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 July 27, 2024
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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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 September 3, 2024 was 93,611,846.

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

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In thousands, except share data)

	July 27, 2024	April 27, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 77,040	$ 327,047
Trade receivables, net	116,029	102,837
Inventories	90,629	84,603
Prepaid and other assets	9,516	22,385
Total current assets	293,214	536,872
Property, plant and equipment, net	158,446	159,730
Operating lease right-of-use assets	50,627	53,498
Goodwill	13,145	13,145
Intangible assets	1,615	1,615
Other assets	5,525	5,293
Total assets	$ 522,572	$ 770,153
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 73,894	$ 78,283
Accrued liabilities	49,767	46,565
Operating lease liabilities	12,821	13,079
Income taxes payable	11,000	-
Total current liabilities	147,482	137,927
Deferred income taxes, net	21,059	23,247
Operating lease liabilities	39,110	41,688
Other liabilities	8,325	7,779
Total liabilities	215,976	210,641
Commitments and contingencies		
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; 101,985,358 and 101,942,658 shares issued, respectively	1,020	1,019
Additional paid-in capital	43,092	42,588
Retained earnings	287,709	535,077
Accumulated other comprehensive (loss) income	(1,142)	4,911
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	306,596	559,512
Total liabilities and shareholders' equity	$ 522,572	$ 770,153

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	
	July 27, 2024	July 29, 2023
Net sales	$ 329,473	$ 324,240
Cost of sales	207,041	209,759
Gross profit	122,432	114,481
Selling, general and administrative expenses	52,917	51,377
Operating income	69,515	63,104
Other income, net	4,347	2,063
Income before income taxes	73,862	65,167
Provision for income taxes	17,082	15,536
Net income	$ 56,780	$ 49,631
Earnings per common share:		
Basic	$ .61	$ .53
Diluted	$ .61	$ .53
Weighted average common shares outstanding:		
Basic	93,569	93,354
Diluted	93,667	93,610

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	
	July 27, 2024	July 29, 2023
Net income	$ 56,780	$ 49,631
Other comprehensive loss, net of tax:		
Cash flow hedges	(6,053)	(211)
Comprehensive income	$ 50,727	$ 49,420

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			
	July 27, 2024		July 29, 2023	
	Shares	Amount	Shares	Amount
Series C Preferred Stock				
Beginning and end of period	150	$ 150	150	$ 150
Common Stock				
Beginning and end of period	101,942	1,019	101,727	1,017
Stock options exercised	43	1	-	-
End of Period	101,985	1,020	101,727	1,017
Additional Paid-In Capital				
Beginning of period		42,588		40,393
Stock options exercised		344		-
Stock-based compensation expense		160		168
End of period		43,092		40,561
Retained Earnings				
Beginning of period		535,077		358,345
Net income		56,780		49,631
Common stock cash dividend		(304,148)		-
End of period		287,709		407,976
Accumulated Other Comprehensive (Loss) Income				
Beginning of period		4,911		(3,185)
Cash flow hedges		(6,053)		(211)
End of period		(1,142)		(3,396)
Treasury Stock - Series C Preferred				
Beginning and end of period	150	(5,100)	150	(5,100)
Treasury Stock - Common				
Beginning and end of period	8,374	(19,133)	8,374	(19,133)
Total Shareholders' Equity		$ 306,596		$ 422,075

