the held for sale criteria are presented separately on the Consolidated Balance Sheets at the lower of carrying value or estimated fair value less costs to sell and depreciation is no longer recognized.

Property, Plant and Equipment — Property, plant, and equipment are stated at cost. Interest incurred during the construction of major projects is capitalized. During fiscal years 2024, 2023 and 2022, the Company capitalized interest of $0.7 million, $0.6 million and $0.4 million, respectively. For financial reporting, the Company provides for depreciation on the straight-line method at rates based upon the estimated useful lives of the various assets. The estimated useful lives are as follows:

	Years
Buildings and improvements	30
Land improvements	10 - 20
Machinery and equipment	5 - 15
Office equipment and furniture	3 - 5
Vehicles	3 - 5
Computer software	3 - 5

Long-Lived Assets — The Company evaluates its long-lived assets for recoverability whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Recoverability is measured by a comparison of the carrying value of an asset to estimated undiscounted future cash flows expected to be generated by the asset. Impairment losses are then evaluated if the estimated future undiscounted cash flows are less than carrying value. A loss is recognized when the carrying value of an asset exceeds its fair value. The Company did not record an impairment loss on long-lived assets during fiscal years 2024, 2023 and 2022.

Other Assets — Other assets is primarily comprised of non-current deposits. As of March 31, 2024, there was $18.7 million of deposits paid to vendors for a new can manufacturing line located at one of the Company's plant facilities.

Deferred Financing Costs — Deferred financing costs incurred in obtaining debt are amortized on a straight-line basis over the term of the debt, which is not materially different than using the effective interest rate method. Amortization of deferred financing costs is recorded as part of interest expense on the Consolidated Statements of Net Earnings. As of March 31, 2024 there were $0.4 million of unamortized financing costs included in other assets related to the Company's revolving credit facility and $0.9 million of unamortized financing costs related to its term loans that are included as a contra to long-term debt on the Consolidated Balance Sheets.

Revenue Recognition — Revenue recognition is completed for most customers at a point in time basis when product control is transferred to the customer. In general, control transfers to the customer when the product is shipped or delivered to the customer based upon applicable shipping terms, as the customer can direct the use and obtain substantially all of the remaining benefits from the asset at this point in time. The Company does sell certain finished goods inventory for cash on a bill and hold basis. The terms of the bill and hold agreement(s) provide that title to the specified inventory is transferred to the customer(s) prior to shipment and the Company has the right to payment (prior to physical delivery) which results in recorded revenue as determined under the revenue recognition standard. Refer to Note 2, Revenue Recognition, for further discussion of the policy.

Trade Promotions — Trade promotions are an important component of the sales and marketing of the Company's branded products and are critical to the support of the business. Trade promotions represent a form of variable consideration, which is recorded as a reduction of sales, and include amounts paid to retailers for shelf space, to obtain favorable display positions and to offer temporary price reductions for the sale of our products to consumers. Accruals for trade promotions are recorded primarily at the time of sale to the retailer based on expected levels of performance. Settlement of these liabilities typically occurs in subsequent periods primarily through an authorized process for deductions taken by a retailer from amounts otherwise due to the Company. As a result, the ultimate cost of a trade promotion program is dependent on the relative success of the events and the actions and level of deductions taken by retailers. Final determination of the permissible deductions may take extended periods of time.

Concentration of Credit Risk — Financial instruments that potentially subject the Company to credit risk consist of trade receivables, interest-bearing investments, cash and cash equivalents, and restricted cash. Retailers, distributors, and co-pack customers comprise a significant portion of the trade receivables; collateral is generally not required. A relatively limited number of customers account for a large percentage of the Company's total net sales. The top ten customers represented approximately 52% and 55% of net sales for fiscal years 2024 and 2023, respectively. The Company closely monitors the credit risk associated with its customers. The Company places substantially all of its interest-bearing investments with financial institutions and monitors credit exposure. Cash and short-term investments in certain accounts exceed the federal insured limit; however, the Company has not experienced any losses in such accounts.

Advertising Costs — Advertising costs are expensed as incurred and totaled $2.7 million in fiscal year 2024 and $2.2 million in each of fiscal years 2023 and 2022.

Income Taxes — The provision for income taxes includes federal and state income taxes currently payable and those deferred because of temporary differences between the financial statement and tax basis of assets and liabilities and tax credit carryforwards. The Company uses the flow-through method to account for its investment tax credits.

The Company evaluates the likelihood of realization of its net deferred income tax assets by assessing its valuation allowance and by adjusting the amount of such allowance, if necessary. The factors used to assess the likelihood of realization are the Company's forecast of future taxable income, the projected reversal of temporary differences and available tax planning strategies that could be implemented to realize the net deferred income tax assets.

Current rules on the accounting for uncertainty on income taxes prescribe a minimum recognition threshold for a tax position taken or expected to be taken in a tax return that is required to be met before being recognized in the financial statements. Those rules also provide guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company recognizes interest and penalties accrued on unrecognized tax benefits as well as interest received from favorable settlements within income tax expense.

Earnings per Common Share — The Company has three series of convertible preferred stock, which are deemed to be participating securities that are entitled to participate in any dividend on Class A common stock as if the preferred stock had been converted into common stock immediately prior to the record date for such dividend. Basic earnings per share for common stock is calculated using the "two-class" method by dividing the earnings attributable to common stockholders by the weighted average of common shares outstanding during the period. Restricted stock is included in the basic earnings per share calculation.

Diluted earnings per share is calculated by dividing earnings attributable to common stockholders by the sum of the weighted average common shares outstanding plus the dilutive effect of convertible preferred stock using the "if-converted" method, which treats the contingently-issuable shares of convertible preferred stock as common stock.

Recently Issued Accounting Standards — In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09") related to income tax disclosures. The amendments in this update are intended to enhance the transparency and decision usefulness of income tax disclosures primarily through changes to the rate reconciliation and income taxes paid information. This update is effective for annual periods beginning after December 15, 2024, though early adoption is permitted. The Company plans to adopt this pronouncement for its fiscal year beginning April 1, 2025, and is in the process of analyzing the impact on its consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (“ASU 2023-07”) to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This update is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective application to all prior periods presented in the financial statements. Early adoption is permitted. The Company plans to adopt this pronouncement for its fiscal year beginning April 1, 2024, and is in the process of analyzing the impact on its consolidated financial statements.

All other newly issued accounting pronouncements not yet effective have been deemed either not applicable or were related to technical amendments or codification. In addition, the Company did not adopt any other new accounting pronouncements during fiscal year 2024.

Subsequent Events — The Company has evaluated subsequent events for disclosure through the date of issuance of the accompanying consolidated financial statements.

2. Revenue Recognition

The Company applies the provisions of Accounting Standards Codification (“ASC”) 606-10, "Revenue from Contracts with Customers", and recognizes revenue under the core principle to depict the transfer of products to customers in an amount reflecting the consideration the Company expects to receive. The Company conducts its business almost entirely in food packaging, which contributed approximately 98% of the Company's fiscal year 2024 net sales.

Nature of products — The Company’s product offerings include the following:

- Canned and frozen vegetables which are sold under private label, and national and regional brands that the Company owns or licenses, as well as under contract packing agreements;
- Fruit products comprised of jarred and packaged products;
- Snack products comprised of packaged fruit chips;
- Other non-food operations which are ancillary to the Company’s main product offerings, such as the sale of cans and ends, seed, and outside revenue from the Company’s aircraft operations.

Disaggregation of revenue — In the following table, segment revenue is disaggregated by product category groups (in thousands):

	Fiscal Year: 2024	Fiscal Year: 2023	Fiscal Year: 2022
Canned vegetables	$ 1,204,823	$ 1,253,257	$ 1,135,983
Frozen vegetables	120,795	121,211	123,895
Fruit products	87,435	91,495	84,708
Snack products	13,400	12,661	12,332
Other	32,150	30,728	28,362
Total	$ 1,458,603	$ 1,509,352	$ 1,385,280

When Performance Obligations Are Satisfied — A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account for revenue recognition. A contract’s transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company’s primary performance obligation is the production of food products and secondarily case and labeling services and storage services for certain bill and hold sales.

Revenue recognition is completed primarily at a point in time basis when product control is transferred to the customer. In general, control transfers to the customer when the product is shipped or delivered to the customer based upon applicable shipping terms, as the customer can direct the use and obtain substantially all of the remaining benefits from the asset at this point in time.

Customer contracts generally do not include more than one performance obligation. When a contract does contain more than one performance obligation, we allocate the contract's transaction price to each performance obligation based on its relative standalone selling price. The standalone selling price for each distinct good is generally determined by directly observable data. The performance obligations in our contracts are generally satisfied within one year.

Significant Payment Terms — Our customer contracts identify the product, quantity, price, payment and final delivery terms. Payment terms usually include early pay discounts. We grant payment terms consistent with industry standards. Although some payment terms may be more extended, no terms beyond one year are granted at contract inception. As a result, we apply the available practical expedient and do not adjust the promised amount of consideration for the effects of a significant financing component because the period between our transfer of a promised good or service to a customer and the customer's payment for that good or service will be generally 30 days or less.

Shipping — All shipping and handling costs associated with outbound freight are accounted for as fulfillment costs and are included in the cost of products sold; this includes shipping and handling costs after control over a product has transferred to a customer.

Variable Consideration — In addition to fixed contract consideration, certain contracts include some form of variable consideration. Trade promotions are an important component of the sales and marketing of the Company's branded products and are critical to the support of the business. Trade promotion costs, which are recorded as a reduction of gross sales, include amounts paid to retailers for shelf space, to obtain favorable display positions and to offer temporary price reductions for the sale of our products to consumers. Settlement of these liabilities typically occurs in subsequent periods primarily through an authorized process for deductions taken by a retailer from amounts otherwise due to the Company. As a result, the ultimate cost of a trade promotion program is dependent on the relative success of the events and the actions and level of deductions taken by retailers. Final determination of the permissible deductions may take extended periods of time. Accruals for trade promotions are recorded primarily at the time of sale to the retailer based on expected levels of performance. The Company estimates variable consideration using the expected value method to determine the total consideration which the Company expects to be entitled. The Company updates its estimate of variable consideration each reporting period based on available information and the effect is recognized as an adjustment to sales. Accrued trade promotions were $10.0 million and $5.3 million as of March 31, 2024 and 2023, respectively, and are included in other accrued expenses on the Consolidated Balance Sheets.

Contract Balances — The contract asset balances are $0.4 million and $0.6 million as of March 31, 2024 and 2023, respectively, and are recorded as part of other current assets on the Consolidated Balance Sheets. The Company has contract liabilities in the form of deferred revenue representing payments received from certain of its co-pack customers in advance of completion of the Company's respective performance obligations. The majority of the balance is comprised of prepaid case and labeling and storage services which have been collected from bill and hold sales, as well as amounts invoiced in accordance with the terms of a co-pack agreement.

The deferred revenue activity during fiscal years 2024 and 2023 is shown in the following table (in thousands):

	Fiscal Year:	
	2024	2023
Beginning balance	$ 9,956	$ 7,655
Deferral of revenue	19,200	19,857
Recognition of unearned revenue	(17,049)	(17,556)
Settlement of liability (1)	(3,922)	-
Ending balance	$ 8,185	$ 9,956

(1) Represents settlement of a portion of the deferred revenue liability in connection with the asset acquisition discussed in Note 17.

