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

FORM 10-K

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

For the fiscal year ended November 1, 2024

Commission file number: 000-02396



BRIDGFORD FOODS CORPORATION

(Exact name of Registrant as specified in its charter)

California
(State or Other Jurisdiction of Incorporation)

95-1778176
(I.R.S. Employer Identification No.)

1707 South Good-Latimer Expressway, Dallas, Texas 75226
(Address of principal executive offices)

(214) 428-1535
(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	BRID	Nasdaq Global Market

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

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

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

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§322.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

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

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

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

The aggregate market value of voting and non-voting stock held by non-affiliates of the registrant on April 19, 2024, the last business day of the registrant's most recently completed second fiscal quarter, was approximately \$18,589,000.

As of January 29, 2025, there were 9,076,832 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement on Schedule 14A relating to the registrant's 2025 annual meeting of stockholders, to be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K, are incorporated by reference in Part III, Items 10-14, within this Annual Report on Form 10-K.

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Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K (this “Report”) contains “forward-looking statements” within the meaning of the federal securities laws, which statements are subject to considerable risks and uncertainties. These forward-looking statements are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements included or incorporated by reference in this Report, other than statements of historical fact, are forward-looking statements. You can identify forward-looking statements by the use of words such as “anticipate,” “believe,” “continue,” “could,” “expect,” “intend,” “may,” “will,” or the negative of such terms, or other comparable terminology. Forward-looking statements also include the assumptions underlying or relating to such statements.

In particular, forward-looking statements included or incorporated by reference in this Report relate to, among other things: general economic and business conditions; the impact of competitive products and pricing; success of operating initiatives; development and operating costs; advertising and promotional efforts; adverse publicity; acceptance of new product offerings; changes in business strategy or development plans; availability, terms and deployment of capital; availability of qualified personnel; commodity, labor, and employee benefit costs; supply chain constraints and resulting cost pressures; macroeconomic conditions, including the impact of inflation on our results of operations; changes in, or failure to comply with, government regulations; weather conditions; relationships with customers and suppliers.

Our forward-looking statements are based on our management’s current assumptions and expectations about future events and trends, which affect or may affect our business, strategy, operations or financial performance. Although we believe that these forward-looking statements are based upon reasonable assumptions, they are subject to numerous known and unknown risks and uncertainties and are made in light of information currently available to us. Our actual financial condition and results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the section entitled Risk Factors beginning on page 6 of this Report. You should read this Report with the understanding that our actual future results may be materially different from and worse than what we expect.

Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Forward-looking statements speak only as of the date they were made, and, except to the extent required by law or the Nasdaq listing rules, we undertake no obligation to update or review any forward-looking statement because of new information, future events or other factors.

We qualify all of our forward-looking statements by these cautionary statements.

PART I

Item 1. Business

Background of Business

Bridgford Foods Corporation (collectively with its subsidiaries, “Bridgford”, the “Company”, “we”, or “our”), a California corporation, was organized in 1952. We originally began operations in 1932 as a retail meat market in San Diego, California and evolved into a meat wholesaler for hotels and restaurants, a distributor of frozen food products, a processor and packer of meat, and a manufacturer and distributor of frozen food products for sale on a retail and wholesale basis. Currently, we are primarily engaged in the manufacturing, marketing, and distribution of an extensive line of frozen and snack food products throughout the United States. We have not been involved in any bankruptcy, receivership, or similar proceedings since inception nor have we been party to any merger, acquisition, etc. or acquired or disposed of any material amounts of assets during the past five years other than the sale of our real property located at 170 N. Green Street in Chicago in June 2022. Substantially all of our assets have been acquired in the ordinary course of business.

Description of Business

Bridgford currently operates in two business segments - the processing and distribution of frozen food products and the processing and distribution of snack food products. For information regarding the separate financial performance of the business segments refer to Note 7 of the Notes to Consolidated Financial Statements included in this Report.

The following table shows sales, as a percentage of consolidated sales, for each business segment during the last two fiscal years:

	2024	2023
Frozen Food Products	26%	23%
Snack Food Products	74%	77%
	<u>100%</u>	<u>100%</u>

We manufacture nearly all of our food products and distribute an extensive line of biscuits, bread dough items, roll dough items, dry sausage products and beef jerky. Our direct store delivery network consists of non-refrigerated snack food products. Our frozen food products division serves both food service and retail customers.

Although we have recently introduced several new products, most of these products have not contributed significantly to our revenue growth for the fiscal year 2024. Our sales are not subject to material seasonal variations. Historically we have been able to respond quickly to the receipt of orders and, accordingly, do not maintain a significant sales backlog. Neither Bridgford nor its industry generally has unusual demands or restrictions on working capital items. During the last fiscal year, we did not enter into any new markets or any significant contractual or other material relationships.

Product Distribution Methods

Our products are delivered to customers using several distinct distribution channels. The distribution channel utilized is dependent upon the needs of our customers, the most efficient proximity to the delivery point, trade customs, and operating segment as well as product type, life, and stability. Among our customers are many of the country's largest broadline and specialty food service distributors. These and other large-end purchasers occasionally go through extensive qualification procedures and our manufacturing capabilities are subjected to thorough review by the end purchasers prior to our approval as a vendor. Large end purchasers typically select suppliers that can consistently meet increased volume requirements on a national basis during peak promotional periods. We believe that our manufacturing flexibility, national presence, and long-standing customer relationships should allow us to compete effectively with other manufacturers seeking to provide similar products to our current large food service end purchasers, although no assurances can be given.

