

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

FORM 10-Q

- Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended October 28, 2023
or
 Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission file number 1-14170

NATIONAL BEVERAGE CORP.

(Exact name of registrant as specified in its charter)

Delaware 59-2605822
(State of incorporation) (I.R.S. Employer Identification No.)

8100 SW Tenth Street, Suite 4000, Fort Lauderdale, FL 33324
(Address of principal executive offices including zip code)

(954) 581-0922
(Registrant's telephone number including area code)
Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$.01 per share	FIZZ	The NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

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

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

The number of shares of registrant's common stock outstanding as of December 4, 2023 was 93,392,746.

**NATIONAL BEVERAGE CORP.
QUARTERLY REPORT ON FORM 10-Q
INDEX**

PART I - FINANCIAL INFORMATION

	<u>Page</u>
Item 1. Financial Statements (Unaudited)	
Condensed Consolidated Balance Sheets as of October 28, 2023 and April 29, 2023	3
Condensed Consolidated Statements of Income for the Three and Six Months Ended October 28, 2023 and October 29, 2022	4
Condensed Consolidated Statements of Comprehensive Income for the Three and Six Months Ended October 28, 2023 and October 29, 2022	5
Condensed Consolidated Statements of Shareholders' Equity for the Three and Six Months Ended October 28, 2023 and October 29, 2022	6
Condensed Consolidated Statements of Cash Flows for the Six Months Ended October 28, 2023 and October 29, 2022	7
Notes to Condensed Consolidated Financial Statements	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	11
Item 3. Quantitative and Qualitative Disclosures about Market Risk	14
Item 4. Controls and Procedures	14

PART II - OTHER INFORMATION

Item 1A. Risk Factors	15
Item 6. Exhibits	15
Signature	16

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except share data)

	October 28, 2023	April 29, 2023
Assets		
Current assets:		
Cash and equivalents	\$ 247,679	\$ 158,074
Trade receivables - net	100,223	104,918
Inventories	92,774	93,578
Prepaid and other assets	15,807	9,835
Total current assets	456,483	366,405
Property, plant and equipment - net	151,886	148,423
Right-of-use assets	44,462	39,506
Goodwill	13,145	13,145
Intangible assets	1,615	1,615
Other assets	5,295	5,248
Total assets	<u>\$ 672,886</u>	<u>\$ 574,342</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 80,003	\$ 85,106
Accrued liabilities	48,870	47,318
Operating lease obligations	13,483	11,745
Income taxes payable	194	152
Total current liabilities	142,550	144,321
Deferred income taxes - net	24,145	19,814
Operating lease obligations	31,630	29,782
Other liabilities	7,391	7,938
Total liabilities	<u>205,716</u>	<u>201,855</u>
Shareholders' equity:		
Preferred stock, \$1 par value - 1,000,000 shares authorized:		
Series C - 150,000 shares issued	150	150
Common stock, \$.01 par value - 200,000,000 shares authorized; 101,766,058 shares issued		
(101,727,658 shares at April 29)	1,018	1,017
Additional paid-in capital	41,012	40,393
Retained earnings	451,764	358,345
Accumulated other comprehensive loss	(2,541)	(3,185)
Treasury stock - at cost:		
Series C preferred stock - 150,000 shares	(5,100)	(5,100)
Common stock - 8,374,112 shares	(19,133)	(19,133)
Total shareholders' equity	<u>467,170</u>	<u>372,487</u>
Total liabilities and shareholders' equity	<u>\$ 672,886</u>	<u>\$ 574,342</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Net sales	\$ 300,074	\$ 299,633	\$ 624,314	\$ 617,750
Cost of sales	<u>192,216</u>	<u>199,637</u>	<u>401,975</u>	<u>418,353</u>
Gross profit	107,858	99,996	222,339	199,397
Selling, general and administrative expenses	<u>53,559</u>	<u>53,073</u>	<u>104,935</u>	<u>105,996</u>
Operating income	54,299	46,923	117,404	93,401
Other income - net	<u>2,716</u>	<u>86</u>	<u>4,778</u>	<u>2</u>
Income before income taxes	57,015	47,009	122,182	93,403
Provision for income taxes	<u>13,227</u>	<u>10,963</u>	<u>28,763</u>	<u>21,903</u>
Net income	<u>\$ 43,788</u>	<u>\$ 36,046</u>	<u>\$ 93,419</u>	<u>\$ 71,500</u>
Earnings per common share:				
Basic	<u>\$.47</u>	<u>\$.39</u>	<u>\$ 1.00</u>	<u>\$.77</u>
Diluted	<u>\$.47</u>	<u>\$.39</u>	<u>\$ 1.00</u>	<u>\$.76</u>
Weighted average common shares outstanding:				
Basic	<u>93,360</u>	<u>93,344</u>	<u>93,357</u>	<u>93,341</u>
Diluted	<u>93,604</u>	<u>93,602</u>	<u>93,607</u>	<u>93,601</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In thousands)