Contract Costs — We have identified certain incremental costs to obtain a contract, primarily sales commissions, that would require capitalization under the standard. The Company applies the available practical expedient to continue expensing these costs as incurred because the amortization period for the costs would have been one year or less. The Company does not incur significant fulfillment costs requiring capitalization.

3. Earnings per Share

Earnings per share for fiscal years 2024, 2023 and 2022 are as follows (in thousands, except per share amounts):

	Fiscal Year: 2024	2023	2022
Basic			
Net earnings	$ 63,318	$ 9,231	$ 46,200
Deduct preferred stock dividends paid	23	23	23
Undistributed net earnings	63,295	9,208	46,177
Earnings attributable to participating preferred shareholders	72	30	178
Earnings attributable to common shareholders	$ 63,223	$ 9,178	$ 45,999
Weighted average common shares outstanding	7,318	7,796	8,707
Basic earnings per common share	$ 8.64	$ 1.19	$ 5.28
Diluted			
Earnings attributable to common shareholders	$ 63,223	$ 9,178	$ 45,999
Add dividends on convertible preferred stock	20	20	20
Earnings attributable to common stock on a diluted basis	$ 63,243	$ 9,198	$ 46,019
Weighted average common shares outstanding-basic	7,318	7,796	8,707
Additional shares to be issued under full conversion of preferred stock	67	67	67
Total shares for diluted	7,385	7,863	8,774
Diluted earnings per common share	$ 8.56	$ 1.16	$ 5.24

4. Inventories

The Company uses the LIFO method of valuing inventory as it believes this method allows for better matching of current production cost to current revenue. As of March 31, 2024 and 2023, first-in, first-out ("FIFO") based inventory costs exceeded LIFO based inventory costs, resulting in a LIFO reserve of $324.8 million and $302.4 million, respectively. In order to state inventories at LIFO, the Company recorded an increase to cost of products sold of $22.3 million and $131.6 million for fiscal years 2024 and 2023, respectively. The inventories by category and the impact of using the LIFO method are shown in the following table (in thousands):

	As of: March 31, 2024	March 31, 2023
Finished products	$ 795,993	$ 613,622
In process	125,027	75,123
Raw materials and supplies	276,454	284,593
	1,197,474	973,338
Less excess of FIFO cost over LIFO cost	324,782	302,440
Total inventories	$ 872,692	$ 670,898

5. Property, Plant and Equipment

Property, plant and equipment is comprised of the following (in thousands):

	As of: March 31, 2024	As of: March 31, 2023
Land and land improvements	$ 49,627	$ 46,978
Buildings and improvements	236,141	214,110
Machinery and equipment	457,433	421,067
Office equipment, furniture, vehicles and computer software	14,971	11,738
Construction in progress	14,450	40,539
Property, plant and equipment, cost	772,622	734,432
Less: accumulated depreciation	(467,606)	(433,220)
Property, plant and equipment, net	$ 305,016	$ 301,212

Depreciation expense totaled $36.8 million, $33.9 million, and $30.2 million for fiscal years 2024, 2023, and 2022, respectively.

6. Assets Held For Sale

As of March 31, 2024, the Company had approximately 20 acres of land in the Midwest with a carrying value of $0.1 million that met the criteria to be classified as held for sale on the Consolidated Balance Sheet. The sale of the land is expected to close within twelve months.

As of March 31, 2023, the Company had two non-operating facilities in the Pacific Northwest with a carrying value of $3.1 million and related idle production equipment with a carrying value of $1.2 million that have met the criteria to be classified as held for sale on the Consolidated Balance Sheet. The Company recorded charges of $2.3 million and $0.1 million in fiscal years 2023 and 2022, respectively, in order to properly reflect the carrying value of the assets held for sale as equal to the lower of carrying value or fair value less costs to sell.

As of March 31, 2023, the Company had executed sales agreements to sell one of the facilities and the related equipment therein to two unaffiliated buyers. A deposit of $0.6 million was received from the buyer of the production equipment and recorded as a contract liability as of March 31, 2023, as the Company maintained control of the equipment until the sale was finalized. The contract liability is included in other accrued expenses on the Consolidated Balance Sheet. The sale closed during fiscal year 2024 and control of the equipment was transferred to the buyer.

The following table presents information related to the major classes of assets and liabilities that were held for sale on our Consolidated Balance Sheets (in thousands):

	As of: March 31, 2024	As of: March 31, 2023
Property, plant and equipment (net)	$ 64	$ 4,358
Current assets held for sale	$ 64	$ 4,358

7. Debt

Note payable — During fiscal year 2024, the Company entered into an unsecured note payable with an individual lender which provides for an interim financing arrangement with an expiration date of June 30, 2024. The balance of the note payable as of March 31, 2024 was $8.9 million and is associated with certain deposits paid to vendors for a new can manufacturing line located at one of the Company's plant facilities. The note payable bears interest at a variable interest rate based upon SOFR plus 1.80%. Interest is payable monthly and the interest rate as of March 31, 2024 was 7.13%.

Long-term debt is comprised of the following (in thousands):

	As of:	
	March 31, 2024	March 31, 2023
Revolving credit facility	$ 237,225	$ 180,598
Term loans		
Term Loan A-1		
Outstanding principal	85,000	89,000
Unamortized debt issuance costs	(37)	(68)
Term Loan A-1, net	84,963	88,932
Term Loan A-2		
Outstanding principal	283,500	173,500
Unamortized debt issuance costs	(902)	(551)
Term Loan A-2, net	282,598	172,949
Other	-	216
Total long-term debt	604,786	442,695
Less current portion	19,000	10,000
Long-term debt, less current portion	$ 585,786	$ 432,695

Revolving credit facility — On March 24, 2021, the Company entered into a Fourth Amended and Restated Loan and Security Agreement that provides for a senior revolving credit facility of up to $400.0 million that is seasonally adjusted (the "Revolver").

On September 14, 2022, the Company entered into a First Amendment to the Fourth Amended and Restated Loan and Security Agreement (the "Revolver Amendment") which amended several provisions to replace the London Interbank Offered Rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR") plus a spread adjustment as the interest rate benchmark on the Revolver. The transition to SOFR did not materially impact the interest rates applied to the Company's borrowings. No other material changes were made to the terms of the Company's Revolver as a result of the Revolver Amendment.

On May 5, 2023, the Company entered into a Second Amendment to the Fourth Amended and Restated Loan and Security Agreement (the "2023 Revolver Amendment") which updated certain provisions relating to permitted indebtedness. No other material changes were made as a result of the 2023 Revolver Amendment.

On March 8, 2024, the Company entered into a Third Amendment to the Fourth Amended and Restated Loan and Security Agreement (the "2024 Revolver Amendment") which increased the seasonal borrowing amount for the period from April through July by $50.0 million. No other material changes were made as a result of the 2024 Revolver Amendment.

Maximum borrowing availability under the Revolver totals $350.0 million from April through July and $400.0 million from August through March. In order to maintain availability of funds under the facility, the Company pays a commitment fee on the unused portion of the Revolver. The Revolver balance is included in Long-Term Debt in the accompanying Consolidated Balance Sheets due to the Revolver's March 24, 2026 maturity.

The Revolver is secured by substantially all of the Company's accounts receivable and inventories and contains borrowing base requirements as well as a financial covenant, if certain circumstances apply. The Company utilizes its Revolver for general corporate purposes, including seasonal working capital needs, to pay debt principal and interest obligations, and to fund capital expenditures and acquisitions. Seasonal working capital needs are affected by the growing cycles of the fruits and vegetables the Company packages. The majority of vegetable inventories are produced during the months of June through November and are then sold over the following year. Payment terms for vegetable produce are generally three months but may vary and range from approximately one to seven months. Accordingly, the Company's need to draw on the Revolver may fluctuate significantly throughout the year.

The following table documents the quantitative data for short-term borrowings on the Revolver during fiscal years 2024 and 2023 (in thousands, except for percentages):

	As of:	
	March 31, 2024	March 31, 2023
Outstanding borrowings	$ 237,225	$ 180,598
Interest rate	6.93%	6.34%

	Fiscal Year:	
	2024	2023
Maximum amount of borrowings drawn during the period	$ 290,968	$ 350,828
Average outstanding borrowings	$ 162,780	$ 159,670
Weighted average interest rate	6.78%	5.03%

Term loans — On May 28, 2020, the Company entered into an Amended and Restated Loan and Guaranty Agreement with Farm Credit East, ACA that provides for a $100.0 million unsecured term loan (the "Term Loan"). The amended and restated agreement has a maturity date of June 1, 2025 and converted the Term Loan to a fixed interest rate of 3.3012% until maturity rather than a variable interest rate in addition to requiring quarterly principal payments of $1.0 million, which commenced during fiscal year 2021. This agreement contains certain covenants, including maintaining a minimum EBITDA and minimum tangible net worth.

On January 20, 2023, the Company entered into a Second Amended and Restated Loan and Guaranty Agreement with Farm Credit East, ACA (the "Agreement") which governs two term loans, as summarized below:

Term Loan A-1: The Agreement continues certain aspects of the $100.0 million term loan described above, namely Term Loan A-1 will continue to bear interest at a fixed interest rate of 3.3012%, mature on June 1, 2025, and remain unsecured. The Company's historical practice is to hold term debt until maturity. The Company expects to maintain or have access to sufficient liquidity to retire or refinance long-term debt at maturity or otherwise, from operating cash flows, access to the capital markets, and its Revolver. The Company continuously evaluates opportunities to refinance its debt; however, any refinancing is subject to market conditions and other factors, including financing options that may be available to the Company from time to time, and there can be no assurance that the Company will be able to successfully refinance any debt on commercially acceptable terms at all.

Term Loan A-2: The Agreement adds an additional term loan in the amount of $175.0 million that will mature on January 20, 2028, and is secured by a portion of the Company's property, plant and equipment. Term Loan A-2 bears interest at a variable interest rate based upon SOFR plus an additional margin determined by the Company's leverage ratio. Quarterly payments of principal outstanding on Term Loan A-2 in the amount of $1.5 million commenced on March 1, 2023.

On May 23, 2023, the Agreement was amended by the Second Amended and Restated Loan and Guaranty Agreement Amendment which amends, restates and replaces in its entirety Term Loan A-2 (the "Amendment"). The Amendment provides a single advance term facility in the principal amount of $125.0 million to be combined with the outstanding principal balance of $173.5 million on Term Loan A-2 into one single $298.5 million term loan ("Amended Term Loan A-2"). Amended Loan Term A-2 is secured by a portion of the Company's property, plant and equipment and bears interest at a variable interest rate based upon SOFR plus an additional margin determined by the Company's leverage ratio. Quarterly payments of principal outstanding on Amended Term Loan A-2 in the amount of $3.75 million commenced on June 1, 2023. The Amendment continues all aspects of Term Loan A-1 as defined in the Agreement. As of March 31, 2024, the interest rate on Amended Term Loan A-2 was 7.34%.

The Amendment for Term Loan A-1 and Term Loan A-2 (collectively, the "Term Loans") contains restrictive covenants usual and customary for loans of its type, in addition to financial covenants including minimum EBITDA and minimum tangible net worth which apply to both Terms Loans described above. In connection with the Amended Term Loan A-2, the Company incurred $1.1 million of financing costs which will be deferred and amortized over the life of the term loan.