The factors that contribute to higher or lower margins generated from each method of distribution depend upon the accepted selling price, level of involvement by our employees in setting up and maintaining displays, distance traveled, and fuel consumed by our Company-owned fleet as well as freight and shipping costs depending on the distance the product travels to the delivery point. Management is continually evaluating the profitability of product delivery methods, analyzing alternate methods, and weighing economic inputs to determine the most efficient and cost-effective method of delivery to fulfill the needs of our customers.

Major Product Classes

Frozen Food Products

Our frozen food products division serves both food service and retail customers. We sell approximately 130 unique frozen food products through approximately 820 wholesalers, cooperatives, and distributors.

Frozen Food Products – Food Service Customers

The food service industry is composed of establishments that serve food outside the home and includes restaurants, the food operations of health care providers, schools, hotels, resorts, corporations, and other traditional and non-traditional food service outlets. Growth in this industry has been driven by the increase in away-from-home meal preparation, which has accompanied the expanding number of both dual income and single-income households. Another trend within the food service industry is the growth in the number of non-traditional food service outlets such as convenience stores, retail stores and supermarkets. These non-traditional locations often lack extensive cooking, storage, or preparation facilities resulting in a need for pre-cooked and prepared foods similar to those we provide. The expansion in the food service industry has also been accompanied by the continued consolidation and growth of broadline and specialty food service distributors, many of which are long-standing customers.

Frozen Food Products – Retail Customers

The majority of our existing and targeted retail customers are involved in the resale of branded and private label packaged foods. The same trends which have contributed to the increase in away-from-home meal preparation have also fueled the growth in easy to prepare, microwaveable frozen and refrigerated convenience foods. Among the fastest growing segments is the frozen and refrigerated hand-held foods market. This growth has been driven by improved product quality and variety and the increasing need for inexpensive and healthy food items that require minimal preparation. Despite rapid growth, many categories of frozen and refrigerated hand-held foods have achieved minimal household penetration. We believe we have been successful in establishing and maintaining supply relationships with certain selected leading retailers in this market.

Frozen Food Products – Sales and Marketing

Our frozen food business covers the United States. Products produced by the Frozen Food Products segment are generally supplied to food service and retail distributors who take title to the product upon shipment receipt. The Company plans to shift away from Company-leased long-haul vehicles toward less costly transportation methods such as common carriers. In addition to regional sales managers, we maintain a network of independent food service and retail brokers covering most of the United States. Brokers are compensated on a commission basis. We believe that our broker relationships, in close cooperation with our regional sales managers, are a valuable asset providing significant new products and customer opportunities. Regional sales managers perform several significant functions for us, including identifying and developing new business opportunities and providing customer service and support to our distributors and end purchasers through the effective use of our broker network.

Our annual advertising expenditure is directed towards retail and institutional (foodservice) customers. These customers participate in various special promotional and marketing programs and direct advertising allowances we sponsor. We also invest in general consumer advertising in various periodicals, and coupons to advertise in major markets. We direct advertising toward food service customers with campaigns in major industry publications and through our participation in trade shows throughout the United States. Our advertising strategy includes our presence on social media and online distribution of promotional material.

Snack Food Products

During fiscal year 2024, our snack food products division sold approximately 170 different items through customer-owned distribution centers and a direct-store-delivery network serving approximately 21,000 supermarkets, mass merchandise and convenience retail stores located in 50 states.

Products produced or distributed by the Snack Food Products segment are supplied to customers through either direct delivery to customer warehouses or direct-store-delivery to retail locations. We utilize customer managed warehouse distribution centers to lower distribution cost. Product delivered to the customer's warehouse is then distributed to the store where it is resold to the end consumer. Our direct-store-delivery system focus emphasizes high quality service and supply of our premium branded products to our customers. We also provide the service of setting up and maintaining the display and restocking our products.

Snack Food Products — Customers

Our customers are comprised of large retail chains and smaller "independent" or non-chain operators. This part of our business is highly competitive. Proper placement of our product lines is critical to selling success since most items could be considered "impulse" items which are often consumed shortly after purchase. Our ability to sell successfully to this distribution channel depends on aggressive marketing and maintaining relationships with key buyers.

Snack Food Products — Sales and Marketing

Snack food products are distributed across the United States. Regional sales managers perform several significant functions including identifying and developing new business opportunities and providing customer service and support to our customers. We also utilize the services of brokers, where appropriate, to support efficient product distribution and customer satisfaction. Bridgford is the primary sponsor for several professional anglers that compete at the highest level of competitive bass fishing. In addition to our Bridgford Pro Fishing team, which consists of Pro Anglers from the Bass Master Elites, FLW Tour, and Major League Fishing, we have also launched our Bridgford Outdoors Ambassador program to continue to grow and support others who share our passion for the outdoors.