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended	
	July 27, 2024	July 29, 2023
Operating Activities:		
Net income	$ 56,780	$ 49,631
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,393	4,956
Deferred income taxes	(312)	4,284
Loss on disposal of property, plant and equipment, net	2	3
Stock-based compensation expense	160	171
Non-cash operating lease expense	3,556	3,329
Changes in assets and liabilities:		
Trade receivables	(13,192)	(2,762)
Inventories	(6,026)	579
Prepaid and other assets	6,872	1,559
Accounts payable	(4,389)	2,217
Accrued and other liabilities	12,175	9,478
Operating lease liabilities	(3,520)	(3,302)
Net cash provided by operating activities	57,499	70,143
Investing Activities:		
Purchases of property, plant and equipment	(3,704)	(5,474)
Proceeds from sale of property, plant and equipment	1	26
Net cash used in investing activities	(3,703)	(5,448)
Financing Activities:		
Dividends paid on common stock	(304,148)	-
Proceeds from stock options exercised	345	-
Net cash used in financing activities	(303,803)	-
Net (Decrease) Increase in Cash and Cash Equivalents	(250,007)	64,695
Cash and Cash Equivalents - Beginning of Period	327,047	158,074
Cash and Cash Equivalents - End of Period	$ 77,040	$ 222,769
Supplemental Cash Flow Information:		
Interest paid	$ 25	$ 112
Income taxes paid	$ 223	$ 1
Non-Cash Activities:		
Right-of-use assets obtained in exchange for lease liabilities	$ 684	$ 3,589

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. All 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 27, 2024. The accounting policies used in these interim unaudited condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements.

Use of Estimates
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.

Fair Value of Financial Instruments
The carrying values of the Company’s financial instruments, including cash and cash equivalents, trade receivables, accounts payable and accrued liabilities, approximate fair value due to the relatively short maturity of the respective instruments. Derivative financial instruments which are used to partially mitigate our exposure to changes in certain raw material costs are recorded at fair value. Derivative financial instruments are not used for trading or speculative purposes. Credit risk related to derivative financial instruments is managed by requiring high credit standards for counterparties and frequent cash settlements. The estimated fair values of derivative financial instruments are calculated based on market rates to settle the instruments. See Note 6-Derivative Financial Instruments.

Inventories
Inventories are stated at the lower of first-in, first-out cost or net realizable value. Adjustments, if required, to reduce the cost of the inventory to net realizable value are made for estimated excess, obsolete or impaired balances. Inventories at July 27, 2024 were comprised of finished goods of $49.0 million and raw materials of $41.6 million. Inventories at April 27, 2024 were comprised of finished goods of $50.3 million and raw materials of $34.3 million.

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 $19.5 million and $20.9 million for the three months ended July 27, 2024 and July 29, 2023, 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.

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 $11.5 million and $10.8 million for the three months ended July 27, 2024 and July 29, 2023, respectively.

Earnings Per Common Share
Basic earnings per common share is computed by dividing earnings available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per common share is calculated in a similar manner, but includes the dilutive effect of stock options amounting to 98,000 and 256,000 shares in the three months ended July 27, 2024 and July 29, 2023, respectively.

2. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consist of the following:

	(In thousands)	
	July 27, 2024	April 27, 2024
Land	$ 9,835	$ 9,835
Buildings and improvements	71,757	71,754
Machinery and equipment	317,646	314,079
Total	399,238	395,668
Less: accumulated depreciation	(240,792)	(235,938)
Property, plant and equipment, net	$ 158,446	$ 159,730

Depreciation expense was $5.0 million and $4.6 million for the three months ended July 27, 2024 and July 29, 2023, respectively.

3. 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 May 2036. 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 $4.1 million and $3.7 million for the three months ended July 27, 2024 and July 29, 2023, respectively. As of July 27, 2024, the weighted-average remaining lease term and weighted average discount rate of operating leases was 4.69 years and 4.34%, respectively. As of April 27, 2024, the weighted-average remaining lease term and weighted average discount rate of operating leases was 4.80 years and 4.30%, respectively. Cash payments were $4.1 million and $3.7 million for operating leases for the three months ended July 27, 2024 and July 29, 2023, respectively.

The following is a summary of future minimum lease payments and related liabilities for all non-cancelable operating leases as of July 27, 2024:

		(In thousands)
Fiscal 2025 – Remaining 3 quarters	$	11,254
Fiscal 2026		13,465
Fiscal 2027		11,916
Fiscal 2028		7,016
Fiscal 2029		5,829
Thereafter		8,423
Total minimum lease payments including interest		57,903
Less: Amounts representing interest		(5,972)
Present value of minimum lease payments		51,931
Less: Current portion of lease obligations		(12,821)
Non-current portion of lease obligations	$	39,110

4. DEBT

At July 27, 2024, 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 July 27, 2024 or April 27, 2024. At July 27, 2024, $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 July 27, 2024 or April 27, 2024. 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 July 27, 2024, the subsidiary was in compliance with all loan covenants.