The Term Loans permit the Company to participate in a patronage program. The program allows the Company to receive an annual patronage distribution from Farm Credit East, ACA, which is earned during a given calendar year period based on its eligible borrowings. The distribution is not guaranteed and if declared by Farm Credit East, ACA, the amount will be received by the Company during the fourth quarter of each fiscal year. The Company received $3.7 million, $0.9 million, and $1.1 million of patronage distributions in fiscal years 2024, 2023 and 2022, respectively. For fiscal year 2024, the patronage distribution is included within other non-operating income in the Consolidated Statements of Net Earnings.

Debt repayment requirements for the next five fiscal years are (in thousands):

2025	$	19,000
2026		333,225
2027		15,000
2028		238,500
2029		-
Thereafter		-
Total	$	605,725

Covenants and other debt matters — The Company's debt agreements, including the Revolver and Term Loans, contain customary affirmative and negative covenants that restrict, with specified exceptions, the Company's ability to incur additional indebtedness, incur liens, pay dividends on the Company's capital stock, make other restricted payments, including investments, transfer all or substantially all of the Company's assets, enter into consolidations or mergers, and enter into transactions with affiliates. The Company's debt agreements also require the Company to meet certain financial covenants including a minimum EBITDA and minimum tangible net worth. The Revolver contains borrowing base requirements related to accounts receivable and inventories and also requires the Company to meet a financial covenant related to a minimum fixed charge coverage ratio if (a) an event of default has occurred or (b) availability on the Revolver is less than the greater of (i) 10% of the commitments then in effect and (ii) $25.0 million. The most restrictive financial covenant in the debt agreements is the minimum EBITDA within the Term Loan which for fiscal year 2024 was greater than $75.0 million. The Company computes its financial covenants as if the Company were on the FIFO method of inventory accounting. The Company has met all such financial covenants as of March 31, 2024.

The Company's debt agreements limit the payment of dividends and other distributions, subject to availability under the Revolver. There is an annual total distribution limitation of $50,000, less aggregate annual dividend payments totaling $23,181 that the Company presently pays on two outstanding classes of preferred stock. The carrying value of assets pledged for secured debt, including the Revolver, Term Loan A-2, and lease obligations, is $1,074.1 million as of March 31, 2024.

Standby letters of credit – The Company has standby letters of credit for certain insurance-related requirements. The majority of the Company's standby letters of credit are automatically renewed annually, unless the issuer gives cancellation notice in advance. On March 31, 2024, the Company had $6.5 million in outstanding standby letters of credit. These standby letters of credit are supported by the Company's Revolver and reduce borrowings available under the Revolver.

8. Leases

The Company determines whether an arrangement is a lease at inception of the agreement. Presently, the Company leases land, machinery and equipment under various operating and financing leases.

Right-of-Use ("ROU") assets represent the Company's right to use the underlying assets for the lease term and lease obligations represent the net present value of the Company's obligation to make payments arising from these leases. ROU assets and lease obligations are recognized at commencement date based on the present value of lease payments over the lease term using the implicit lease interest rate or, when unknown, an incremental borrowing rate based on the information available at commencement date or April 1, 2019 for leases that commenced prior to that date. ROU assets and lease obligations for the Company's operating and financing leases are disclosed separately in the Company's Consolidated Balance Sheets.

Lease terms may include options to extend or terminate the lease, and the impact of these options are included in the calculation of the ROU asset and lease obligation only when the exercise of the option is at the Company's sole discretion and it is reasonably certain that the Company will exercise that option. The Company will not separate lease and non-lease components for its leases when it is impractical to separate the two. In addition, the Company has certain leases that have variable payments based solely on output or usage of the leased asset. These variable operating leases are excluded from the Company's Consolidated Balance Sheet presentation and expensed as incurred. Leases with an initial term of 12 months or less, or short-term leases, are not recorded on the accompanying Consolidated Balance Sheets and are expensed as incurred.

The components of lease cost were as follows (in thousands):

	Fiscal Year:		
	2024	2023	2022
Lease cost:			
Amortization of right of use assets	$ 6,134	$ 6,715	$ 5,970
Interest on lease liabilities	767	959	1,048
Finance lease cost	6,901	7,674	7,018
Operating lease cost	8,222	13,506	19,250
Short-term lease cost	5,335	5,589	5,879
Total lease cost	$ 20,458	$ 26,769	$ 32,147

	Fiscal Year:		
	2024	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from finance leases	$ 767	$ 959	$ 1,048
Operating cash flows from operating leases	8,849	13,736	19,010
Financing cash flows from finance leases	7,956	8,814	7,868
	$ 17,572	$ 23,509	$ 27,926
Right-of-use assets obtained in exchange for new finance lease liabilities	$ 337	$ 5,825	$ 9,754
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 5,409	$ 4,362	$ 10,550
Weighted-average lease term (years):			
Financing leases	4.4	4.7	4.6
Operating leases	4.3	4.6	4.3
Weighted-average discount rate:			
Financing leases	4.0%	3.8%	3.4%
Operating leases	4.7%	4.4%	4.2%

Undiscounted future lease payments under non-cancelable operating and financing leases, along with a reconciliation of undiscounted cash flows to operating and financing lease obligations, respectively, as of March 31, 2024 were as follows (in thousands):

Years ending March 31:	Operating	Financing
2025	$ 6,995	$ 5,371
2026	4,822	4,280
2027	3,692	3,218
2028	3,430	2,811
2029	973	1,659
2030-2034	2,003	1,306
Total minimum payment required	$ 21,915	$ 18,645
Less interest	1,891	1,562
Present value of minimum lease payments	20,024	17,083
Amount due within one year	6,266	4,824
Long-term lease obligations	$ 13,758	$ 12,259

9. Income Taxes

The Company files a consolidated federal and various state income tax returns. The provision for income taxes is as follows (in thousands):

	Fiscal Year:		
	2024	2023	2022
Current:			
Federal	$ 20,850	$ 5,819	$ 3,454
State	4,364	2,277	3,107
Total	25,214	8,096	6,561
Deferred:			
Federal	$ (5,010)	$ (3,886)	$ 7,084
State	(523)	352	50
Total	(5,533)	(3,534)	7,134
Total income taxes	$ 19,681	$ 4,562	$ 13,695

A reconciliation of the expected U.S. statutory rate to the effective rate is as follows:

	Fiscal Year:		
	2024	2023	2022
Computed (expected tax rate)	21.0%	21.0%	21.0%
State income taxes (net of federal tax benefit)	3.6%	4.1%	3.7%
Federal credits	-0.6%	-3.9%	-0.9%
State rate changes	-0.2%	2.8%	0.3%
State credit expiration	0.0%	2.1%	0.9%
Change in valuation allowance	0.0%	7.8%	-1.2%
Other	-0.1%	-0.8%	-0.9%
Effective income tax rate	23.7%	33.1%	22.9%

The Company's effective tax rate was 23.7%, 33.1%, and 22.9% in fiscal years 2024, 2023, and 2022, respectively. In fiscal year 2023, the Company added a valuation allowance against state tax credits as a result of a change in ordering of credit usage for Wisconsin because it was determined that it was more likely than not that the tax credits would not be used prior to expiration. This change to the existing valuation allowance increased the fiscal year 2023 effective tax rate by 7.8%. There was not a similar change in valuation allowance in fiscal year 2024, which provided the effect of reducing the effective tax rate year-over-year. The fiscal year 2024 effective tax rate was further decreased by 3.0% versus fiscal year 2023 due to the impact on the deferred tax balances of the state rate changes which were mostly caused by changes in the Company's business activities that impact state apportionment. Offsetting those decreases was a 3.3% increase for various federal credits when comparing fiscal year 2024 to fiscal year 2023.

In fiscal year 2023, the Company added a valuation allowance against state tax credits as a result of a change in ordering of credit usage for Wisconsin because it was determined that it was more likely than not that the credits will not be used prior to expiration. This change to the existing valuation allowance, along with other current year increases in the existing valuation allowances, resulted in a 9.0% increase on the fiscal year 2023 effective tax rate as compared to fiscal year 2022. The fiscal year 2023 effective tax rate was further increased by 2.5% versus fiscal year 2022 due to state rate changes which were mostly caused by changes in the Company's business activities that impact state apportionment.

The following is a summary of the significant components of the Company's deferred income tax assets and liabilities (in thousands):

	As of: March 31, 2024	As of: March 31, 2023
Deferred income tax assets:		
Future tax credits	$ 4,884	$ 5,007
Inventory valuation	9,951	8,364
Employee benefits	2,739	2,335
Insurance	922	471
State depreciation basis differences	3,344	3,218
Operating leases	190	942
Intangibles	2,760	1,514
Pension and post-retirement benefits	8,734	7,117
Interest	18	8
Deferred revenue	260	296
Net operating loss and other tax attribute carryovers	558	1,233
Other	427	327
Total assets	34,787	30,832
Valuation allowance - noncurrent	(4,884)	(5,007)
Total deferred income tax assets, net	29,903	25,825
Deferred income tax liabilities:		
Property basis and depreciation difference	25,260	26,450
Inventory reserve	3,091	2,101
Right-of-use assets	3,971	7,045
Pension	21,682	21,528
Other	219	182
Total liabilities	54,223	57,306
Deferred income tax liability, net	$ (24,320)	$ (31,481)

Net deferred income tax liabilities of $24.3 million and $31.5 million as of March 31, 2024 and 2023, respectively, are recognized as noncurrent liabilities in the Consolidated Balance Sheets.

The Company has State tax credit carryforwards amounting to $1.5 million (California, net of Federal impact), $1.3 million (New York, net of Federal impact), and $2.1 million (Wisconsin, net of Federal impact), which are available to reduce future taxes payable in each respective state through 2028 (California), through 2035 (New York), and through 2038 (Wisconsin). The Company has performed the required assessment regarding the realization of deferred tax assets and as of March 31, 2024, the Company has recorded a valuation allowance amounting to $4.9 million, which relates primarily to tax credit carryforwards which management has concluded it is more likely than not that they will not be realized in the ordinary course of operations. Although realization is not assured, management has concluded that it is more likely than not that the deferred tax assets for which a valuation allowance was determined to be unnecessary will be realized in the ordinary course of operations. The amount of net deferred tax assets considered realizable, however, could be reduced if actual future income or income tax rates are lower than estimated or if there are differences in the timing or amount of future reversals of existing taxable or deductible temporary differences.

Current rules on the accounting for uncertainty on income taxes prescribe a minimum recognition threshold for a tax position taken or expected to be taken in a tax return that is required to be met before being recognized in the financial statements. Those rules also provide guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company classifies the liability for uncertain tax positions in other long-term liabilities on the Consolidated Balance Sheets which is reflective of their expected settlement date. The change in the liability for fiscal years 2024 and 2023 consists of the following (in thousands):

	As of:	
	March 31, 2024	March 31, 2023
Beginning balance	$ 742	$ 655
Tax positions related to current year:		
Additions	120	96
Tax positions related to prior years:		
Reductions	(19)	-
Lapses in statues of limitations	(13)	(9)
Ending balance	$ 830	$ 742

The liability balances as of March 31, 2024 and 2023 do not include tax positions that are highly certain but for which there is uncertainty about the timing. Because of the impact of deferred tax accounting, other than interest and penalties, the disallowance of these positions would not impact the annual effective tax rate but would accelerate the payment of cash to the tax authority to an earlier period.

The Company recognizes interest and penalties accrued on unrecognized tax benefits as well as interest received from favorable settlements within income tax expense. During fiscal years 2024 and 2023, the accrued interest and penalties balance and change during the respective fiscal years was not significant associated with unrecognized tax benefits.