Product Planning and Research and Development

We continually monitor the consumer acceptance of each product within our extensive product line. Individual products are regularly added to and deleted from our product line. Historically, the addition or deletion of any individual product has not had a material effect on our operations at the end of the fiscal year. We believe that a key factor in the success of our products is our system of carefully targeted research and testing of our products to ensure high quality and that each product matches an identified market opportunity. The emphasis in new product introductions in the past several years has been on single-serve items. We are constantly striving to develop new products to complement our existing product lines and improve processing techniques and formulas. We utilize an in-house test kitchen and consultants to research and experiment with unique food preparation methods, improve quality control and analyze new ingredient mixtures.

Competition

Our products are sold under highly competitive conditions. All food products can be considered competitive with other food products, but we consider our principal competitors to include national, regional, and local producers and distributors of refrigerated, frozen and non-refrigerated snack food products. Several of our competitors include large companies with substantially greater financial and marketing resources than ours. Existing competitors may broaden their product lines and potential competitors may enter or increase their focus on our markets, resulting in greater competition for us. We believe that our products compete favorably with those of our competitors. Such competitors' products compete against ours for retail shelf space, institutional distribution, and customer preference. Innovation, high quality and consistency are the major attributes of our products.

Effect of Government Regulations

Our operations are subject to extensive inspection and regulation by the United States Department of Agriculture (the "USDA"), the Food and Drug Administration (the "FDA"), and by other federal, state, and local authorities regarding the processing, packaging, storage, transportation, distribution, and labeling of products that we manufacture, produce and process. Our processing facilities and products are subject to continuous inspection by the USDA and/or other federal, state, and local authorities. The USDA has issued strict regulations concerning the control of listeria monocytogenes in ready-to-eat meat and poultry products and contamination by food borne pathogens such as E. coli and salmonella and implemented a system of regulation known as the Hazard Analysis Critical Control Points ("HACCP") program. The HACCP program requires all meat and poultry processing plants to develop and implement sanitary operating procedures and other program requirements. OSHA oversees safety compliance and establishes certain employer responsibilities to help "assure safe and healthful working conditions" and keep the workplace free of recognized hazards or practices likely to cause death or serious injury. We believe that we are currently in compliance with governmental laws and regulations and that we maintain the necessary permits and licenses relating to our operations.

To date, federal, state, and local environmental laws and regulations, including those relating to the discharge of materials into the environment, and the resources we expend to comply with such regulations, have not had a material effect on our business.

Importance of Key Customers

Sales to Wal-Mart® comprised 27.8% of revenues in fiscal year 2024 and 25.4% of total accounts receivable was due from Wal-Mart® as of November 1, 2024. Sales to Wal-Mart® comprised 29.1% of revenues in fiscal year 2023 and 26.5% of total accounts receivable was due from Wal-Mart® as of November 3, 2023. Sales to Dollar General® comprised 14.2% of revenues in fiscal year 2024 and 20.2% of total accounts receivable was due from Dollar General® as of November 1, 2024. Sales to Dollar General® comprised 16.3% of revenues in fiscal year 2023 and 20.5% of total accounts receivable was due from Dollar General® as of November 3, 2023.

Sources and Availability of Raw Materials

We purchase large quantities of pork, beef, and flour. These ingredients are generally available from a number of different suppliers although the availability of these ingredients is subject to seasonal variation. We build ingredient inventories to take advantage of downward trends in seasonal prices or anticipated supply limitations.

We purchase bulk flour under short-term fixed price contracts at current market prices. The contracts are usually effective for and settle within three months or less. We monitor and manage our ingredient costs to help negate volatile daily swings in market prices when possible. We do not participate in the commodity futures market or hedging to limit commodity exposure.

Employees

We had 662 employees (648 full-time employees) as of November 1, 2024, approximately 42% of whose employment relationship is governed by collective bargaining agreements. These agreements either “have expired” or “will expire” between June 2025 and February 2028. We believe that our relationship with all of our employees is favorable and that any pending contracts will be settled favorably.

Availability of SEC Filings and Code of Conduct on Internet Website

We maintain a website at www.bridgford.com. Available through the “Investors” link on this website, free of charge, are our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments thereto, and reports filed under Section 16 of the Exchange Act, filed with the Securities and Exchange Commission (the “SEC”). Our Code of Conduct is also available on the website through the “Governance” link. The information contained on the website is not incorporated by reference into this filing. Further, our reference to the website URL is intended to be an inactive textual reference only.

Item 1A. Risk Factors

In addition to the other matters set forth in this Report, the continuing operations and the price of our common stock are subject to the following risks, each of which could materially adversely affect our business, financial condition, and results of operations. The risks described below are only the risks that we currently believe are material to our business. However, additional risks not presently known, or risks that are currently believed to be immaterial, may also impair our business operations.

We are subject to general risks in the food industry, including, among other things, risk relating to changes in consumer preferences and product contamination as well as general economic conditions, any of which, if realized, could negatively impact our operating results and financial position.

