

Northwind Specialty Foods Holdings, Inc.

Quarterly Board Pack - Q1 2026 (March quarter)

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Distribution	Northwind board members and observers; Halberd deal-team copy held on file
Period covered	Quarter ended 31 March 2026
Classification	Strictly private and confidential - not for onward distribution

1. Operating Headlines

Q1 net revenue USD 142.6M, +6.4% year-on-year, +1.2% versus plan. Volume growth +3.1%; price/mix +3.3%.

Adjusted EBITDA USD 19.4M, EBITDA margin 13.6%, +60bp year-on-year. Margin expansion driven by mix shift to higher-margin frozen entree SKUs and price realization in the value tier.

Free cash flow USD 11.2M; net leverage 3.8x trailing twelve months EBITDA, in line with plan.

Operating headcount 612, +14 quarter-on-quarter, primarily new hires in the second-shift production team at the Iowa facility.

2. Commercial

Top-10 customer mix: 62% of net revenue, down from 65% in the prior comparable quarter. Concentration trending in the right direction.

Two customer wins in the quarter: a regional grocery chain (private-label expansion across 240 stores) and a foodservice distributor (frozen entrees ranging across 9 SKUs).

One customer loss: a regional convenience-store chain dropped 4 SKUs in a category review. Net revenue impact in the low single-digit millions.

3. Operations

Iowa facility OEE 78% versus target 80%; recoverable variance investigated and traced to changeover timing on the new SKU run schedule. Remediation plan in place.

Tennessee facility OEE 82%, on plan.

Total recordable incident rate 1.6 per 200,000 hours, improved from 2.1 in the prior comparable quarter.

Energy intensity (kWh per pound produced) -3.4% year-on-year, on track for the 2026 target.

4. Supply Chain

Input commodity tone: protein input prices firmer in the quarter; recovered through pricing. Packaging input prices stable.

Tier-2 supplier risk review completed in the quarter; no material findings. Three suppliers placed on enhanced monitoring.

Inventory days 41, down from 44 in the prior comparable quarter; on plan.

5. People

Annual employee engagement survey conducted in February; participation 88%; engagement score +4 points year-on-year.

Salaried voluntary turnover 9% trailing twelve months; hourly voluntary turnover 24% trailing twelve months. Both improved year-on-year; both still above industry benchmark.

New CFO 90-day plan tracking; onboarding complete; standing item on Q2 agenda for first independent operating cadence read.

6. Strategic Initiatives

Bolt-on M&A pipeline: 2 conversations active with regional specialty manufacturers in adjacent geographies. Both at non-binding stage; no diligence asks of the board this quarter.

Channel expansion into hard-discount grocery: pilot live in 3 regional banner stores; early results encouraging; full rollout decision targeted for Q3.

ERP transition (S/4HANA migration): Phase 2 complete; Phase 3 begins May; ongoing weekly steerco.

7. Risks & Mitigations

Customer concentration: continuing to diversify, on plan.

Input commodity volatility: forward purchasing program refreshed.

Cyber: clean quarter; tabletop exercise completed in February.

Talent: hourly turnover above benchmark; targeted retention program being scoped.

8. Financial Outlook

Full-year revenue tracking to plan; phasing into the back half consistent with seasonality.

Full-year EBITDA tracking modestly ahead of plan; H2 visibility improving with confirmed customer wins from Q1.

Capex YTD on plan; full-year capex unchanged.

9. Asks of the Board

- Approval of the FY26 capex program as previously circulated.
- Endorsement of the bolt-on M&A search criteria as updated in the materials.
- Note: ratification of the appointment of the new CFO consistent with the prior written consent.

Appendix A - Detailed Financials

- Income statement, balance sheet, cash flow statement, and bank-covenant compliance summary attached separately.

Appendix B - Operating KPIs

- Plant-level OEE, scrap rate, throughput, recordable incident rate, energy and water intensity, by facility, monthly.

Appendix C - Customer KPIs

- Top-25 customer net revenue and gross margin, monthly.
- Customer churn and win/loss commentary.

Appendix A.1 - Income Statement Summary (USD millions)

	Q1 2026	Q1 2025	YoY %	Plan	Variance
Net revenue	142.6	134.0	+6.4%	140.9	+1.2%
Cost of goods sold	(96.4)	(91.7)	+5.1%	(96.0)	(0.4)%
Gross profit	46.2	42.3	+9.2%	44.9	+2.9%
Operating expenses	(28.3)	(26.5)	+6.8%	(28.1)	(0.7)%
Adjusted EBITDA	19.4	17.5	+10.9%	18.6	+4.3%
EBITDA margin	13.6%	13.0%	+60bp	13.2%	+40bp

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