

Valued *fizz* Holder,



In preparation for this writing, we asked ourselves what makes National Beverage so special? ***AUTHENTICITY...***

The Company has a true and very honest connection with its consumers and retailer customers along with a rare and very close relationship with its shareholders.

Our products are unique and deliver more than refreshment and taste. Consumers love and absolutely rely upon our products, not only for taste, but for creative stimulation. These consumers are extremely loyal and consistently introduce new friends to their favorite flavors, rejecting attempts of beverage giants to win them over despite significant competitive efforts. That's why we maintain the leading share of flavored sparkling water.

Our Company has an undeniable connection with its long-term shareholders. Those shareholders who have rewarded us with their loyalty have been justly rewarded with 750% appreciation since becoming a public company, compared to 196% in the S&P 500 over that same period. We also have shared our free cash flow with our shareholders by paying \$1.2 billion in cash dividends over the last 17 years.

**S&P500**  
**+196%**  
(1991 - 2022)

**National  
Beverage  
Corp.**

*fizz*  
**+750%**  
(1991 - 2022)

**1 share 1991 = 38 shares FY2022**

**$\frac{11 \text{ cash dividends}}{17 \text{ years}} = \$1.2 \text{ Billion}$**

## ***Tolerance . . .***

Fiscal 2022 was a challenging year and our operating income performance, even though the second highest in our history, did not exceed the prior year. Writing this last sentence was extremely difficult to do . . . we humbly apologize. Twenty-seven pages of cause may not warrant one page of change if management has not previously validated its exemplary performance. This chart most compellingly demonstrates this.

## ***Precise and Profound . . .***

We have a unique style that is compared to an owner/operator, an entrepreneurial way that differs quite profoundly from the typical that usually prevails. *We are a contradiction to typical. Our imagination is liquid. Our souls relish in flavor and our hearts were designed for compassion.* Well, that is at the heart and soul of the philosophy encompassing our growth chart, and that creative and innovation drives our will and defines our unrivaled strengths.

If all of these recent challenges left Team National with enduring residue, it has also created a stronger balance sheet and a more determined resolve to surpass our finest innovations. It has also taught us the more precise meaning of a healthier lifestyle and to stretch the corners of our personal envelope, unlocking extra capacity. Our frame of reference has been tested to expect far in excess of what we previously accepted. Finally, what was once an unachievable brand performance has now become prevalent, exceeding our highest expectations. We have come to accept that the best teacher of tolerance here at National Beverage Corp. has been our most egregious enemy. Surprisingly, the profoundness of this teaching has prepared us for a *Dee-licious* future!

## ***Team National***

P.S. We hope you will be visibly entertained and enjoy the distinctive taste of our award-winning *LaCroix Cherry Blossom*.