Although management believes that an adequate position has been made for uncertain tax positions, there is the possibility that the ultimate resolution could have an adverse effect on the net earnings of the Company. Conversely, if resolved favorably in the future, the related provisions would be reduced, thus having a positive impact on net earnings. During fiscal year 2024, the statute of limitations lapsed on one uncertain tax position, which results in the position no longer being uncertain. As a result of this lapse and in accordance with its accounting policies, the Company recorded an insignificant decrease to the liability and tax expense. During the next twelve months there could be a decrease in the uncertain tax positions of approximately $0.5 million due to a lapse in the statute of limitations.

The federal income tax returns for fiscal years after 2021 are subject to examination. The Company is current on its federal and state tax returns.

10. Retirement Plans

The Company has a noncontributory defined benefit pension plan (the "Plan") covering most employees who meet certain age-entry requirements and work a stated minimum number of hours per year. The Plan was amended to freeze accruals to new hires and rehires effective January 1, 2020. The Plan was adequately funded as of March 31, 2024 and 2023, respectively, and no contributions were required to meet legal funding requirements.

The following tables provide a reconciliation of the changes in the Plan's benefit obligation and fair value of plan assets over the two-year period ended March 31, 2024 and a statement of the funded status as of March 31, 2024 and 2023 (in thousands):

	Fiscal Year:	
	2024	2023
Change in benefit obligation		
Benefit obligation at beginning of year	$ 235,038	$ 275,001
Service cost (excluding expenses)	5,505	7,429
Interest cost	11,388	9,254
Actuarial gain	(4,674)	(47,403)
Benefit payments	(10,750)	(9,243)
Benefit obligation at end of year	$ 236,507	$ 235,038
Change in plan assets		
Fair value of plan assets at beginning of year	$ 294,342	$ 327,867
Actual return on plan assets	6,428	(23,169)
Benefit payments and expenses	(11,821)	(10,356)
Fair value of plan assets at end of year	$ 288,949	$ 294,342
Funded status	$ 52,442	$ 59,304

The Plan's funded status decreased by $6.9 million during fiscal year 2024 reflecting the actual fair value of plan assets and the projected benefit obligation as of March 31, 2024. This funded status decrease was primarily driven by a $5.4 million reduction in the fair value of plan assets, as described in more detail below, and $1.5 million increase to the projected benefit obligation. The Plan's accumulated benefit obligation was $219.3 million as of March 31, 2024 and $217.4 million as of March 31, 2023.

During fiscal year 2024, the actuarial gain in the pension plan's projected benefit obligation was driven by an increase in discount rates, partially offset by the annual update in plan census data resulting in losses and the reflection of an assumed salary increase rate for fiscal year 2025 in excess of the long-term rate. During fiscal year 2023, the actuarial gain in the pension plan's projected benefit obligation was driven by an increase in discount rates and the annual update in plan census data resulting in gains, partially offset by an assumed salary increase rate for fiscal year 2024 in excess of the long-term rate. Plan assets decreased from $294.3 million as of March 31, 2023 to $288.9 million as of March 31, 2024 primarily due to normal payments of benefits which outpaced the return on plan assets.

The following table provides the components of the Plan's accumulated other comprehensive loss, pre-tax (in thousands):

	Fiscal Year:		
	2024	2023	2022
Amounts Recognized in Accumulated Other Comprehensive Pre-Tax Loss			
Prior service cost	$ (9)	$ (75)	$ (167)
Net loss	(34,883)	(28,310)	(36,136)
Accumulated other comprehensive pre-tax loss	$ (34,892)	$ (28,385)	$ (36,303)

The following table provides the components of net periodic benefit cost for the Plan for fiscal years 2024, 2023, and 2022 (in thousands):

	Fiscal Year:		
	2024	2023	2022
Service cost including administrative expenses	$ 6,405	$ 8,240	$ 9,508
Interest cost	11,388	9,254	7,721
Expected return on plan assets	(17,725)	(16,104)	(17,114)
Amortization of net loss	220	-	-
Amortization of prior service cost	66	91	91
Net periodic benefit cost	$ 354	$ 1,481	$ 206

The Company utilizes a full yield curve approach in the estimation of net periodic benefit cost components by applying the specific spot rates along the yield curve used in determination of the benefit obligation to their underlying projected cash flows.

Prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

The following table provides the components of other changes in plan assets and benefit obligation for fiscal years 2024, 2023, and 2022 (in thousands):

	Fiscal Year:		
	2024	2023	2022
Other Changes in Plan Assets and Benefit Obligation Recognized in Other Comprehensive Income			
Net actuarial loss (gain)	$ 6,792	$ (7,827)	$ 9,871
Amortization of:			
Prior service (cost) credit	(65)	(91)	(91)
Actuarial (loss) gain	(220)	-	-
Total recognized in other comprehensive income	$ 6,507	$ (7,918)	$ 9,780

The assumptions used to measure the Company's benefit obligation and pension expense are shown in the following table:

	Fiscal Year:		
	2024	2023	2022
Weighted Average Assumptions for Balance Sheet Liability at End of Year:			
Discount rate - projected benefit obligation	5.31%	5.04%	3.81%
Rate of compensation increase	3.00%	3.00%	3.00%
Mortality table	Pri-2012 Blue Collar Generational Table Improvement Scale MP-2021	Pri-2012 Blue Collar Generational Table Improvement Scale MP-2021	Pri-2012 Blue Collar Generational Table Improvement Scale MP-2021
Weighted Average Assumptions for Benefit Cost at Beginning of Year:			
Discount rate - benefit obligations	5.04%	3.81%	3.43%
Discount rate - interest cost	4.90%	3.52%	2.68%
Discount rate - service cost	5.16%	3.93%	3.75%
Expected return on plan assets	6.15%	5.00%	5.00%
Rate of compensation increase	3.00%	3.00%	3.00%

Plan Assets

Investment Policy and Strategy - The Company maintains an investment policy that utilizes a liability-driven investments approach to reduce the ongoing volatility of the Plan's funded status. During fiscal year 2023, the Company updated its current target allocation to be 20% allocated to a diversified mix of return-seeking investments including equities and alternative investments and 80% allocated to liability-hedging fixed income investments. No changes were made to the target allocation during fiscal year 2024.

The Company's plan assets consist of the following:

	Target Allocation for: Fiscal Year 2025	Percentage of Plan Assets as of: March 31, 2024	March 31, 2023
Equity securities	16%	15%	13%
Debt securities	80%	80%	75%
Real estate	2%	2%	8%
Cash	1%	1%	1%
Other	1%	2%	3%
Total	100%	100%	100%

The following tables set forth the Company’s plan assets at fair value, by level within the fair value hierarchy (as defined in Note 1), as of March 31, 2024 and 2023, (in thousands):

	As of March 31, 2024				
	Level 1	Level 2 and Level 3	Subtotal	Measured at NAV (1)	Total
Equity securities	$ 26,371	$ -	$ 26,371	$ -	$ 26,371
Held in common/collective trusts:					
Equity securities	-	-	-	17,730	17,730
Real estate	-	-	-	4,509	4,509
Debt securities	-	-	-	231,904	231,904
Cash/short-term investments (2)	-	-	-	3,388	3,388
Other investments	-	-	-	5,047	5,047
Fair value of plan assets	$ 26,371	$ -	$ 26,371	$ 262,578	$ 288,949

	As of March 31, 2023				
	Level 1	Level 2 and Level 3	Subtotal	Measured at NAV (1)	Total
Equity securities	$ 25,045	$ -	$ 25,045	$ -	$ 25,045
Held in common/collective trusts:					
Equity securities	-	-	-	12,639	12,639
Real estate	-	-	-	24,766	24,766
Debt securities	-	-	-	219,767	219,767
Cash/short-term investments (2)	-	-	-	2,799	2,799
Other investments	-	-	-	9,326	9,326
Fair value of plan assets	$ 25,045	$ -	$ 25,045	$ 269,297	$ 294,342

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy but are included to reconcile to the amounts presented in our benefit obligations and funded status table.

(2) The cash/short term investments consist of a money market fund that holds individual, high quality, short duration fixed income investments, however the fund does not trade on public markets. The Company elected to consistently apply the practical expedient to all investments within common/collective trusts, and therefore, the fair value of this fund is measured at net asset value per share.

Expected Return on Plan Assets

For fiscal year 2024, the expected long-term rate of return on Plan assets was 6.15%. For fiscal year 2025, the Company will increase the expected long-term rate of return on Plan assets to 6.55%. The Company expected 6.15% and 6.55% to fall within the 35 to 65 percentile range of returns on investment portfolios with asset diversification similar to that of the Plan's target asset allocation for fiscal years 2024 and 2025, respectively.

Cash Flows

Expected contributions for fiscal year ending March 31, 2025 (in thousands):

Expected Employer Contributions	$	-
Expected Employee Contributions	$	-

Estimated future benefit payments reflecting expected future service for the fiscal years ending March 31 (in thousands):

2025	$	11,422
2026		12,231
2027		13,041
2028		13,807
2029		14,465
2030 - 2034		79,850

401(k) Plan

The Company also has an employees' savings 401(k) plan covering all employees who meet certain age-entry requirements and work a stated minimum number of hours per year. Participants may make contributions up to the legal limit. The Company's matching contributions are discretionary. The Company made matching contributions of $2.5 million, $1.5 million, and $1.1 million in fiscal years 2024, 2023, and 2022, respectively. In each of the aforementioned fiscal years, the matching contribution was entirely treasury stock. This stock portion of the matching contribution is valued at current market value while the treasury stock is valued at cost.

Unfunded Deferred Compensation Plan

The Company sponsors an unfunded nonqualified deferred compensation plan to permit certain eligible employees to defer receipt of a portion of their compensation to a future date. This plan was designed to compensate the plan participants that are ineligible to receive company contributions under the 401(k) plan. As of March 31, 2024 and 2023, the Company has accrued $2.5 million and $1.7 million, respectively, in connection with the unfunded deferred compensation plan.

11. Stockholders' Equity

Preferred Stock — The Company has authorized three classes of preferred stock: Class A Preferred Stock, 6% Voting Cumulative Preferred Stock, and Preferred Stock Without Par Value.

Class A Preferred Stock — There are 8,200,000 shares of Class A Preferred Stock which have been authorized with a par value of $0.025. The Class A Preferred Stock is designated in series by the Board of Directors, and as of March 31, 2024, there are four designated series.

- *10% Voting Cumulative Convertible Preferred Stock - Series A* — There are 1,000,000 shares of 10% Series A Preferred Stock that have been designated by the Board of Directors, with 407,240 shares outstanding as of March 31, 2024. The shares have a par value of $0.025 and a stated value of $0.25 and are convertible into one share of Class A Common Stock and one share of Class B Common Stock for every 20 shares of Series A Preferred Stock. During fiscal years 2024 and 2023, the Company paid dividends of $10,181, equating to $0.025 per share, on the Series A Preferred Stock.

- *10% Voting Cumulative Convertible Preferred Stock - Series B* — There are 400,000 shares of 10% Series B Preferred Stock that have been designated by the Board of Directors, with 400,000 shares outstanding as of March 31, 2024. The shares have a par value of $0.025 and a stated value of $0.25 and are convertible into one share of Class A Common Stock and one share of Class B Common Stock for every 30 shares of Series B Preferred Stock. During fiscal years 2024 and 2023, the Company paid dividends of $10,000, equating to $0.025 per share, on the Series B Preferred Stock.