The food industry, and the markets within the food industry in which we compete, are subject to various risks, including the following: evolving consumer preferences, nutritional and health-related concerns, federal, state, and local food inspection and processing controls, consumer product liability claims, risks of product tampering, and the availability and expense of liability insurance. The meat and poultry industries are subject to scrutiny due to the association of meat and poultry products with recent outbreaks of illness, and on rare occasions even death, caused by food borne pathogens. Outbreaks of disease and other events, which may be beyond our control, could significantly affect demand for and consumer perception of our food products and result in negative publicity that may have an adverse effect on our ability to market our products successfully. Product recalls are also sometimes required in the food industry to withdraw contaminated or mislabeled products from the market. Additionally, the failure to identify and react appropriately to changes in consumer trends, demands and preferences could lead to, among other things, reduced demand, and price reduction for our products. Changes in consumer eating habits may also result in the enactment or amendment of laws and regulations that impact the sourcing, ingredients, and nutritional content of our food products. Finally, we may be adversely affected by changes in domestic or foreign economic conditions, including inflation or deflation, interest rates, availability of capital markets, consumer spending rates, and energy availability and costs (including fuel surcharges). We have been experiencing high levels of inflations these past few years, which has had varying impacts on our business. Such prolonged periods of inflation decrease consumers’ discretionary spending, which negatively impacts our results of operations. These and other general risks related to the food industry, if realized by us, could have a significant adverse effect on demand for our products, as well as the costs and availability of raw materials, ingredients, and packaging materials, thereby negatively affecting our operating results and financial position.

Climate change and related climate change regulations, including with respect to greenhouse gas effects, may negatively affect our results of operations.

Climate change and rising global temperatures may contribute to changing weather patterns, droughts, heavier or more frequent storms and wildfires, and increased frequency and severity of natural disasters. If such climate change has a negative impact on agricultural productivity, we may have decreased availability or less favorable pricing for the raw materials necessary for our operations. Increased frequency or duration of extreme weather conditions could cause disruptions in our operations and supply chain, or impact demand for our products.

Increasing concern over climate change also may result in additional legal or regulatory requirements designed to manage greenhouse gas emissions, climate risks, and resulting environmental impacts. If such requirements are enacted, we could experience significant cost increases in our operations and supply chain.

Further, such requirements may obligate us to make certain climate-related disclosures and set goals for reducing our carbon footprint. While we are committed to mitigating our impact on the environment and managing greenhouse gas emissions, there can be no assurance that we will accomplish such goals. If we fail to achieve any such goals related to climate change or the related expectations from stakeholders and consumers are not met, the resulting negative publicity could adversely impact our results of operations in part as a consequence of changes in consumer preferences for our products.

Fluctuations in commodity prices and the availability of raw materials could negatively impact our financial results.

We purchase large quantities of commodity pork, beef, and flour. Historically, market prices for products we process have fluctuated in response to a number of factors, including changes in the United States government farm support programs, changes in international agricultural and trading policies, weather, and other conditions during the growing and harvesting seasons. Our operating results are heavily dependent upon the prices paid for raw materials, as well as the available supply of commodities. Commodity costs have and may continue to fluctuate due to political and economic conditions, including the ongoing conflict between Ukraine and Russia. The marketing of our value-added products does not lend itself to instantaneous changes in selling prices. In addition, if we increase prices to offset higher costs, we could experience lower demand for our products and sales volumes. Conversely, decreases in our commodity and other input costs may create pressure on us to decrease our prices. Changes in selling prices are relatively infrequent and do not compare with the volatility of commodity markets. If there is a lag between when costs increase and when we are able to increase selling prices, our profits margins may suffer. Production and pricing of commodities, on the other hand, are determined by constantly changing market forces of supply and demand over which we have limited or no control. Such factors include, among other things, weather patterns throughout the world, outbreaks of disease, the global level of supply inventories and demand for grains and other feed ingredients, as well as agricultural and energy policies of domestic and foreign governments. While fluctuations in significant cost structure components, such as ingredient commodities and fuel prices, have had a significant impact on profitability over the last three years, the impact of general price inflation on our financial position and results of operations has been significant. However, current inflationary market conditions may have a negative impact on future earnings. Future volatility of general price inflation or deflation and raw material cost and availability could adversely affect our financial results.

We are subject to extensive government regulations and a failure to comply with such regulations could negatively impact our financial results.

Our operations are subject to extensive inspection and regulation by the USDA, FDA and by other federal, state, and local authorities regarding the processing, packaging, storage, transportation, distribution, and labeling of products that are manufactured, produced, and processed by us. Our processing facilities and products are subject to continuous inspection by the USDA and/or other federal, state, and local authorities. The USDA has issued strict regulations concerning the control of listeria monocytogenes in ready-to-eat meat and poultry products and contamination by food borne pathogens such as E. coli and salmonella and implemented a system of regulation known as the HACCP program. The HACCP program requires all meat and poultry processing plants to develop and implement sanitary operating procedures and other program requirements. OSHA oversees safety compliance and establishes certain employer responsibilities to help “assure safe and healthful working conditions” and keep the workplace free of recognized hazards or practices likely to cause death or serious injury. We believe that we are currently in compliance with governmental laws and regulations and that we maintain necessary permits and licenses relating to our operations.

A failure to obtain or a loss of necessary permits and licenses could delay or prevent us from meeting current product demand and could adversely affect our operating performance. Furthermore, we are routinely subject to new or modified laws, regulations, and accounting standards. If found to be out of compliance with applicable laws and regulations in these or other areas, we could be subject to civil remedies, including fines, injunctions, recalls, or asset seizures, as well as potential criminal sanctions, any of which could have a significant adverse effect on our financial results.

We depend on our key management, the loss of which could negatively impact our operations.