	Three Months Ended		Six Months Ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Net income	\$ 43,788	\$ 36,046	\$ 93,419	\$ 71,500
Other comprehensive income (loss), net of tax:				
Cash flow hedges	855	(5,494)	644	(16,450)
Comprehensive income	<u>\$ 44,643</u>	<u>\$ 30,552</u>	<u>\$ 94,063</u>	<u>\$ 55,050</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)

(In thousands)

	Three Months Ended				Six Months Ended			
	October 28, 2023		October 29, 2022		October 28, 2023		October 29, 2022	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Series C Preferred Stock								
Beginning and end of period	150	\$ 150	150	\$ 150	150	\$ 150	150	\$ 150
Common Stock								
Beginning of period	101,727	1,017	101,712	1,017	101,727	1,017	101,712	1,017
Stock options exercised	39	1	14	-	39	1	14	-
End of Period	101,766	1,018	101,726	1,017	101,766	1,018	101,726	1,017
Additional Paid-In Capital								
Beginning of period		40,561		39,575		40,393		39,405
Stock options exercised		278		285		278		285
Stock-based compensation		173		172		341		342
End of period		41,012		40,032		41,012		40,032
Retained Earnings								
Beginning of period		407,976		251,635		358,345		216,181
Net income		43,788		36,046		93,419		71,500
End of period		451,764		287,681		451,764		287,681
Accumulated Other Comprehensive (Loss)								
Income								
Beginning of period		(3,396)		(4,038)		(3,185)		6,918
Cash flow hedges, net of tax		855		(5,494)		644		(16,450)
End of period		(2,541)		(9,532)		(2,541)		(9,532)
Treasury Stock - Series C Preferred								
Beginning and end of period	150	(5,100)	150	(5,100)	150	(5,100)	150	(5,100)
Treasury Stock - Common								
Beginning and end of period	8,374	(19,133)	8,374	(19,133)	8,374	(19,133)	8,374	(19,133)
Total Shareholders' Equity		<u>\$ 467,170</u>		<u>\$ 295,115</u>		<u>\$ 467,170</u>		<u>\$ 295,115</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)

	Six Months Ended	
	October 28, 2023	October 29, 2022
Operating Activities:		
Net income	\$ 93,419	\$ 71,500
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9,941	10,436
Deferred income tax provision	4,134	1,147
Gain on sale of property, plant and equipment, net	3	-
Stock-based compensation	341	342
Amortization of operating right-of-use assets	6,921	6,592
Changes in assets and liabilities:		
Trade receivables	4,695	(6,853)
Inventories	804	14,909
Operating lease right-of-use assets	(11,877)	(16,132)
Prepaid and other assets	(600)	3,187
Accounts payable	(5,103)	(10,921)
Accrued and other liabilities	(4,205)	(1,566)
Operating lease obligation	3,586	9,597
Net cash provided by operating activities	<u>102,059</u>	<u>82,238</u>
Investing Activities:		
Additions to property, plant and equipment	(12,760)	(7,974)
Proceeds from sale of property, plant and equipment	28	27
Net cash used in investing activities	<u>(12,732)</u>	<u>(7,947)</u>
Financing Activities:		
Proceeds from stock options exercised	278	285
Repayments of Loan Facility	-	(30,000)
Net cash provided by (used in) financing activities	<u>278</u>	<u>(29,715)</u>
Net Increase in Cash and Equivalents	89,605	44,576
Cash and Equivalents - Beginning of Period	158,074	48,050
Cash and Equivalents - End of Period	<u>\$ 247,679</u>	<u>\$ 92,626</u>
Other Cash Flow Information:		
Interest paid	<u>\$ 146</u>	<u>\$ 224</u>
Income taxes paid	<u>\$ 30,514</u>	<u>\$ 21,373</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

National Beverage Corp. develops, produces, markets and sells a distinctive portfolio of sparkling waters, juices, energy drinks and carbonated soft drinks primarily in the United States and Canada. Incorporated in Delaware in 1985, National Beverage Corp. is a holding company for various operating subsidiaries. When used in this report, the terms “we,” “us,” “our,” “Company” and “National Beverage” mean National Beverage Corp. and its subsidiaries.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The condensed consolidated financial statements include the accounts of National Beverage Corp. and its subsidiaries. Significant intercompany transactions and accounts have been eliminated.

The accompanying interim unaudited condensed consolidated financial statements have been prepared in accordance with United States Generally Accepted Accounting Principles and rules and regulations of the Securities and Exchange Commission for interim financial reporting. Accordingly, they do not include all information and notes presented in the annual consolidated financial statements. The condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the fiscal year ended April 29, 2023. The accounting policies used in these interim unaudited condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the interim unaudited condensed consolidated financial statements and accompanying notes. Actual results could differ from those estimates. In our opinion, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Results for the interim periods presented are not necessarily indicative of results which might be expected for the entire fiscal year.