- *Participating Convertible Preferred Stock, Series 1998* — The shares of Participating Convertible Preferred Stock, Series 1998 are convertible at the holders' option on a one-for-one basis into shares of Class A Common Stock, subject to antidilution adjustments. This series of preferred stock has the right to receive dividends and distributions at a rate equal to the amount of any dividends and distributions declared or made on the Class A Common Stock. No dividends were declared or paid on this preferred stock in fiscal year 2024 or 2023. In addition, this series of preferred stock has a liquidation preference equal to the stated value of $12.00 per share or, if greater, the total distribution which a holder would have received if all outstanding shares of this series were converted into shares of Class A Common Stock immediately prior to the date for calculating the total liquidation distribution. There were 8,292 shares of Participating Convertible Preferred Stock, Series 1998 designated and outstanding as of March 31, 2024 and no conversions took place during the fiscal year. Shares of this series may not be reissued by the Company once they have been converted or acquired by the Company, rather they became authorized but unissued shares of Class A Preferred and may be issued as part of another series of Class A Preferred Stock.

- *Participating Convertible Preferred Stock, Series 2003* — The Convertible Participating Preferred Stock, Series 2003 was issued as partial consideration of the purchase price in the Chiquita Processed Foods acquisition. The 967,742 shares issued in that 2003 acquisition were valued at $16.60 per share which represented the then market value of the Class A Common Stock into which the preferred shares were immediately convertible. This series has a liquidation preference of $15.50 per share and has no shares designated or outstanding as of March 31, 2024. Shares of this series may not be reissued by the Company once they have been converted or acquired by the Company, rather they became authorized but unissued shares of Class A Preferred and may be issued as part of another series of Class A Preferred Stock.

As of March 31, 2024, the Company has an aggregate of 6,791,708 shares of non-designated Class A Preferred Stock authorized for issuance.

6% Voting Cumulative Preferred Stock — There are 200,000 shares of 6% Preferred Stock that are authorized and outstanding as of March 31, 2024. This class of preferred stock is callable at their par value of $0.25 at any time at the option of the Company. The Company paid dividends of $3,000, equating to $0.015 per share, on the 6% Preferred Stock during each of fiscal years 2024 and 2023.

Preferred Stock Without Par Value — There are 30,000 shares of Preferred Stock Without Par Value which have been authorized. This class of preferred stock is to be issued in series by the Board of Directors, none of which are designated or outstanding as of March 31, 2024.

Common Stock — The Class A Common Stock and the Class B Common Stock have substantially identical rights with respect to any dividends or distributions of cash or property declared on shares of common stock, and rank equally as to the right to receive proceeds on liquidation or dissolution of the Company after payment of the Company's indebtedness and liquidation right to the holders of preferred shares. However, holders of Class B Common Stock retain a full vote per share, whereas the holders of Class A Common Stock have voting rights of 1/20th of one vote per share on all matters as to which shareholders of the Company are entitled to vote. During fiscal year 2024, there were 1,571 shares of Class B Common Stock issued in lieu of cash compensation under the Company's Profit Sharing Bonus Plan and 4,864 shares of Class A Common Stock issued under the Company's Equity Incentive Plan.

Unissued shares of common stock reserved for conversion privileges of designated non-participating preferred stock were 33,695 of both Class A and Class B as of March 31, 2024 and 2023. Additionally, there were 8,292 shares of Class A reserved for conversion of the Participating Preferred Stock as of March 31, 2024 and 2023.

Treasury Stock — During fiscal year 2024 the Company repurchased $33.0 million, or 634,231 shares of its Class A Common Stock and none of its Class B Common Stock. The majority of the shares were repurchased under the Company's stock repurchase program and a small portion of the shares were repurchased for purposes of funding the cash needs for transfers and payments in connection with the employer stock investment fund under the 401(k) plan. As of March 31, 2024, there is a total of $200.1 million, or 5,145,418 shares, of repurchased stock. These shares are not considered outstanding and the Company accounts for treasury stock under the cost method. The Company contributed 55,055 treasury shares with a historical cost of $1.5 million for the 401(k) match in fiscal year 2024 as described in Note 10, Retirement Plans.

12. Fair Value of Financial Instruments

Cash and cash equivalents, restricted cash, accounts receivable, accounts payable, note payable, and accrued expenses are reflected in the Consolidated Balance Sheets at carrying value, which approximates fair value due to the short-term maturity of these instruments.

The carrying amount and estimated fair values of the Company's long-term debt are summarized as follows (in thousands):

	As of:			
	March 31, 2024		March 31, 2023	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Long-term debt, including current portion	$ 604,786	$ 599,408	$ 442,695	$ 436,293

The estimated fair value for long-term debt is determined by the quoted market prices for similar debt (comparable to the Company's financial strength) or current rates offered to the Company for debt with the same maturities which is Level 2 from the fair value hierarchy. Since quoted prices for identical instruments in active markets are not available (Level 1), the Company makes use of observable market-based inputs to calculate fair value, which is Level 2.

13. Segment Information

The Company conducts its business almost entirely in food packaging with two reportable segments: Vegetable and Fruit/Snack. The reportable segments reflect how the Company's Chief Executive Officer, who is the Chief Operating Decision Maker ("CODM"), allocates resources and evaluates performance, and how the Company's internal management financial reporting is structured. The Company's CODM evaluates the performance of these reportable segments with a focus on earnings (loss) before income taxes as the measure of segment profit or loss.

The Other category consists of the Company's non-food operations including revenue derived from the sale of cans, ends, seed, outside revenue from the Company's trucking and aircraft operations, and certain corporate items. These ancillary activities do not qualify as an operating segment and are not eligible for aggregation with one of the identified operating segments; therefore they are combined and presented within the "Other" category.

During the Company's fiscal year 2024 reassessment, the Company updated how its existing operating segments (Vegetable, Fruit, Snack) are reported. A primary factor of the reassessment was the Company's Vegetable operations which have become a larger strategic focus of the Company, as evidenced by the recent asset acquisition described in Note 17. Fruit was previously reported with Vegetable. The Fruit and Snack segments are now managed together as one reportable segment, leaving Vegetable as its own reportable segment. The update reflects the products offered within the segments and the manner in which the business is currently managed. The prior year amounts within the segment disclosure information have been recast to conform to the current year presentation.

Seneca Foods Corporation

Segment information is provided on a FIFO basis which is consistent with how financial information is prepared internally and provided to the CODM. The LIFO impact on earnings (loss) before income taxes and total assets is shown separately for purposes of reconciling to the GAAP financial statement measure shown on the Consolidated Statements of Net Earnings and Consolidated Balance Sheets.

Export sales represented 5.7%, 6.7% and 7.2% of total net sales in fiscal 2024, 2023 and 2022, respectively.

The following table summarizes certain financial data for the Company’s reportable segments (in thousands):

	Vegetable	Fruit and Snack	Other	Subtotal (FIFO basis)	LIFO Impact	Total
Fiscal Year 2024:						
Net sales	$ 1,325,618	$ 100,835	$ 32,150	$ 1,458,603	$ -	$ 1,458,603
Earnings (loss) before income taxes	92,852	3,264	9,225	105,341	(22,342)	82,999
Interest expense, net of interest income	31,607	2,347	66	34,020	-	34,020
Capital expenditures	42,089	1,536	-	43,625	-	43,625
Depreciation and amortization	39,364	3,480	634	43,478	-	43,478
Total assets	1,604,449	100,627	3,703	1,708,779	(324,782)	1,383,997
Fiscal Year 2023:						
Net sales	$ 1,374,468	$ 104,156	$ 30,728	$ 1,509,352	$ -	$ 1,509,352
Earnings (loss) before income taxes	137,555	(3,935)	11,784	145,404	(131,611)	13,793
Interest expense, net of interest income	12,684	1,180	461	14,325	-	14,325
Capital expenditures	57,593	13,406	806	71,805	-	71,805
Depreciation and amortization	37,359	3,024	558	40,941	-	40,941
Total assets	1,415,857	95,658	3,646	1,515,161	(302,440)	1,212,721
Fiscal Year 2022:						
Net sales	$ 1,259,878	$ 97,040	$ 28,362	$ 1,385,280	$ -	$ 1,385,280
Earnings (loss) before income taxes	103,899	(7,623)	5,776	102,052	(42,157)	59,895
Interest expense, net of interest income	4,477	473	691	5,641	-	5,641
Capital expenditures	43,490	5,705	2,905	52,100	-	52,100
Depreciation and amortization	33,730	2,542	251	36,523	-	36,523
Total assets	1,025,840	84,087	3,176	1,113,103	(170,829)	942,274

14. Legal Proceedings and Other Contingencies

In the ordinary course of its business, the Company is made a party to certain legal proceedings seeking monetary damages, including proceedings involving product liability claims, workers’ compensation along with other employee claims, tort and other general liability claims, for which it carries insurance, as well as patent infringement and related litigation. The Company is in a highly regulated industry and is also periodically involved in government actions for regulatory violations and other matters surrounding the manufacturing of its products, including, but not limited to, environmental, employee, and product safety issues. While it is not feasible to predict or determine the ultimate outcome of these matters, the Company does not believe that an adverse decision in any of these legal proceedings would have a material impact on its financial position, results of operations, or cash flows.

15. Plant Restructuring

The following table summarizes the restructuring charges recorded and the accruals established during fiscal years 2024, 2023 and 2022 (in thousands):

	Severance Payable	Other Costs	Total
Balance March 31, 2021	$ -	$ -	$ -
Charge to expense	-	70	70
Cash payments/write offs	-	(70)	(70)
Balance March 31, 2022	-	-	-
Charge to expense	361	3,189	3,550
Cash payments/write offs	(244)	(3,189)	(3,433)
Balance March 31, 2023	117	-	117
Charge to expense	213	212	425
Cash payments/write offs	(330)	(212)	(542)
Balance March 31, 2024	$ -	$ -	$ -

The restructuring charges pertain to the Vegetable reportable segment. During fiscal year 2024, the Company incurred minimal restructuring charges which were partly driven by the Company's decision to cease its Northeast trucking fleet operations, in addition to charges associated with plants that were closed in previous periods. During fiscal year 2023, the Company incurred restructuring charges primarily due to ceasing production of green beans at a plant in the Northeast. The charges mainly consisted of severance and write-downs of production equipment that was to be scrapped or sold. During fiscal year 2022, the Company incurred restructuring charges primarily related to plants that were closed in previous periods, including severance, health care costs, and lease impairments, amongst other minor changes.

16. Related Party Transactions

During fiscal years 2024, 2023, and 2022, approximately 1% of vegetables supplied to the Company are grown by a Director of Seneca Foods Corporation. The Company's grower purchases from the Director were $3.0 million, $3.1 million, and $2.9 million in fiscal years 2024, 2023, and 2022, respectively, pursuant to a raw vegetable grower contract. The Chairman of the Audit Committee reviewed the relationship and determined that the contract was negotiated at arm's length and on no more favorable terms than to other growers in the marketplace.

The Company made charitable contributions to the Seneca Foods Foundation (the "Foundation"), a related party, in the amount of $1.0 million, $0.5 million and $1.0 million in fiscal years 2024, 2023 and 2022, respectively. The Foundation is a nonprofit entity that supports charitable activities by making grants to unrelated organizations or institutions and is managed by current employees of the Company.

The Company maintains a liability for retirement arrangements to beneficiaries that have family relationships to two of the Company's current Directors. As of March 31, 2024 and 2023, the liability for these benefits totaled $1.0 million and $1.0 million, respectively. Payments are made monthly over the beneficiary's lifetime.