Our executive officers and certain other key employees have been primarily responsible for the development and expansion of our business, and the loss of the services of one or more of these individuals could adversely affect us. Our success will be dependent in part upon our continued ability to recruit, motivate, and retain qualified personnel. We cannot assure that we will be successful in this regard. We have no employment or non-competition agreements with key personnel. However, we have consulting agreements with each of (1) our former Vice President and current director Allan L. Bridgford Sr., (2) our former Chief Financial Officer and current director Raymond F. Lancy, (3) our former director and President of Bridgford Food Processing Corporation Allan Bridgford Jr.

We depend on our major customers and any loss of such customers could have a negative impact on our profitability.

Sales to Wal-Mart® comprised 27.8% of revenues in fiscal year 2024 and 25.4% of total accounts receivable was due from Wal-Mart® as of November 1, 2024. Sales to Dollar General® comprised 14.2% of revenues in fiscal year 2024 and 20.2% of total accounts receivable was due from Dollar General® as of November 1, 2024. Many of our customers, such as supermarkets, warehouse clubs, and food distributors have consolidated in recent years. Such consolidation has produced large, sophisticated customers with increased buying power who are more capable of operating with reduced inventories while demanding lower pricing and increased promotional programs. These customers also may use their shelf space for their own private label products. Failure to respond to these trends could reduce our volume and cause us to lower prices or increase promotional spending for our product lines, which could adversely affect our profitability.

Labor shortages and increased turnover or increases in employee and employee-related costs could have adverse effects on our profitability.

We have historically experienced some level of ordinary course of business turnover of employees. A number of factors have had and may continue to have adverse effects on the labor force available to us, including reduced employment pools, federal unemployment subsidies, and other government regulations, which include laws and regulations related to workers' health and safety, wage and hour practices and immigration. Labor shortages and increased turnover rates within our team members have led to and could in the future lead to increased costs, such as increased overtime to meet demand and increased wage rates to attract and retain employees and could negatively affect our ability to efficiently operate our production facilities or otherwise operate at full capacity. An overall or prolonged labor shortage, lack of skilled labor, increased turnover or labor inflation could have a material adverse impact on our operations, results of operations, liquidity, or cash flows.

Disputes with labor unions could have an adverse impact on our operations and financial results.

As of November 1, 2024, approximately 278 of our employees were covered by collective bargaining agreements. We depend on the availability of, and good relations with, our teams' members. If we fail to maintain good relations, we may experience strikes or work stoppages, which could have a material adverse impact on our operations, results of operations, liquidity, or cash flows.

Our business and reputation could suffer if we experience security breaches and other disruptions to our information technology infrastructure.

We are dependent on information technology systems, some of which are managed by third-parties, to process, transmit, and store electronic information and to manage or support a variety of business processes and activities, including distribution, invoicing, and collection of payment. We also collect and store confidential data from our customers and suppliers in data centers, which are owned by third parties and maintained on their information technology networks. These complex systems are an important part of ongoing operations. Any failure of these systems could disrupt our operations and could have a material adverse effect on our business, results of operations, and financial condition. Further, despite our internal controls and security measures, there can be no assurance that we will be able to evade cyberattacks, disruptions, or security breaches. We have implemented cyber-security initiatives to mitigate our exposure to these risks, but these measures may not be adequate. Although we have not suffered any significant cyber incidents that resulted in material business impact, we have from time to time been, and expect to continue to be, the target of malicious cyber threat actors.

With approximately 80% of our stock beneficially owned by the Bridgford family, there are risks that they can exert significant influence or control over our corporate matters.

Members of the Bridgford family beneficially own, in the aggregate, approximately 80% of our outstanding stock. In addition, two members of the Bridgford family currently serve on the Board of Directors and two members of the Bridgford family serve on the Executive Committee. As a result, members of the Bridgford family have the ability to exert substantial influence or actual control over our management and affairs and over substantially all matters requiring action by our shareholders, including amendments to by-laws, election and removal of directors, any proposed merger, consolidation or sale of all or substantially all of our assets and other corporate transactions. This concentration of ownership may also delay or prevent a change in control otherwise favored by our other shareholders and could depress our stock price. Additionally, as a result of the Bridgford family's significant ownership of the outstanding voting stock, we have relied on the "controlled company" exemption from certain corporate governance requirements of the NASDAQ stock market. Therefore, among other things, we have elected not to implement the rule that provides for a nominating committee to identify and recommend nominees to the Board of Directors and have instead elected to have the full Board of Directors perform such function. However, we have not elected to rely on the exemption with respect to our compensation committee, which is made up entirely of independent directors and has sole authority to determine the compensation of our executive officers, including our Chairman of the Board.

We participate in Multiemployer Pension Plans which could negatively impact our operations and profitability.

We participate in “multiemployer” pension plans administered by labor unions on behalf of their employees. We make monthly contributions for healthcare and pension benefit obligations. The contribution amount may change depending upon the ability of participating companies to fund these pension liabilities as well as the actual and expected returns on pension plan assets. Volatility in the capital markets or interest rates can impact the market value of plan assets and cause volatility in the net periodic benefit cost and our future funding requirements. The exact amount of cash contributions made to the pension plans in any year is dependent upon a number of factors, including minimum funding requirements. In addition, should we withdraw from the union and cease participation in a union plan, federal law could impose a penalty for additional contributions to the plan. The penalty would be recorded as an expense in the consolidated statement of operations. The ultimate amount of the withdrawal liability is dependent upon several factors including the funded status of the plan and contributions made by other participating companies. We continue to participate in other multiemployer union plans. In the event of a full or partial withdrawal from these plans, the impact on our financial statements could be material.