Inventories

Inventories are stated at the lower of first-in, first-out cost or net realizable market. Inventories at October 28, 2023 were comprised of finished goods of \$55.1 million and raw materials of \$37.7 million. Inventories at April 29, 2023 were comprised of finished goods of \$54.3 million and raw materials of \$39.2 million.

Marketing Costs

The Company utilizes a variety of marketing programs, including cooperative advertising programs with customers, to advertise and promote its beverages to consumers. Marketing costs are expensed when incurred, except for prepaid advertising and production costs, which are expensed when the advertising takes place. Marketing costs, which are included in selling, general and administrative expenses, were \$13.3 million and \$10.3 million for the three months ended October 28, 2023 and October 29, 2022, respectively. Marketing costs were \$24.1 million and \$20.6 million for the six months ended October 28, 2023 and October 29, 2022, respectively.

Shipping and Handling Costs

Shipping and handling costs are reported in selling, general and administrative expenses in the accompanying condensed consolidated statements of income. Such costs were \$19.7 million and \$22.0 million for the three months ended October 28, 2023 and October 29, 2022, respectively. Shipping and handling costs were \$40.6 million and \$45.6 million for the six months ended October 28, 2023 and October 29, 2022, respectively. Although our classification is consistent with many beverage companies, our gross margin may not be comparable to companies that include shipping and handling costs in cost of sales.

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	(In thousands)	
	October 28, 2023	April 29, 2023
Land	\$ 9,835	\$ 9,835
Buildings and improvements	71,012	70,615
Machinery and equipment	300,946	289,567
Total	381,793	370,017
Less: accumulated depreciation	(229,907)	(221,594)
Property, plant and equipment – net	<u>\$ 151,886</u>	<u>\$ 148,423</u>

Depreciation expense was \$4.7 million and \$4.5 million for the three months ended October 28, 2023 and October 29, 2022, respectively. Depreciation expense was \$9.3 million and \$9.0 million for the six months ended October 28, 2023 and October 29, 2022, respectively.

3. DEBT

At October 28, 2023, a subsidiary of the Company maintained unsecured revolving credit facilities with banks aggregating \$100 million (the “Credit Facilities”). The Credit Facilities expire from October 28, 2024 to May 30, 2025 and any borrowings would currently bear interest at 1.05% above the Secured Overnight Financing Rate (SOFR). There were no borrowings outstanding under the Credit Facilities at October 28, 2023 or April 29, 2023. At October 28, 2023, \$2.2 million of the Credit Facilities was reserved for standby letters of credit and \$97.8 million was available for borrowings.

On December 21, 2021, a subsidiary of the Company entered into an unsecured revolving term loan facility with a national bank aggregating \$50 million (the “Loan Facility”). There were no borrowings outstanding under the Loan Facility at October 28, 2023 or April 29, 2023. The Loan Facility expires December 31, 2025 and any borrowings would bear interest at 1.05% above the adjusted daily SOFR.

The Credit Facilities and Loan Facility require the subsidiary to maintain certain financial ratios, including debt to net worth and debt to EBITDA (as defined in the credit agreements), and contain other restrictions, none of which are expected to have a material effect on operations or financial position. At October 28, 2023, the subsidiary was in compliance with all loan covenants.

4. STOCK OPTIONS

During the six months ended October 28, 2023, no options were granted and options to purchase 38,400 shares were exercised at a weighted average exercise price of \$7.26. At October 28, 2023, options to purchase 478,500 shares at a weighted average exercise price of \$19.68 per share were outstanding and stock-based awards to purchase 5,391,405 shares of common stock were available for grant.

5. DERIVATIVE FINANCIAL INSTRUMENTS

From time to time, we enter into aluminum swap contracts to partially mitigate our exposure to changes in the cost of aluminum containers. Such financial instruments are designated and accounted for as cash flow hedges. Accordingly, gains or losses attributable to the effective portion of the cash flow hedge are reported in accumulated other comprehensive income (loss) ("AOCI") and reclassified into cost of sales in the period in which the hedged transaction affects earnings. The ineffective portion of the change in fair value of our cash flow hedge was immaterial. The following summarizes the gains (losses) recognized in the Condensed Consolidated Statements of Income and AOCI:

	(In thousands)			
	Three Months Ended		Six Months Ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Recognized in AOCI:				
Loss before income taxes	\$ (2,341)	\$ (10,327)	\$ (6,381)	\$ (25,337)
Less: income tax benefit	(560)	(2,470)	(1,526)	(6,061)
Net	(1,781)	(7,857)	(4,855)	(19,276)
Reclassified from AOCI to cost of sales:				
Loss before income taxes	(3,464)	(3,106)	(7,227)	(3,714)
Less: income tax benefit	(828)	(743)	(1,728)	(888)
Net	(2,636)	(2,363)	(5,499)	(2,826)
Net change to AOCI	\$ 855	\$ (5,494)	\$ 644	\$ (16,450)

As of October 28, 2023, the notional amount of our outstanding aluminum swap contracts was \$89.1 million and, assuming no change in commodity prices, \$4.1 million of unrealized loss before tax will be reclassified from AOCI and recognized in earnings over the next 12 months.