5. STOCK OPTIONS

During the three months ended July 27, 2024, no options were granted, options to purchase 42,700 shares were exercised and options to purchase 4,200 shares were cancelled at weighted average exercise prices of $8.07 and $15.71, respectively. At July 27, 2024, options to purchase 253,000 shares at a weighted average exercise price of $28.54 per share were outstanding and stock-based awards to purchase 5,397,605 shares of common stock were available for grant.

6. 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:

	Three Months Ended	
	July 27, 2024	July 29, 2023
Recognized in AOCI:		
Loss before income taxes	$ (7,198)	$ (4,040)
Less: income tax benefit	(1,704)	(966)
Net	(5,494)	(3,074)
Reclassified from AOCI to cost of sales:		
Gain (loss) before income taxes	732	(3,763)
Less: income tax provision (benefit)	173	(900)
Net	559	(2,863)
Net change to AOCI	$ (6,053)	$ (211)

As of July 27, 2024, the notional amount of our outstanding aluminum swap contracts was $102.0 million and, assuming no change in commodity prices, $1.7 million of unrealized loss before tax will be reclassified from AOCI and recognized in earnings over the next 12 months. The maximum length of time for which the Company hedges its exposure to the variability of future cash flows is less than three years.

As of July 27, 2024, the fair value of the short-term derivative liability was $1.9 million, which was included in accrued liabilities, the fair value of the long-term derivative liability was $0.7 million, which was included in other liabilities, and the fair value of the derivative asset was $0.4 million, of which $0.2 million was included in prepaids and other assets and $0.2 million in other assets. As of April 27, 2024, the fair value of the derivative asset, which was included in prepaid and other assets, was $5.7 million. 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.

7. CASH DIVIDEND

On June 12, 2024, the Company's board of directors declared a special cash dividend of $3.25 per share payable to shareholders of record on June 24, 2024. The special cash dividend of $304.1 million was paid on July 24, 2024.

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.

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 135 years.

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.

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 pursued. 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, supply chain disruptions, holiday and seasonal programming, 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 July 27, 2024 (first quarter of fiscal 2025) compared to
Three Months Ended July 29, 2023 (first quarter of fiscal 2024)

Net sales for the first quarter of fiscal 2025 increased 1.6% to $329.5 million compared to $324.2 million for the first quarter of fiscal 2024. The increase in sales resulted primarily from a 0.7% increase in case volume and a 0.7% increase in average selling price per case. The increase in case volume primarily impacted carbonated soft drink brands, partially offset by a slight decrease in Power+ Brands.

Gross profit for the first quarter of fiscal 2025 increased to $122.4 million compared to $114.5 million for the first quarter of fiscal 2024. The increase in gross profit was primarily due to a decline in packaging costs, the increase in average selling price per case and the increase in case volume. The cost of sales per case decreased 1.9% and gross margin increased to 37.2% compared to 35.3% for the first quarter of fiscal 2024.

Selling, general and administrative expenses for the first quarter of fiscal 2025 increased $1.5 million to $52.9 million from $51.4 million for the first quarter of fiscal 2024. The increase was primarily due to an increase in administrative and marketing costs, partially offset by a decrease in shipping costs. As a percentage of net sales, selling, general and administrative expenses increased to 16.1% for the first quarter of fiscal 2025 compared to 15.8% for the first quarter of fiscal 2024.

Other income, net includes interest income of $4.3 million for the first quarter of fiscal 2025 and $1.8 million for the first quarter of fiscal 2024. The increase in interest income is due primarily to increased average invested balances.

The Company's effective income tax rate, based upon estimated annual income tax rates, was 23.1% for the first quarter of fiscal 2025 and 23.8% for the first quarter of fiscal 2024. The difference between the effective rate and the federal statutory rate of 21% was primarily due to the effects of state income taxes, partially offset by excess tax benefits realized from stock options exercised.