Eminent domain and land risk regulations could negatively impact our financial results and financial position.

We own real property on which we operate our processing and/or our distribution operations. As is the case with any owner of real property, we may be subject to eminent domain proceedings that can impact the value of investments we have made in real property as well as potentially disrupt our business operations. If subject to eminent domain proceedings or other government takings, we may not be adequately compensated.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We maintain an information security and cybersecurity program, as well as a cybersecurity governance framework, which are designed to protect our information systems against operational risks related to cybersecurity.

Cybersecurity Risk Management and Strategy

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats which include, among other things, operational risks, intellectual property theft, fraud or extortion, harm to employees or customers, violation of privacy or security laws and related litigation and legal risk, and reputational risks.

We have developed and implemented a cybersecurity risk management program overseen by our Audit Committee intended to protect the confidentiality, integrity, and availability of our critical systems and information, and detect and contain any cybersecurity incidents that impact us. The program is integrated into our overall risk management systems and processes, and includes a cybersecurity risk assessment process that routinely evaluates potential impacts of cybersecurity risks on our business, including risks from cybersecurity threats associated with our use of third-party service providers. These assessments inform our cybersecurity risk mitigation strategies. The results are regularly shared with our information technology committee comprised of our Vice President of Information Technology, our Information Technology Manager, our President and our Chief Financial Officer (the “IT Steering Committee”) and the Audit Committee of our Board as part of the committees’ involvement in managing and overseeing cybersecurity risks.

Our cybersecurity risk management program also includes processes to triage, assess the severity of, escalate, contain, investigate, and remediate an incident, as well as to comply with potentially applicable legal obligations and mitigate brand and reputational damage. If a cybersecurity incident is determined to be a potentially material cybersecurity incident, our disclosure controls and procedures define the steps to determine materiality and disclose such a material cybersecurity incident.

In addition, we engage an independent third-party provider in connection with our cybersecurity risk management program to monitor cybersecurity threats and provide certain security measures. We regularly engage with this provider to aid in the identification and remediation of potential threats. This provider has qualifications that include Microsoft Certified: Security, Compliance, and Identity Fundamentals, Certified Information Systems Security Professional (CISSP), Certified Hacking Forensic Investigator, Certified Ethical Hacker (CEH) and Security+.

While we believe that our business strategy, results of operations or financial condition have not been materially adversely affected by any cybersecurity incidents, cybersecurity threats are pervasive and, similar to other institutions, we, as well as our employees, customers, regulators, service providers, and other third parties have experienced a significant increase in information security and cybersecurity risk in recent years and will likely continue to be the potential target of cyber attacks. We continue to assess the risks and changes in the cyber environment and invest in enhancements to our cybersecurity capabilities as deemed necessary to promote advancements in our cybersecurity capabilities.

Cybersecurity Governance

Our cybersecurity risk management program is overseen by the Audit Committee and led by the IT Steering Committee. Our Audit Committee is responsible in overseeing risks from cybersecurity threats, and has the authority to regularly review the adequacy of our cybersecurity, information and technology security, and data privacy programs, procedures, and policies. Our IT Steering Committee, led by the Vice President of Information Technology, is primarily responsible for monitoring, assessing, and managing material risks from cybersecurity threats.

The Audit Committee regularly receives updates from the IT Steering Committee / management with respect to our efforts to manage data protection, cybersecurity, and information and technology risks, and assesses the results of reviews from internal audits. Materials presented to our Audit Committee by our IT Steering Committee include updates on our data security posture, results from internal audit and third-party assessments, our incident response plan, and certain cybersecurity threat risks or incidents and developments, as well as the steps management has taken to respond to such risks. The Audit Committee / IT Steering Committee also regularly engages with management on technology risk-related topics.

Our processes also allow for our Board and the Audit Committee to be informed of key cybersecurity risks outside the regular reporting schedule. While the Audit Committee meets periodically, the Audit Committee is authorized to meet with management or individual directors at any time it deems appropriate to discuss matters relevant to the committee. Our policy is for the Board and the Audit Committee to receive prompt and timely information regarding any cybersecurity risk (including any incident) that meets reporting thresholds, as well as ongoing updates regarding any such risk.

Item 2. Properties

We own the following properties as of November 1, 2024:

Property Location	Building Square Footage	Acreage
Anaheim, California *	100,000	5.0
Dallas, Texas *	94,000	4.0
Dallas, Texas *	30,000	2.0
Dallas, Texas *	16,000	1.0
Dallas, Texas *	3,200	1.5
Statesville, North Carolina *	42,000	8.0
Chicago, Illinois **	177,000	8.0

* - property used by Frozen Food Products Segment.

** - property used by Snack Food Products Segment.

We utilize each of the foregoing properties for processing, warehousing, distributing and administrative purposes. We also lease warehouse and/or office facilities throughout the United States through month-to-month rental agreements. We believe that our properties are generally adequate to satisfy our foreseeable needs. Additional properties may be acquired and/or plants expanded if favorable opportunities and conditions arise.