As of October 28, 2023 and April 29, 2023 the fair value of the derivative liability, which was included in accrued liabilities, was \$4.1 million and \$4.6 million, respectively. Such valuation does not entail a significant amount of judgment and the inputs that are significant to the fair value measurement are Level 2 as defined by the fair value hierarchy as they are observable market based inputs or unobservable inputs that are corroborated by market data.

6. LEASES

The Company has entered into various non-cancelable operating lease agreements for certain offices, buildings and machinery and equipment which expire at various dates through July 2035. The Company does not assume renewals in the determination of the lease term unless the renewals are deemed to be reasonably assured at lease commencement. Lease agreements generally do not contain material residual value guarantees or material restrictive covenants. Operating lease costs were \$4.0 million and \$3.7 million for the three months ended October 28, 2023 and October 29, 2022, respectively. Operating lease costs were \$7.7 million and \$7.1 million for the six months ended October 28, 2023 and October 29, 2022, respectively. As of October 28, 2023, the weighted-average remaining lease term and weighted average discount rate of operating leases was 4.16 years and 3.74%, respectively. As of April 29, 2023, the weighted-average remaining lease term and weighted average discount rate of operating leases was 4.34 years and 3.30%, respectively. Cash payments were \$4.1 million and \$3.7 million for operating leases for the three months ended October 28, 2023 and October 29, 2022, respectively. Cash payments were \$7.8 million and \$7.1 million for the six months ended October 28, 2023 and October 29, 2022, respectively.

The following is a summary of future minimum lease payments and related liabilities for all non-cancelable operating leases as of October 28, 2023:

	(In thousands)
Fiscal 2024 – Remaining two quarters	\$ 7,478
Fiscal 2025	13,051
Fiscal 2026	10,627
Fiscal 2027	8,957
Fiscal 2028	3,910
Thereafter	4,779
Total minimum lease payments including interest	48,802
Less: amounts representing interest	(3,689)
Present value of minimum lease payments	45,113
Less: current portion of lease obligations	(13,483)
Non-current portion of lease obligations	\$ 31,630

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

National Beverage Corp. innovatively refreshes America with a distinctive portfolio of sparkling waters, juices, energy drinks (Power+ Brands) and, to a lesser extent, carbonated soft drinks. We believe our creative product designs, innovative packaging and imaginative flavors, along with our corporate culture and philosophy, make National Beverage unique as a stand-alone entity in the beverage industry. Traditional and typical are not a part of an innovator's vocabulary.

Our strategy seeks the profitable growth of our products by (i) developing healthier beverages in response to the global shift in consumer buying habits and tailoring our beverage portfolio to the preferences of a diverse mix of 'crossover consumers' – a growing group desiring a healthier alternative to artificially sweetened and high-caloric beverages; (ii) emphasizing unique flavor development and variety throughout our brands that appeal to multiple demographic groups; (iii) maintaining points of difference through innovative marketing, packaging and consumer engagement and (iv) responding faster and more creatively to changing consumer trends than larger competitors who are burdened by legacy production and distribution complexity and costs.

The majority of our brands are geared to the active and health-conscious consumer including sparkling waters, energy drinks, and juices. Our portfolio of Power+ Brands includes LaCroix®, LaCroix Cúrate®, and LaCroix NiCola® sparkling water beverages; Clear Fruit® non-carbonated water beverages enhanced with fruit flavor; Rip It® energy drinks and shots; and Everfresh®, Everfresh Premier Varietals™ and Mr. Pure® 100% juice and juice-based beverages. Additionally, we produce and distribute carbonated soft drinks including Shasta® and Faygo®, iconic brands whose consumer loyalty spans more than 130 years.

Presently, our primary market focus is the United States and Canada. Certain of our beverages are also distributed on a limited basis in other countries and options to expand distribution to other regions are being considered. To service a diverse customer base that includes numerous national retailers, as well as thousands of smaller “up-and-down-the-street” accounts, we utilize a hybrid distribution system consisting of warehouse and direct-store delivery. The warehouse delivery system allows our retail partners to further maximize their assets by utilizing their ability to pick up beverages at our warehouses, further lowering their/our costs.

Our operating results are affected by numerous factors, including fluctuations in the costs of raw materials, holiday and seasonal programming, changes in consumer purchasing habits and weather conditions. Beverage sales are seasonal with higher sales volume realized during the summer months when outdoor activities are more prevalent.