17. Asset Acquisition

On November 8, 2023, the Company executed an Asset Purchase Agreement and associated License Agreement with B&G Foods, Inc., (the "Seller") to acquire certain assets from the Seller relating to its *Green Giant*® shelf-stable vegetable product line (the "transaction"). The acquired assets include inventory and an associated license which allows the Company to manufacture, market, distribute, and sell *Green Giant*® shelf-stable vegetable products within the United States in perpetuity. The purchase price was $55.2 million in cash and was funded from borrowings under the Company's Revolver.

The transaction was accounted for as an asset acquisition in accordance with ASC 805, *Business Combinations*, because substantially all of the fair value of the gross assets acquired were concentrated in a singular asset, the acquired inventory, which was recorded at a value of $52.5 million. Additionally, a portion of the purchase price was used to settle preexisting liabilities of $2.7 million. The amount was comprised of $3.9 million of deferred revenue for which the associated performance obligation had not yet been performed by the Company for the Seller prior to the transaction date, offset by $1.2 million of accompanying deferred costs.

Report of Independent Registered Public Accounting Firm

To the stockholders and the Board of Directors of Seneca Foods Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Seneca Foods Corporation and subsidiaries (the "Company") as of March 31, 2024, the related consolidated statements of net earnings, comprehensive income, stockholders' equity, and cash flows, for the year ended March 31, 2024, and the related notes and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024, and the results of its operations and its cash flows for the year ended March 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated June 13, 2024 expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Inventories — Refer to Notes 1 and 4 to the financial statements

Critical Audit Matter Description

Substantially all inventories are stated at the lower of cost or market with cost determined using the last in, first out (“LIFO”) method. An actual valuation of inventory under the LIFO method is made at the end of each fiscal year based on inventory levels and costs at that time to adjust the inventory balance from First in, first out (“FIFO”) cost to LIFO cost. On March 31, 2024, the Company's inventory balance was $872.7 million, determined using LIFO cost. The excess of inventory valuation calculated using FIFO cost over LIFO cost amounted to $324.8 million. Management performs manual calculations using significant assumptions and judgments regarding inventory quantities and costs to estimate the amount of excess FIFO cost over LIFO cost.

We identified valuation of inventories at LIFO cost as a critical audit matter because of the significant assumptions, manual calculations, and judgments in the calculation of the excess of FIFO cost over LIFO cost, specifically due to the changes in current costs and quantities of materials. Auditing management’s calculations was complex and required a high degree of auditor judgment and subjectivity when performing audit procedures and evaluating the audit evidence obtained, due to the sensitivity of the calculation to quantity and price fluctuations.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to LIFO inventories included the following, among others:

- We tested the design, implementation, and effectiveness of the control over the calculation of the excess of FIFO cost over LIFO cost, including management's control over the key inputs of the calculation for inventory valuation.

- We tested the completeness, accuracy, and relevance of the underlying data used in management’s calculation of the excess of FIFO cost over LIFO cost.

- Tested the calculations and application of management’s methodologies related to the calculation of the excess of FIFO cost over LIFO cost.

- Tested the mathematical accuracy of management’s manual calculation.

Deloitte & Touche LLP

Rochester, NY
June 13, 2024

We have served as the Company's auditor since 2023.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Seneca Foods Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Seneca Foods Corporation (the "Company") as of March 31, 2023, the related consolidated statements of net earnings, comprehensive income, stockholders' equity, and cash flows for each of the years in the two-year period ended March 31, 2023, and the related notes and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2023, and the results of its operations and its cash flows for each of the years in the two-year period ended March 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Plante Moran, P.C.

We served as the Company's auditor from 2019 to 2023.

Southfield, Michigan
June 13, 2023
(except for Note 4, as to which the date is July 31, 2023 and except for Note 13, as to which the date is June 13, 2024)

Schedule II
VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Seneca Foods Corporation

	Balance at beginning of period	Charged/ (credited) to income	Charged to other accounts	Deductions from reserve		Balance at end of period
Year-ended March 31, 2024:						
Allowance for doubtful accounts	$ 34	$ 289	$ -	$ 270	(a)	$ 53
Income tax valuation allowance	$ 5,007	$ (123)	$ -	$ -		$ 4,884
Year-ended March 31, 2023:						
Allowance for doubtful accounts	$ 54	$ (20)	$ -	$ -	(a)	$ 34
Income tax valuation allowance	$ 3,931	$ 1,076	$ -	$ -		$ 5,007
Year-ended March 31, 2022:						
Allowance for doubtful accounts	$ 339	$ (291)	$ -	$ (6)	(a)	$ 54
Income tax valuation allowance	$ 4,674	$ (743)	$ -	$ -		$ 3,931

(a) Accounts written off, net of recoveries.

Management’s Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over the Company’s financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company’s internal control over financial reporting as of March 31, 2024. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework (2013).* Based on our assessment, management believes that, as of March 31, 2024, our internal control over financial reporting is effective based on those criteria.

The Company’s independent registered public accounting firm, Deloitte & Touche LLP, has issued its report on the effectiveness of the Company’s internal control over financial reporting. Their report appears on the next page.

Report of Independent Registered Public Accounting Firm

To the stockholders and the Board of Directors of Seneca Foods Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Seneca Foods Corporation and subsidiaries (the "Company") as of March 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended March 31, 2024, of the Company and our report dated June 13, 2024, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Rochester, NY
June 13, 2024

Shareholder Information

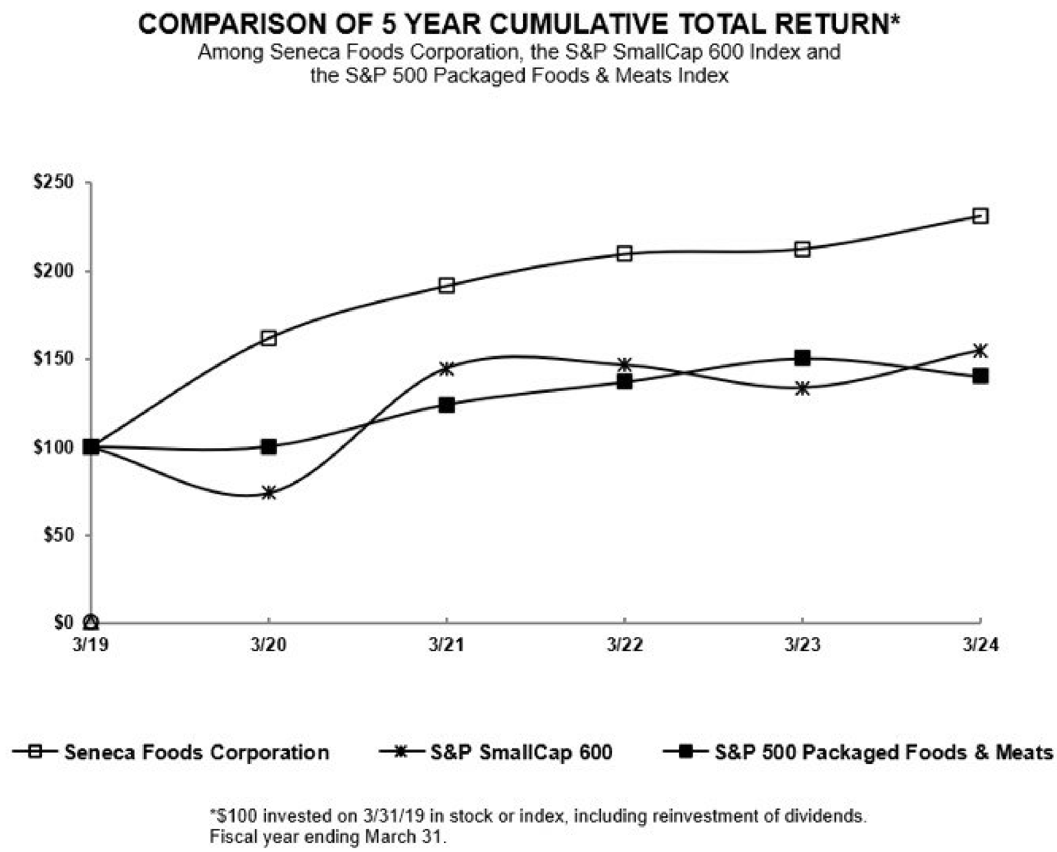
Seneca Foods Corporation

The Company's common stock is traded on The NASDAQ Global Select Market. The 5.4 million Class A outstanding shares and 1.7 million Class B outstanding shares are owned by 110 and 116 shareholders of record, as of March 31, 2024, respectively.

As of March 31, 2024, the most restrictive credit agreement limitation on the Company's payment of dividends, to holders of Class A or Class B Common Stock is an annual total limitation of $50,000, reduced by aggregate annual dividend payments totaling $23,181 that the Company presently pays on two outstanding classes of preferred stock. Payment of dividends to common stockholders is made at the discretion of the Company's Board of Directors and depends, among other factors, on earnings, capital requirements, and the operating and financial condition of the Company. The Company has not declared or paid a common dividend in many years.

Stock Performance Graph

The graph below compares the cumulative total shareholder return on the Company's Class A Common Stock (SENEA) for the last five fiscal years ended March 31 with (1) the cumulative return on the S&P SmallCap 600 and (2) the cumulative return on the S&P Packaged Foods & Meats Index for this same time period. The graph assumes the investment of $100 on March 31, 2019 and reinvestment of all dividends. The common stock price performance shown on the graph only reflects the change in the Company's SENEA price relative to the noted indices and is not necessarily indicative of future price performance.



	For the Fiscal Year Ended March 31,					
	2019	2020	2021	2022	2023	2024
Seneca Foods Corporation	$ 100.00	$ 161.71	$ 191.42	$ 209.51	$ 212.48	$ 231.30
S&P SmallCap 600	$ 100.00	$ 74.11	$ 144.76	$ 146.54	$ 133.62	$ 154.90
S&P Packaged Foods and Meats Index	$ 100.00	$ 100.20	$ 124.28	$ 137.02	$ 150.56	$ 140.14

Corporate Information

Seneca Foods Corporation

Directors

Kraig H. Kayser, Chairman
Former President and Chief Executive Officer
Seneca Foods Corporation

Kathryn J. Boor, Ph.D.
Dean of the Graduate School and Vice Provost
for Graduate Education at Cornell University

Peter R. Call
President
My-T Acres, Inc.

John P. Gaylord
President
Jacintoport Terminal Company

Linda K. Nelson
Former Chief Financial Officer
Birds Eye Foods

Paul L. Palmby
President and Chief Executive Officer
Seneca Foods Corporation

Donald J. Stuart
Managing Partner/Founder
Cadent Consulting Group

Bruce E. Ware
Corporate Vice President
DaVita Inc.