Item 3. Legal Proceedings

No material legal proceedings were pending against us as of November 1, 2024, or as of the date of filing of this Report. We are likely to be subject to claims arising from time to time in the ordinary course of our business. In certain of such actions, plaintiffs may request punitive or other damages that may not be covered by insurance and, accordingly, no assurance can be given with respect to the ultimate outcome of any such possible future claims or litigation or their effect on us. Any adverse litigation trends and outcomes could significantly and negatively affect our financial results.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

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

Common Stock and Dividend Data

Our common stock is traded on the Nasdaq Global Market under the symbol "BRID".

As of January 22, 2025, there were 1,031 shareholders of record in our common stock.

The payment of future dividends, if any, will be at the discretion of our Board of Directors and will depend upon future earnings, financial requirements, and other factors.

Unregistered Sales of Equity Securities

During the period covered by this Report, we did not sell or issue any equity securities that were not registered under the Securities Act of 1933, as amended.

Repurchases of Equity Securities by the Issuer

Our stock repurchase program was approved by our Board of Directors in November 1999 and was expanded in June 2005. Under the stock repurchase program, we are authorized, at the discretion of management and our Board of Directors, to purchase up to an aggregate of 2,000,000 shares of our common stock on the open market. During fiscal years 2024 and 2023, we did not repurchase any shares of our common stock pursuant to our stock repurchase program previously authorized by the Board of Directors. As of November 1, 2024, 120,113 shares remained authorized for repurchase under the program.

Item 6. [Reserved]

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

For a complete understanding, this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Consolidated Financial Statements and Notes to the Consolidated Financial Statements contained in this Report.

Certain statements under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Report constitute forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934 (refer to Part I, Item 1. Business for more information).

Results of Operations (dollars in thousands)

Fiscal Year Ended November 1, 2024 (52 weeks) Compared to Fiscal Year Ended November 3, 2023 (53 weeks)

Net Sales-Consolidated

Net sales in fiscal year 2024 decreased \$27,991 (11.1%) when compared to the prior fiscal year. The changes in net sales were comprised as follows:

<u>Impact on Net Sales-Consolidated</u>	<u>%</u>	<u>\$</u>
Selling price per pound	-0.4	(1,138)
Unit sales volume in pounds	-8.8	(23,988)
Returns activity	-0.1	377
Promotional activity	-1.8	(3,242)
Decrease in net sales	<u>-11.1</u>	<u>(27,991)</u>

Net Sales-Frozen Food Products Segment

Net sales in the Frozen Food Products segment in fiscal year 2024 increased \$770 (1.3%) compared to the prior fiscal year. The changes in net sales were comprised as follows:

<u>Impact on Net Sales-Frozen Food Products</u>	<u>%</u>	<u>\$</u>
Selling price per pound	3.2	2,117
Unit sales volume in pounds	-1.3	(837)
Returns activity	0.3	177
Promotional activity	-0.9	(687)
Increase in net sales	<u>1.3</u>	<u>770</u>

The increase in net sales for fiscal year 2024 primarily relates to higher selling prices per pound partially offset by lower unit sales volume in pounds. The increase in net sales was primarily driven by a significant increase in volume to institutional customers and an increase in selling price per pound due to price increases implemented during the fourth quarter of fiscal year 2023. Other institutional Frozen Food Products sales, including sheet dough and rolls, increased 8% by volume and retail sales volume decreased 8%. Returns activity decreased compared to the 2023 fiscal year. Promotional activity was higher in fiscal year 2024 as a percentage of sales due to increased sales to high promotion customers.

Net Sales-Snack Food Products Segment

Net sales in the Snack Food Products segment in fiscal year 2024 decreased \$28,761 (14.8%) compared to the prior fiscal year. The changes in net sales were comprised as follows:

<u>Impact on Net Sales-Snack Food Products</u>	<u>%</u>	<u>\$</u>
Selling price per pound	-1.6	(3,254)
Unit sales volume in pounds	-11.1	(23,152)
Returns activity	-0.3	200
Promotional activity	-1.8	(2,555)
Decrease in net sales	<u>-14.8</u>	<u>(28,761)</u>

Net sales of Snack Food Products decreased due to lower sales through our direct-store-delivery distribution channel during the fiscal year 2024. The weighted average selling price per pound decreased compared to fiscal year 2023 due to changes in product mix. Unit sales volume in pounds was lower compared to the prior fiscal year. We believe demand decreased primarily due to inflationary pressure on consumer spending habits as consumers have pulled back on meat product purchases. Returns activity was lower in dollars but higher as a percentage of sales compared to the 2023 fiscal year. Promotional offers increased due to higher promotional deductions and billbacks by customers compared to fiscal year 2023.

Cost of Products Sold and Gross Margin-Consolidated

Cost of products sold from continuing operations decreased on a consolidated basis by \$13,962 (7.7%) during fiscal year 2024 compared to the prior fiscal year. The gross margin decreased from 28.0% to 25.2% during fiscal year 2024 compared to the prior fiscal year.

<u>Change in Cost of Products Sold by Segment</u>	<u>\$</u>	<u>Consolidated %</u>	<u>Commodity \$ (Decrease) Increase</u>
Frozen Food Products Segment	(776)	-0.4	(522)
Snack Food Products Segment	(13,186)	-7.3	4,900
Total	(13,962)	-7.7	4,378

Cost of Products Sold and Gross Margin-Frozen Food Products Segment

Cost of products sold in the Frozen Food Products segment decreased by \$776 (1.8%) in fiscal year 2024 compared to the prior fiscal year. Lower unit sales volume in pounds and changes in the product mix were the primary contributing factors to this decrease. The cost of purchased flour decreased approximately \$522 contributing to the decrease in costs of goods sold. The gross margin percentage increased from 25.1% to 27.4% during fiscal year 2024 compared to the prior fiscal year.