RESULTS OF OPERATIONS

Three Months Ended October 28, 2023 (second quarter of fiscal 2024) compared to
Three Months Ended October 29, 2022 (second quarter of fiscal 2023)

Net sales for the second quarter of fiscal 2024 increased \$0.5 million to \$300.1 million from \$299.6 million for the second quarter of fiscal 2023. The increase in sales resulted primarily from a 3.2% increase in average selling price per case, partially offset by a 3.6% decline in case volume. The volume decline primarily impacted Power+ Brands, partially offset by an increase in carbonated soft drink brands.

Gross profit for the second quarter of fiscal 2024 increased to \$107.9 million from \$100.0 million for the second quarter of fiscal 2023. The increase in gross profit is primarily due to the increased average selling price. The cost of sales per case decreased slightly and gross margin increased to 35.9% from 33.4% for the second quarter of fiscal 2023.

Selling, general and administrative expenses for the second quarter of fiscal 2024 increased \$0.5 million to \$53.6 million from \$53.1 million for the second quarter of fiscal 2023. The increase was primarily due to an increase in marketing costs, partially offset by declines in shipping and administrative costs. As a percent of net sales, selling, general and administrative expenses increased to 17.8% for the second quarter of fiscal 2024 from 17.7% for the second quarter of fiscal 2023.

Other income – net includes interest income of \$2.2 million for the second quarter of fiscal 2024 and \$0.2 million for the second quarter of fiscal 2023. The increase in interest income is due to increased average invested balances and higher yields.

The Company's effective income tax rate, based upon estimated annual income tax rates, was 23.2% for the second quarter of fiscal 2024 and 23.3% for the second quarter of fiscal 2023. The difference between the effective rate and the federal statutory rate of 21% was primarily due to the effects of state income taxes.

Six Months Ended October 28, 2023 (first six months of fiscal 2024) compared to
Six Months Ended October 29, 2022 (first six months of fiscal 2023)

Net sales for the first six months of fiscal 2024 increased \$6.5 million to \$624.3 million from \$617.8 million for the first six months of fiscal 2023. The increase in sales resulted primarily from a 3.4% increase in average selling price per case, partially offset by a 2.7% decline in case volume. The volume decline primarily impacted Power+ Brands, partially offset by an increase in carbonated soft drink brands.

Gross profit for the first six months of fiscal 2024 increased to \$222.3 million from \$199.4 million for the first six months of fiscal 2023. The increase in gross profit is due to the increased average selling price and a decline in packaging and ingredient costs. The cost of sales per case decreased 1.8% and gross margin increased to 35.6% from 32.3% for the first six months of fiscal 2023.

Selling, general and administrative expenses for the first six months of fiscal 2024 decreased \$1.1 million to \$104.9 million from \$106.0 million for the first six months of fiscal 2023. The decrease was primarily due to a decrease in shipping and administrative costs, partially offset by an increase in marketing costs. As a percent of net sales, selling, general and administrative expenses decreased to 16.8% from 17.2% for the first six months of fiscal 2023.

Other income – net includes interest income of \$4.0 million for the first six months of fiscal 2024 and \$0.2 million for the first six months of fiscal 2023. The increase in interest income is due to increased average invested balances and higher yields.

The Company's effective income tax rate, based upon estimated annual income tax rates, was 23.5% for the first six months of fiscal 2024 and the first six months of fiscal 2023. The difference between the effective rate and the federal statutory rate of 21% was primarily due to the effects of state income taxes.

LIQUIDITY AND FINANCIAL CONDITION

Liquidity and Capital Resources

Our principal source of funds is cash generated from operations. At October 28, 2023, we maintained unsecured revolving credit facilities totaling \$150 million, under which no borrowings were outstanding and \$2.2 million was reserved for standby letters of credit. We believe existing capital resources will be sufficient to meet our liquidity and capital requirements for the next twelve months.

Cash Flows

The Company's cash position increased \$89.6 million for the first six months of fiscal 2024 compared to an increase of \$44.6 million for the first six months of fiscal 2023.

Net cash provided by operating activities for the first six months of fiscal 2024 was \$102.1 million compared to \$82.2 million for the six months of fiscal 2023. For the first six months of fiscal 2024, cash flow provided by operating activities was principally provided by net income of \$93.4 million, depreciation and amortization of \$9.9 million, and amortization of operating lease right-of-use assets of \$6.9 million, partially offset by changes in working capital and other accounts.

Net cash used in investing activities for the first six months of fiscal 2024 reflects capital expenditures of \$12.8 million, compared to capital expenditures of \$8.0 million for the first six months of fiscal 2023. Certain production capacity and efficiency improvement projects are in progress and we anticipate fiscal 2024 capital expenditures will be in the range of \$25 to \$30 million.

Financial Position

At October 28, 2023, our working capital increased to \$313.9 million from \$222.1 million at April 29, 2023. The current ratio was 3.2 to 1 at October 28, 2023 compared to 2.5 to 1 at April 29, 2023. Trade receivables - net decreased \$4.7 million and days sales outstanding improved to 30.4 from 30.5 days. Inventories decreased \$0.8 million and inventory turns declined to 8.4 times from 9.2 times.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in market risks from those reported in our Annual Report on Form 10-K for the fiscal year ended April 29, 2023.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of the Company's management, including our Chief Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934). Based upon that evaluation, the Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective to ensure information required to be disclosed by us in reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (2) accumulated and communicated to our management, including our Chief Executive Officer and Principal Financial Officer, to allow timely decisions regarding required disclosure.