LIQUIDITY AND FINANCIAL CONDITION

Liquidity and Capital Resources
Our principal sources of liquidity are our existing cash and cash-equivalents, cash generated from operations and borrowing capacity. At July 27, 2024, we maintained unsecured revolving Credit Facilities and Loan Facility 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 decreased $250.0 million for the first quarter of fiscal 2025 compared to an increase of $64.7 million for the first quarter of fiscal 2024 primarily due to the special cash dividend of $304.1 million paid on July 24, 2024.

Net cash provided by operating activities for the first quarter of fiscal 2025 was $57.5 million compared to $70.1 million for the first quarter of fiscal 2024. For the first quarter of fiscal 2025, cash flow provided by operating activities decreased primarily due to increases in working capital excluding cash, partially offset by an increase in operating income and interest income.

Net cash used in investing activities for the first quarter of fiscal 2025 reflects capital expenditures of $3.7 million, compared to capital expenditures of $5.5 million for the first quarter of fiscal 2024. Certain production capacity and efficiency improvement projects are in progress and we anticipate fiscal 2025 capital expenditures will be in the range of $25 to $30 million.

Net cash used in financing activities for the first quarter of fiscal 2025 reflects the payments of a special dividend of $304.1 million.

Financial Position
At July 27, 2024, working capital decreased to $145.7 million from $398.9 million at April 27, 2024. The current ratio was 2.0 to 1 at July 27, 2024 compared to 3.9 to 1 at April 27, 2024. The decrease in working capital and current ratio was due primarily to the payment of the $304.1 million cash dividend. Trade receivables increased $13.2 million and days sales outstanding increased to 32.0 from 31.5 days. Inventories increased $6.0 million and inventory turns declined to 8.3 times from 8.6 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 27, 2024.

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).

As previously disclosed in the Form 10-K for the year ended April 27, 2024, management identified a material weakness in our internal financial reporting controls over the review of the Consolidated Statements of Cash Flows at January 27, 2024 and previous periods, including operating lease disclosures and presentation. The controls did not operate at a level precise enough to detect errors in certain calculations within the Consolidated Statements of Cash Flows and the presentation of right-of-use assets obtained in exchange for lease liabilities as supplemental non-cash items. As a result, we implemented additional review procedures in the fourth quarter of fiscal 2024 that included the hiring of additional financial professionals to review the calculations underlying the cash flow presentation, enhanced procedures for assuring that right-of-use assets are reported on a timely basis by subsidiary personnel and additional quarter-end reviews of operating lease liabilities.

During the first quarter of our current fiscal year, we completed our testing of the effectiveness of internal controls impacted by these remediation measures and concluded that the material weakness has been remediated.

Based upon these evaluations, 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, except for those improvements in internal controls described above.

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,” “estimates”, ”may,” “will,” “should,” “could,” and similar expressions 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, technology failures or cyberattacks on our technology systems or our effective response to technology failures or cyberattacks on our customers’, suppliers’ or other third parties’ technology systems, government regulations, taxes or fees imposed on the sale of our beverages, unfavorable weather conditions, changing weather patterns and natural disasters, climate change or legislative or regulatory responses to such change and other factors referenced in this report, filings with the Securities and Exchange Commission and other reports to our stockholders. We disclaim any 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 27, 2024.

ITEM 6. EXHIBITS

Exhibit No.	Description
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 July 27, 2024, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets (Unaudited); (ii) Condensed Consolidated Statements of Income (Unaudited); (iii) Condensed Consolidated Statements of Comprehensive Income (Unaudited); (iv) Condensed Consolidated Statements of Shareholders' Equity (Unaudited); (v) Condensed Consolidated Statements of Cash Flows (Unaudited); and (vi) the Notes to Condensed Consolidated Financial Statements (Unaudited).
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: September 5, 2024

National Beverage Corp.
(Registrant)

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

EXHIBIT 31.1

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: September 5, 2024

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

EXHIBIT 31.2

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: September 5, 2024

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

EXHIBIT 32.1

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

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended July 27, 2024 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: September 5, 2024

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

EXHIBIT 32.2

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

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended July 27, 2024 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: September 5, 2024

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