Keith A. Woodward
Former Chief Financial Officer
Tennant Company

Executive Officers

Paul L. Palmby, President
Chief Executive Officer

Dean E. Erstad, Senior Vice President
Sales and Marketing

Timothy R. Nelson, Senior Vice President
Operations

Michael S. Wolcott, Senior Vice President
Chief Financial Officer and Treasurer

Officers

Carl A. Cichetti, Senior Vice President
Technology and Planning, Chief Information Officer

John D. Exner, General Counsel
Secretary

Aaron M. Girard, Senior Vice President
Logistics

Matt J. Henschler, Senior Vice President
Technical Services and Development

Gregory R. Ide, Vice President
Corporate Controller and Assistant Secretary

Julie A. Roloson, Senior Vice President
Human Resources, Chief Administrative Officer

Operations

Jon A. Brekken, Vice President
Western Vegetable Operations

Amiee Jo Castleberry, Vice President
Human Resources

Paul Hendrickson, Vice President
Process Excellence

Steven F. Lammers, Vice President
Technical Services

Richard Leppert, General Manager
Seneca Flight

Leon Lindsay, Vice President
Strategic Sourcing

Eric E. Martin, Vice President
Eastern Vegetable Operations

Janelle Murphy, Vice President
Procurement

Beth Newell, General Manager
Seneca Snack

Timothy Nolan, Vice President
Information Technology

James Quinlan, Vice President
Can Manufacturing

Mary Sagona, Vice President
Accounting

Benjamin M. Scherwitz, Vice President
Technical Services

Richard L. Waldorf, Vice President
Customer Service

Sales and Marketing Groups

Carl B. Bowling, Vice President
Branded Sales

David A. Carter, Vice President
Marketing and National Accounts

Jesse Hayes, Vice President
Frozen Sales and Chain Accounts

George E. Hopkins, III, Vice President
Private Label Retail

Kevin F. Lipps, Vice President
International Sales

Victoria A. Ninneman, Vice President
Industrial and Ingredient Sales

Beau P. Simonson, Vice President
Foodservice Dry Grocery

Courtney Schulis, Vice President
Glace Sales

Aaron L. Wadell, Vice President
E-Business

INSIDER TRADING POLICY

I. Introduction

The purpose of this Insider Trading Policy (the "Policy") is to promote compliance with applicable securities laws by Seneca Foods Corporation and its subsidiaries and all directors, officers and employees thereof, in order to preserve the reputation and integrity of Seneca Foods Corporation as well as that of all persons affiliated with it.

II. Applicability

The Policy is applicable to all directors, officers and employees of Seneca Foods Corporation and its subsidiaries (collectively, the "Company"). Questions regarding this Policy should be directed to the Company's Chief Executive Officer, Chief Financial Officer, General Counsel, Secretary, Assistant Secretary, or such other Company employee designated by the Company's Board of Directors (each a "Compliance Officer") or the Company's outside legal counsel. Currently the primary contact person for questions should be directed to Greg Ide, the Assistant Secretary of the Company.

III. Policy

If a director, officer or any employee of the Company or any agent or advisor of the Company has material nonpublic information relating to the Company, it is the Company's policy that neither that person nor any Related Person (as defined below) may buy or sell securities of the Company (the "Company Securities") or engage in any other action to take advantage of, or pass on to others, that information. This Policy also applies to material nonpublic information relating to any other company with publicly traded securities, including our customers or suppliers, obtained in the course of employment by or association with the Company.

To avoid even the appearance of impropriety, additional restrictions on trading Company Securities apply to directors, officers and general managers. See Section VI.

IV. Definitions/Explanations

A. Who is an "Insider?"

Any person who possesses material nonpublic information is considered an insider as to that information. Insiders include Company directors, officers, employees, independent contractors and those persons in a special relationship with the Company, e.g., its auditors, consultants or attorneys. The definition of insider is transaction specific; that is, an individual is an insider with respect to each material nonpublic item of which he or she is aware.

B. What is “Material” Information?

The materiality of a fact depends upon the circumstances. A fact is considered “material” if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell, pledge, gift or hold a security or where the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company’s business or to any type of security, debt or equity.

Information dealing with the following subjects is reasonably likely to be found material:

(i) earnings information and quarterly results;

(ii) significant changes in the Company's prospects or strategy;

(iii) significant write-downs in assets or increases in reserves;

(iv) developments regarding significant litigation or government agency investigations;

(v) liquidity problems;

(vi) major changes in the Company's management or the board of directors;

(vii) changes in dividends or dividend policy;

(viii) extraordinary borrowings;

(ix) major changes in accounting methods or policies, changes in auditors or auditor notification that we can no longer rely on an audit report;

(x) award or loss of a significant contract;

(xi) cybersecurity risks and incidents, including vulnerabilities and breaches;

(xii) changes in debt ratings;

(xiii) proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalization, strategic alliances, licensing arrangements, or purchases or sales of substantial assets; and

(xiv) events regarding our securities (such as defaults on senior securities, calls of securities for redemption, repurchase plans, stock splits or changes in dividends, changes to the rights of securityholders public or private sales of additional securities or information related to any additional funding).

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular nonpublic information is material, you should presume it is material. **If you are unsure whether information is material, you should either consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates or assume that the information is material.**

C. What is "Nonpublic" Information?

Information is "nonpublic" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, The Wall Street Journal, Business Wire or PR Newswire. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.

In addition, even after a public announcement of material information, a reasonable period of time must elapse in order for the market to receive, evaluate and react to the information. Generally, one should allow approximately two full trading days following publication as a reasonable waiting period before such information is deemed to be public. Therefore, if an announcement is made before the commencement of trading on a Monday, an employee may trade in Company Securities starting on Wednesday of that week, because two full trading days would have elapsed by then (all of Monday and Tuesday). If the announcement is made on Monday after trading begins, employees may not trade in Company Securities until Thursday. If the announcement is made on Friday after trading begins, employees made not trade in Company Securities until Wednesday of the following week.

D. Who is a "Related Person?"

For purposes of this Policy, a Related Person includes your spouse, minor children and anyone else living in your household; partnerships in which you are a general partner; trusts of which you are a trustee; and estates of which you are an executor. Although a person's parent or sibling may not be considered a Related Person (unless living in the same household), a parent or sibling may be a "tippee" for securities laws purposes. See Section V.D. below for a discussion on the prohibition on "tipping."

V. Guidelines

A. Non-disclosure of Material Nonpublic Information

Material nonpublic information must not be disclosed to anyone, except the persons within the Company or third-party agents of the Company (such as investment banking advisors or outside legal counsel) whose positions require them to know it, until such information has been publicly released by the Company.

B. Prohibited Trading in Company Securities

No person may place a purchase or sell order or recommend that another person place a purchase or sell order in Company Securities when he or she has knowledge of material information concerning the Company that has not been disclosed to the public. There are no exceptions to this Policy, except as specifically noted below. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

C. Twenty-Twenty Hindsight

If securities transactions ever become the subject of scrutiny, they are likely to be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction an insider should carefully consider how his or her transaction may be construed in the bright light of hindsight. Again, in the event of any questions or uncertainties about the Policy, please consult one of the Company's Compliance Officers.

D. "Tipping" Information to Others

Insiders may be liable for communicating or tipping material nonpublic information to any third party ("tippee"), not limited to just Related Persons. Further, insider trading violations are not limited to trading or tipping by insiders. Persons other than insiders also can be liable for insider trading, including tippees who trade on material nonpublic information tipped to them and individuals who trade on material nonpublic information which has been misappropriated.

Tippees inherit an insider's duties and are liable for trading on material nonpublic information illegally tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee's liability for insider trading is no different from that of an insider. Tippees can obtain material nonpublic information by receiving overt tips from others or through, among other things, conversations at social, business or other gatherings.

E. Avoid Speculation

Directors, officers and general managers, and their Related Persons may not trade in options, warrants, puts and calls or similar instruments on Company Securities or sell Company Securities “short.” In addition, directors, officers and general managers, and their Related Persons may not hold Company Securities in margin accounts. See Section VII below. Investing in Company Securities provides an opportunity to share in the future growth of the Company. Investment in the Company and sharing in the growth of the Company, however, does not mean short-range speculation based on fluctuations in the market. Such activities may put the personal gain of the director, officer or general manager in conflict with the best interests of the Company and its shareholders. Anyone may, of course, exercise options granted to them by the Company and, subject to the restrictions discussed in this Policy and other applicable Company policies, sell shares acquired through exercise of options.

F. Trading in Other Securities

No director, officer general manager or other employee of the Company may place purchase or sell orders or recommend that another person place a purchase or sell order in the securities of another corporation if the person learns of material nonpublic information about the other corporation in the course of his/her employment with the Company. Individuals should treat material nonpublic information about the Company’s business partners with the same care required with respect to information related directly to the Company.

VI. Additional Restrictions and Requirements for Directors, Officers and Other Designated Employees

A. Trading Window

In addition to being subject to all of the other limitations in this Policy, directors, executive officers (which, for the purposes of this Policy, has the same meaning as the term “officer” under Section 16 of the Securities Exchange Act of 1934, as amended), and any other employee that may be designated from time to time by the Compliance Officer (collectively, the “Designated Individuals”) may only buy or sell Company Securities during the period beginning two trading days after the public announcement of the Company quarterly earnings and ending on the last day of the following quarter. For example, if the financial results for the Company’s quarter ended September 30, 202X are publicly announced prior to the commencement of trading on Monday, November 2, 202X the so-called “trading window” during which a Designated Individual could trade, subject to other limitations in this Policy, would commence on Wednesday, November 4, 202X and end on December 31, 202X. Because the Designated Individuals are especially likely to receive regular nonpublic information regarding the Company’s operations, limiting trading to this “window period” helps ensure that trading is not based on material information that is not available to the public. However, even during this trading window, a Designated Individual who is in possession of any material nonpublic information should not trade in the Company's securities until the information has been made publicly available or is no longer material.

From time to time, other types of material nonpublic information regarding the Company (such as negotiation of mergers, acquisitions or dispositions, investigation and assessment of cybersecurity incidents or new product developments) may be pending and not be publicly disclosed. While such material nonpublic information is pending, the Company may impose special blackout periods during which Designated Individuals are prohibited from trading in the Company's securities. If the Company imposes a special blackout period, it will notify the Designated Individuals affected.

B. Pre-Clearance

Designated Individuals of the Company must obtain prior clearance from one of the Company's Compliance Officers before he, she or a Related Person makes any purchases or sales of Company Securities.

This pre-clearance requirement is designed as a means of enforcing the policies specified above. Specifically:

- Any proposed transaction, including a proposed gift of Company Securities, (unless otherwise specified) should be submitted to a Compliance Officer at least two full trading days in advance of the proposed transaction.

- Before any trade, a Compliance Officer must confirm to you orally or by email that the window period is open and will remain open for the period during which the trade or other proposed transaction is expected to occur.

- Any confirmation must not have been revoked by oral or email notice from a Compliance Officer.

- Pre-cleared trades must be completed within two full trading days of receipt of pre-clearance unless an exception is granted by a Compliance Officer. Transactions not completed within the time limit are subject to pre-clearance again.

- You need to receive a new oral or email confirmation that the window period is open before each trade, whether or not confirmation has been given for a prior trade during that window period.

- The Compliance Officers are under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction. If you seek pre-clearance and permission to engage in the transaction is denied, you should refrain from initiating any transaction in Company Securities and should not inform any other person of the restriction.

- You are responsible for ensuring that you do not have material nonpublic information about the Company before engaging in a transaction and that you comply with any and all other legal obligations. Therefore, when a request for pre-clearance is made, you should carefully consider whether you are aware of any material nonpublic information about the Company and should describe fully those circumstances to the Compliance Officers. If you are subject to the requirements of Section 16 of the Securities Exchange Act of 1934 ("Exchange Act"), you should also consider whether you have effected any non-exempt transactions within the past six months or otherwise that must be reported on an appropriate Form 4 or Form 5. In addition, you should be prepared to comply with Rule 144 under the Securities Act of 1933 and requirements to file Form 144.

- A Compliance Officer may not trade or engage in any other transaction in our securities unless another Compliance Officer has approved the trade or transaction in accordance with this Policy's procedures.

A Compliance Officer's approval of a transaction submitted for preclearance does not constitute legal advice, does not constitute confirmation that you do not possess material nonpublic information and does not relieve you of any of your legal obligations.