There were no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

National Beverage Corp. and its representatives may make written or oral statements relating to future events or results relative to our financial, operational and business performance, achievements, objectives and strategies. These statements are "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995 and include statements contained in this report and other filings with the Securities and Exchange Commission and in reports to our stockholders. Certain statements including, without limitation, statements containing the words "believes," "anticipates," "intends," "plans," "expects," and "estimates" constitute "forward-looking statements" and involve known and unknown risk, uncertainties and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the following: general economic and business conditions, pricing of competitive beverages, success of new product and flavor introductions, fluctuations in the costs and availability of raw materials and packaging supplies, ability to pass along cost increases to our customers, labor strikes or work stoppages or other interruptions in the employment of labor, continued retailer support for our beverages, changes in brand image, consumer demand and preferences and our success in creating beverages geared toward consumers' tastes, success in implementing business strategies, changes in business strategy or development plans, government regulations, taxes or fees imposed on the sale of our beverages, unfavorable weather conditions and other factors referenced in this report, filings with the Securities and Exchange Commission and other reports to our stockholders. We disclaim an obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements contained herein to reflect future events or developments.

PART II - OTHER INFORMATION**ITEM 1A. RISK FACTORS**

There have been no material changes in risk factors from those reported in our Annual Report on Form 10-K for the fiscal year ended April 29, 2023.

ITEM 6. EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
10.15	Amendment to Loan Agreement between NewBevCo, Inc. and lender therein dated November 15, 2023
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from National Beverage Corp. Quarterly Report on Form 10-Q for the quarterly period ended October 28, 2023, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Income; (iii) Condensed Consolidated Statements of Comprehensive Income; (iv) Condensed Consolidated Statements of Shareholders' Equity; (v) Condensed Consolidated Statements of Cash Flows; and (vi) the Notes to Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: December 7, 2023

National Beverage Corp.
(Registrant)

By: /s/ George R. Bracken
George R. Bracken
Executive Vice President – Finance
(Principal Financial Officer)

AMENDMENT NO. 2 TO LOAN AGREEMENT

This Amendment No. 2 to Loan Agreement (this "Amendment"), is entered into as of November 15, 2023, by and between NEWBEVCO, INC., a Delaware corporation (the "Borrower"), and BANK OF AMERICA, N.A., a national banking association (the "Bank").

RECITALS

The Borrower and the Bank have previously entered into that certain Loan Agreement (as amended or restated from time to time, the "Loan Agreement"), dated as of December 21, 2021, pursuant to which the Bank has provided a \$50,000,000.00 line of credit to the Borrower, as more particularly described therein.

The parties previously amended the Loan Agreement pursuant to an Amendment to Loan Agreement dated as of March 30, 2023. The parties wish to further amend the Loan Agreement in accordance with the terms hereof.

NOW, THEREFORE, for good and valuable consideration, the parties agree as follows:

1. Section 2.2 of the Loan Agreement is hereby amended so that, from and after the date hereof, such Section 2.2 shall read as follows:

2.2 Availability Period.

The Borrower shall be entitled to advances under the Note, on a revolving basis, during the period (the "Availability Period") between the date hereof, and December 31, 2024 (the "Advance Termination Date"). The Borrower shall not be entitled to any further advances under the Note after the Advance Termination Date.

2. The following provision is hereby added to the Loan Agreement:

Unused Fee. The Borrower shall pay an unused commitment fee to the Bank on the unused portion of the Line of Credit. This is the difference between the Line of Credit Commitment and the credit actually used, determined by the daily amount of credit outstanding during the specified period. The unused commitment fee will (a) be calculated at 10 basis points (0.10%) annually, and (b) be due quarterly in arrears, commencing with the calendar quarter ending December 31, 2023, and on the last day of each calendar quarter thereafter, until the Advance Termination Date.

3. When the Borrower signs this Amendment, the Borrower represents and warrants to the Bank that: (a) there is no event which is, or with notice or lapse of time or both would be, a default under the Agreement except those events, if any, that have been disclosed in writing to the Bank or waived in writing by the Bank, (b) the representations and warranties in the Agreement are true as of the date of this Amendment as if made on the date of this Amendment, (c) this Amendment does not conflict with any law, agreement, or obligation by which the Borrower is bound, and (d) if the Borrower is a business entity or a trust, this Amendment is within the Borrower's powers, has been duly authorized, and does not conflict with any of the Borrower's organizational papers.

4. Except as provided in this Amendment, all of the terms and conditions of the Loan Agreement shall remain in full force and effect.

5. This Amendment may be executed in counterparts, each of which when so executed shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.
-

6. **FINAL AGREEMENT.** BY SIGNING THIS DOCUMENT EACH PARTY REPRESENTS AND AGREES THAT: (A) THIS DOCUMENT REPRESENTS THE FINAL AGREEMENT BETWEEN PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF, (B) THIS DOCUMENT SUPERSEDES ANY COMMITMENT LETTER, TERM SHEET OR OTHER WRITTEN OUTLINE OF TERMS AND CONDITIONS RELATING TO THE SUBJECT MATTER HEREOF, UNLESS SUCH COMMITMENT LETTER, TERM SHEET OR OTHER WRITTEN OUTLINE OF TERMS AND CONDITIONS EXPRESSLY PROVIDES TO THE CONTRARY, (C) THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES, AND (D) THIS DOCUMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

This Amendment is executed as of the date stated at the top of the first page.

BANK OF AMERICA, N.A.

By: /s/ Frank LaCosta
Frank LaCosta
Senior Vice President

NEWBEVCO, INC.,
a Delaware corporation

By: /s/ George R. Bracken
George R. Bracken
Vice President

(SEAL)

CONSENT OF GUARANTORS

Each of the undersigned guarantors (each, a "Guarantor") has executed a Continuing and Unconditional Guaranty (the "Guaranty") pursuant to which the applicable Guarantor has guaranteed certain obligations of NEWBEVCO, Inc. (the "Borrower") to Bank of America, N.A. (the "Bank").

Each of the undersigned hereby consents to the Borrower's execution of: (a) an Amendment No. 2 to Loan Agreement (the "Amendment") of even date herewith by and between the Borrower and the Bank; and (b) a Note Modification Agreement (the "Note Modification") of even date herewith, by and between the Borrower and the Bank.

Each Guarantor reaffirms such Guarantor's obligations under the Guaranty and agrees that such Guarantor's obligations under the Guaranty shall not be discharged or otherwise impaired as a result of the Borrower's execution of the Amendment or the Note Modification.

GUARANTORS:

BEVCO SALES, INC.
BEVERAGE CORPORATION INTERNATIONAL, INC.
BIG SHOT BEVERAGES, INC.
EVERFRESH BEVERAGES, INC.
FAYGO BEVERAGES, INC.
LACROIX BEVERAGES, INC.
NATIONAL BEVERAGE VENDING COMPANY
NATIONAL RETAIL BRANDS, INC.
PACO, INC.
SHASTA BEVERAGES, INC.
SHASTA BEVERAGES INTERNATIONAL, INC.
SHASTA SALES, INC.
SHASTA SWEETENER CORP.
SHASTA WEST, INC.

BY: /s/ George R. Bracken

George R. Bracken Vice President

NOTE MODIFICATION AGREEMENT

This Note Modification Agreement is made as November 15, 2023, between NEWBEVCO, INC., a Delaware corporation (the "Borrower"), and BANK OF AMERICA, N.A., a national banking association (the "Bank").

Recitals

The Borrower and the Bank have entered into that certain Loan Agreement (as amended or restated from time to time, the "Loan Agreement"), dated as of December 21, 2021, pursuant to which the Bank has provided a \$50,000,000.00 line of credit (the "Line of Credit") to the Borrower, as more particularly described therein. The Line of Credit is evidenced by that certain Promissory Note (as amended, extended or renewed from time to time, the "Note") dated December 21, 2021, executed by the Borrower in favor of the Bank in an original principal amount of \$50,000,000.00.

The parties wish to modify the Note in accordance with the provisions hereof.

NOW THEREFORE, for good and valuable consideration, the parties agree as follows:

1. Section 6 of the Note is hereby amended so that, from and after the date hereof, such Section 6 shall read as follows:

6. Interest shall accrue on the outstanding principal balance of this Note as follows:

(a) The interest rate is a rate per year equal to Daily SOFR plus 1.05 percentage points (1.05%).

(b) Daily SOFR is a fluctuating rate of interest which can change on each banking day. Daily SOFR means the rate per annum equal to SOFR determined for any day pursuant to the definition thereof plus the SOFR Adjustment. Any change in Daily SOFR shall be effective from and including the date of such change without further notice. If at any time Daily SOFR is less than zero, such rate shall be deemed to be zero. For purposes of the Note:

(i) "SOFR" means, for any determination date, the Secured Overnight Financing Rate published on the second U.S. Government Securities Business Day preceding such date by the SOFR Administrator on the Federal Reserve Bank of New York's website (or any successor source); provided, however that if such determination date is not a U.S. Government Securities Business Day, then SOFR means such rate that applied on the first U.S. Government Securities Business Day immediately prior thereto.

(ii) "SOFR Adjustment" means 0.11448% per annum.

(iii) "SOFR Administrator" means the Federal Reserve Bank of New York, as the administrator of SOFR or any successor administrator of SOFR designated by the Federal Reserve Bank of New York or other person acting as the SOFR Administrator at such time.