A decision made in good faith by a Compliance Officer to deny a trade or other transaction shall be final and binding on the Designated Individual, and, as stated above, should not be disclosed by the Designated Individual to any other person, other than his attorney and stockbroker or investment adviser, who shall likewise keep the denial confidential.

VII. Prohibited Transactions

Certain types of transactions increase the Company's exposure to legal risks and may create the appearance of improper or inappropriate conduct. Therefore, the following restrictions apply, irrespective of the possession of material nonpublic information.

A. <u>Short Sales of Stock</u>.

"Short" sales of stock are transactions where you borrow stock, sell it, and then buy stock at a later date to replace the borrowed shares. Short sales generally evidence an expectation on the part of the seller that the securities will decline in value and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, Designated Individuals may not engage in short sales of our securities. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales. These also include hedging or monetization transactions (such as zero-cost collars and forward sale contracts) that involve the establishment of a short position. See "Hedging and Pledging" below for more information.

B. <u>Hedging and Pledging.</u>

No Designated Individual may, at any time, (i) trade in publicly-traded options, puts, calls, or other derivative instruments related to the Company's equity or debt securities or (ii) purchase financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any securities of the Company. No director or officer of the Company may hold securities of the Company in a margin account or pledge securities of the Company as security for a loan or other credit facility.

VIII. Limited Transactions

Additional types of transactions are severely limited because they can raise similar issues:

A. Standing and limit orders.

The Company discourages placing standing or limit orders on Company Securities. Standing and limit orders are orders placed with a broker to sell or purchase stock at a specified price. Similar to the use of margin accounts, these transactions create heightened risks for insider trading violations. Because there is no control over the timing of purchases or sales that result from standing instructions to a broker, a transaction could be executed when persons subject to this Policy are in possession of material nonpublic information. Unless standing and limit orders are submitted under approved Rule 10b5-1 plans, discussed in Section X.A. below, if you determine that you must use a standing order or limit order, the order should be limited to short duration and should otherwise comply with the trading restrictions and procedures outlined in this Policy.

If you have a managed account (where another person has been given discretion or authority to trade without your prior approval), you should advise your broker or investment adviser not to trade in Company Securities at any time and minimize trading in securities of companies in our industry. This restriction does not apply to investments in publicly available mutual funds.

IX. Special Types of Permitted Transactions

There are limited situations in which you may buy or sell Company Securities without restriction under this Policy. Unless otherwise noted below, you may:

- allow for the vesting of restricted stock granted by the Company's Board of Directors;

- exercise a tax withholding right with respect to restricted stock pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon vesting (but this does not include market sales of stock);

- buy or sell our securities pursuant to a Rule 10b5-1 trading program, as described in Section X.A. below;

- make bona fide gifts. However, if you (1) have reason to believe that the recipient intends to sell our securities immediately or while you are aware of material nonpublic information, or (2) are subject to the pre-clearance procedures specified in Section VI above and the sale by the recipient of our securities occurs during a blackout period, then the transaction is subject to this Policy; and

- invest 401(k) plan contributions in a Company stock fund in accordance with the terms of the Company's 401(k) plan. However, any changes in your investment election regarding the Company's stock are subject to trading restrictions under this Policy.

X. Additional Guidelines and Related Requirements

A. Rule 10b5-1 trading plans.

Rule 10b5-1 under the Exchange Act provides a so-called “safe harbor” defense from insider trading liability under Rule 10b-5. If persons subject to this Policy wish to rely on this defense, they must enter into an approved Rule 10b5-1 trading plan and meet certain conditions specified in the Rule. Any person wishing to adopt such a Rule 10b5-1 plan must advise a Compliance Officer of their intent to adopt such a plan, provide a copy of the plan to a Compliance Officer, and advise the Compliance Officer of any change in the plan or proposed termination of the plan.

B. Reports of purchases and sales; Short-Swing Profits.

If you are a director, an executive officer, or another reporting person under Section 16 of the Exchange Act, keep in mind the various restrictions on securities trading imposed under Section 16 of the Exchange Act and the applicable reporting requirements of the SEC, including the recoupment provisions in Section 16(b) related to short-swing profits (gain or loss avoided from purchase and sale, or sale and purchase transactions within a six month period). Also, remember that you must immediately report to a Compliance Officer all transactions made in our securities by you, any family members, and any entities that you control subject to this Policy. The Company requires same day reporting due to SEC requirements that certain insider reports (Form 4) be filed with the SEC by the second day after the date on which a reportable transaction occurs. If you have any questions regarding any of these restrictions or reporting requirements, you are encouraged to check with a Compliance Officer or your own legal counsel prior to undertaking any trades or other transactions in Company Securities.

C. Reports of unauthorized trading or disclosure.

If you have supervisory authority over any of our personnel, you must immediately report to a Compliance Officer any trading in Company Securities by our personnel and any disclosure of material nonpublic information by our personnel if you have reason to believe that such trade or disclosure may violate this Policy or applicable securities laws. Because the SEC can seek civil penalties against the Company and its directors, officers and supervisory personnel for failing to take appropriate steps to prevent illegal trading, the Company should be made aware of any suspected violations as early as possible.

Exhibit 21

LIST OF SUBSIDIARIES

The following is a listing of significant subsidiaries 100% owned by Seneca Foods Corporation, directly or indirectly:

Name	State
Dundee Insurance Company, Inc.	Utah
Gray & Company	Oregon
Green Valley Foods LLC	Delaware
Marion Foods, Inc.	New York
Portland Food Products Company	Oregon
Seneca Foods, LLC	Delaware
Seneca Snack Company	Washington

EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in Registration Statement Nos. 333-12365, 333-145916, and 333-166846 on Form S-8 of our reports dated June 13, 2024, relating to the financial statements of Seneca Foods Corporation and its subsidiaries and the effectiveness of Seneca Foods Corporation’s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended March 31, 2024.

/s/ Deloitte & Touche LLP

Rochester, New York
June 13, 2024

EXHIBIT 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-12365, 333-145916 and 333-166846) on Form S-8 of Seneca Foods Corporation with respect to our report dated June 13, 2023, except for Note 4, as to which the date is July 31, 2023, and Note 13, as to which the date is June 13, 2024, relating to the consolidated financial statements of Seneca Foods Corporation, which is included in this Form 10-K.

/s/ Plante Moran, P.C.

Southfield, Michigan
June 13, 2024

EXHIBIT 31.1

CERTIFICATION

I, Paul L. Palmby, certify that:

1. I have reviewed this annual report on Form 10-K of Seneca Foods Corporation;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

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

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

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

By: /s/ Paul L. Palmby
Paul L. Palmby
President and Chief Executive Officer
(Principal Executive Officer)

June 13, 2024

EXHIBIT 31.2

CERTIFICATION

I, Michael S. Wolcott, certify that:

1. I have reviewed this annual report on Form 10-K of Seneca Foods Corporation;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

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

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

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

By: /s/ Michael S. Wolcott
Michael S. Wolcott
Senior Vice President, Chief Financial Officer
and Treasurer
(Principal Financial Officer)

June 13, 2024

EXHIBIT 32

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 Annual Report of Seneca Foods Corporation (the "Registrant") on Form 10-K for the period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Paul L. Palmby, President, Chief Executive Officer, and Michael S. Wolcott, Chief Financial Officer, of the Registrant, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, that, to our knowledge:

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

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

By: /s/ Paul L. Palmby
Paul L. Palmby
President and Chief Executive Officer

June 13, 2024

By: /s/ Michael S. Wolcott
Michael S. Wolcott
Senior Vice President, Chief Financial Officer
and Treasurer

June 13, 2024

Exhibit 97

CLAWBACK POLICY

Introduction

The Board of Directors (the "**Board**") of Seneca Foods Corporation (the "**Company**") believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's pay-for-performance compensation philosophy. The Board has therefore adopted this policy which provides for the recoupment of certain executive compensation in the event of an accounting restatement resulting from material noncompliance with financial reporting requirements under the federal securities laws (the "**Policy**"). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934 (the "**Exchange Act**").

Administration

This Policy shall be administered by the Board or, if so designated by the Board, the Compensation Committee (the "**Compensation Committee**"), in which case references herein to the Board shall be deemed references to the Compensation Committee. Any determinations made by the Board shall be final and binding on all affected individuals.

Covered Executives

This Policy applies to the Company's current and former executive officers, as determined by the Board in accordance with Section 10D of the Exchange Act and the listing standards of the national securities exchange on which the Company's securities are listed, and such other employees who may from time to time be deemed subject to the Policy by the Board ("**Covered Executives**").

Recoupment; Accounting Restatement

In the event the Company is required to prepare an accounting restatement of its financial statements due to the Company's material noncompliance with any financial reporting requirement under the securities laws, the Board will require reimbursement or forfeiture of any excess Incentive Compensation received by any Covered Executive during the three completed fiscal years immediately preceding the date on which the Company is required to prepare an accounting restatement.

Incentive Compensation

For purposes of this Policy, Incentive Compensation means any of the following; provided that, such compensation is granted, earned, or vested based wholly or in part on the attainment of a financial reporting measure:

- Annual bonuses and other short- and long-term cash incentives.
- Stock options.
- Stock appreciation rights.
- Restricted stock.

- Restricted stock units.
- Performance shares.
- Performance units.

Financial reporting measures include:

- Company stock price.
- Total shareholder return.
- Revenues.
- Net income.
- Earnings before interest, taxes, depreciation, and amortization (EBITDA).
- Liquidity measures such as working capital or operating cash flow.
- Return measures such as return on invested capital or return on assets.
- Earnings measures such as earnings per share.

Excess Incentive Compensation: Amount Subject to Recovery

The amount to be recovered will be the excess of the Incentive Compensation paid to the Covered Executive based on the erroneous data over the Incentive Compensation that would have been paid to the Covered Executive had it been based on the restated results, as determined by the Board.

If the Board cannot determine the amount of excess Incentive Compensation received by the Covered Executive directly from the information in the accounting restatement, then it will make its determination based on a reasonable estimate of the effect of the accounting restatement.

Method of Recoupment

The Board will determine, in its sole discretion, the method for recouping Incentive Compensation hereunder which may include, without limitation:

(a) requiring reimbursement of cash Incentive Compensation previously paid;

(b) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards;

(c) offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Executive;

(d) cancelling outstanding vested or unvested equity awards; and/or

(e) taking any other remedial and recovery action permitted by law, as determined by the Board.

No Indemnification

The Company shall not indemnify any Covered Executives against the loss of any incorrectly awarded Incentive Compensation.

Interpretation

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's securities are listed.

Effective Date

This Policy shall be effective as of the date it is adopted by the Board (the "**Effective Date**") and shall apply to Incentive Compensation that is approved, awarded or granted to Covered Executives on or after that date.

Amendment; Termination

The Board may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary to reflect final regulations adopted by the Securities and Exchange Commission under Section 10D of the Exchange Act and to comply with any rules or standards adopted by a national securities exchange on which the Company's securities are listed. The Board may terminate this Policy at any time.

Other Recoupment Rights

The Board intends that this Policy will be applied according to law. The Board may require that any employment agreement, equity award agreement, or similar agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company.

Impracticability

The Board shall recover any excess Incentive Compensation in accordance with this Policy unless such recovery would be impracticable, as determined by the Board in accordance with Rule 10D-1 of the Exchange Act and the listing standards of the national securities exchange on which the Company's securities are listed.

Successors

This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.