(iv) "U.S. Government Securities Business Day" means any banking day, except any banking day on which any of the Securities Industry and Financial Markets Association, the New York Stock Exchange or the Federal Reserve Bank of New York is not open for business because such day is a legal holiday under the federal laws of the United States or the laws of the State of New York, as applicable.

(c) If, at any time, an interest rate index provided for in this Note (a "Reference Rate") is not available at such time for any reason or the Bank makes the determination to incorporate or adopt a new interest rate index to replace such Reference Rate in credit agreements, then the Bank may replace such Reference Rate with an alternate interest rate index and adjustment, if applicable, as reasonably selected by the Bank, giving due consideration to any evolving or then existing conventions for such interest rate index and adjustment (any such successor interest rate index, as adjusted, the "Successor Rate"). In connection with the implementation of any Successor Rate, the Bank will have the right, from time to time, in good faith to make any conforming, technical, administrative or operational changes to this Agreement as may be appropriate to reflect the adoption and administration thereof and, notwithstanding anything to the contrary herein or in any other loan document, any amendments to the Facility No. 1 Note implementing such conforming changes will become effective upon notice to the Borrower without any further action or consent of the other parties hereto. If at any time any Successor Rate is less than one-half percent (0.50%), such rate shall be deemed to be one-half percent (0.506) for the purposes of this Note.

(d) For the purposes hereof, a "banking day" is a day other than a Saturday, Sunday or other day on which commercial banks are authorized to close, or are in fact closed, in the state where the Bank's lending office is located, and, if such day relates to amounts bearing interest at a Reference Rate, in New York City. All payments and disbursements which would be due on a day which is not a banking day will be due on the next banking day.

(e) Except as otherwise stated in this Note all interest and fees, if any, will be computed on the basis of a 360-day year and the actual number of days elapsed. This results in more interest or a higher fee than if a 365-day year is used. Installments of principal which are not paid when due under this Note shall continue to bear interest until paid.

(e) Notwithstanding any contrary provision set forth herein, any principal of, and to the extent permitted by applicable law, any interest on this Note, and any other sum payable hereunder, that is not paid when due shall bear interest, from the date due and payable until paid, payable on demand, at a rate per annum (the "Default Rate") equal to the lesser of: (i) the rate per annum otherwise payable under Section 6 (a) above plus three percent (3.0%) per annum.

2. Section 7 of the Note is hereby amended so that, from and after the date hereof, such Section 7 shall read as follows:

7. The Borrower shall pay all principal and interest under this Note as follows:

(a) The Borrower shall pay all accrued interest hereunder on the last day of each calendar month, having originally commenced on January 31, 2022, and continuing on the last day of each calendar month thereafter.

(b) Commencing on January 31, 2025, and continuing on the last day of each calendar month thereafter through November 30, 2025, the Borrower shall pay monthly installments of principal in an amount sufficient to repay the principal balance of this Note as of the Advance Termination Date (as defined in the Loan Agreement), in equal installments of principal, over the Amortization Period. For the purposes hereof, the "Amortization Period shall mean a 12-month period commencing on the Advance Termination Date.

(c) The Borrower shall pay all outstanding principal hereunder, together with all then accrued and unpaid interest, on December 31, 2025.

3. The Note, as modified herein, shall continue in full force and effect from and after the date hereof. The Borrower shall perform, comply with and abide by each and every provision of the Note (as modified herein), and the provisions of every other loan document. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Borrower and the Bank. This Agreement shall not constitute a novation.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

DATED the day and year first above written.

NEWBEVCO, INC.,
a Delaware corporation

By: /s/ George R. Bracken
George R. Bracken
Vice President

(SEAL)

BANK OF AMERICA, N.A.

By: /s/ Frank LaCosta
Frank LaCosta
Senior Vice President

CERTIFICATION

I, Nick A. Caporella, certify that:

1. I have reviewed this quarterly report on Form 10-Q of National Beverage Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal 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 and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 7, 2023

/s/ Nick A. Caporella
Nick A. Caporella
Chairman of the Board and
Chief Executive Officer

CERTIFICATION

I, George R. Bracken, certify that:

1. I have reviewed this quarterly report on Form 10-Q of National Beverage Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal 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 and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 7, 2023

/s/ George R. Bracken

George R. Bracken

Executive Vice President – Finance

(Principal Financial Officer)

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

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended October 28, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nick A. Caporella, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to my 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 Company.

Date: December 7, 2023

/s/ Nick A. Caporella
Nick A. Caporella
Chairman of the Board and
Chief Executive Officer

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

In connection with the Quarterly Report of National Beverage Corp. (the “Company”) on Form 10-Q for the period ended October 28, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, George R. Bracken, Executive Vice President - Finance of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to my 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 result of operations of the Company.

Date: December 7, 2023

/s/ George R. Bracken

George R. Bracken

Executive Vice President – Finance

(Principal Financial Officer)