Cost of Products Sold and Gross Margin-Snack Food Products Segment

Cost of products sold in the Snack Food Products segment decreased by \$13,186 (9.5%) during fiscal year 2024 compared to the prior fiscal year due primarily to lower unit sales volume in our direct-store-delivery distribution channel. The cost of meat commodities increased approximately \$4,900 during fiscal year 2024 compared to the prior fiscal year due to unfavorable fluctuations in commodity markets. We increased our net realizable value reserve by \$1,174 during fiscal year 2024 after determining that the market value on some meat products was less than the costs associated with production and sale of the product. We maintained a net realizable reserve of \$1,467 on products as of November 1, 2024. The gross margin earned in this segment decreased from 28.8% to 24.4% during fiscal year 2024.

Selling, General and Administrative Expenses-Consolidated

Selling, general and administrative expenses ("SG&A") in fiscal year 2024 decreased \$3,118 (4.8%) when compared to the prior fiscal year. The decrease in this category did not directly correspond to the change in sales.

The table below summarizes the primary expense variances in this category:

	<u>November 1, 2024 (52 Weeks)</u>	<u>November 3, 2023 (53 Weeks)</u>	<u>Expense (Decrease) Increase</u>
Wages and bonus	\$ 23,464	\$ 26,716	\$ (3,252)
Pension cost	(248)	(1,160)	912
Product advertising	7,935	8,732	(797)
Healthcare cost	3,331	2,721	610
Outside consultants	2,773	2,322	451
Vehicle repairs and maintenance	1,820	1,590	230
Other SG&A	23,374	24,646	(1,272)
Total - SG&A	62,449	65,567	(3,118)

Lower sales commissions paid on reduced sales resulted in lower wages and bonus expenses in the 2024 fiscal year compared to the 2023 fiscal year. The increase in pension cost was a result of lower values in pension plan assets caused by the performance of the underlying markets that support them as well as lower pension discount rates resulting in higher liability. Costs for product advertising decreased mainly as a result of lower payments under brand licensing agreements in the Snack Food Products segment during fiscal year 2024. Healthcare costs have increased due to unfavorable claim trends. Outside consulting costs increased due to higher legal fees, advisory services, inspection and product testing fees. Vehicle repairs and maintenance on vehicles have increased compared to the prior fiscal year period mainly due to an aging fleet. None of the changes individually or as a group of expenses in "Other SG&A" were significant enough to merit separate disclosure. The major components comprising the decrease of "Other SG&A" expenses were lower provision for doubtful accounts, lower postage and insurance expenses and higher rental income partially offset by higher travel and business expense.

Selling, General and Administrative Expenses-Frozen Food Products Segment

SG&A expenses in the Frozen Food Products segment decreased by \$241 (1.7%) during fiscal year 2024 compared to the prior fiscal year. The overall decrease in SG&A expenses was due to lower unit sales volume in pounds, lower equipment rental and lower fuel expenses related to a reduction in the number of company-owned long-haul trucks partially offset by an increase in insurance expenses and broker commissions.

Selling, General and Administrative Expenses-Refrigerated and Snack Food Products Segment

SG&A expenses in the Snack Food Products segment decreased by \$2,877 (5.6%) during fiscal year 2024 compared to the prior fiscal year. Most of the decrease was due to the significantly lower unit sales volume in pounds and the corresponding decrease in wages and bonuses, and lower payments under brand licensing agreements.

Loss on Sale of Property, Plant and Equipment

Losses on the sale of property, plant and equipment were due to the ordinary disposal of assets located in both the Frozen Food Products segment, \$96 and \$75, for fiscal years 2024 and 2023, respectively, and Snack Food Products segments, \$50 and \$86, for fiscal years 2024 and 2023, respectively.

Income Taxes

Income tax for fiscal years 2024 and 2023, respectively, was as follows:

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
(Benefit on) provision for income taxes	\$ (1,311)	\$ 1,021
Effective tax rate	27.9%	22.7%

We recorded a tax benefit of \$1,311 and tax provision of \$1,021, for fiscal years 2024 and 2023, respectively, related to federal and state taxes, based on the Company's expected annual effective tax rate. The effective tax rate was 27.9% and 22.7% for fiscal years 2024 and 2023, respectively. In addition, the effective tax rates for fiscal years 2024 and 2023 were impacted by such items as non-deductible meals and entertainment, non-taxable gains and losses on life insurance policies and state income taxes. (Refer to Note 4 of Notes to Consolidated Financial Statements included within this Report for more information).

Liquidity and Capital Resources (dollars in thousands)

The principal source of operating cash flows is cash receipts from the sale of our products, net of costs to manufacture, store, market and deliver such products. We normally fund our operations from cash balances and cash flow generated from operations. Additionally, we have maintained a revolving line of credit with Wells Fargo Bank, N.A. pursuant to the terms of the credit agreement dated March 1, 2018, as amended to date. On November 30, 2024, we entered into a sixth amendment to the credit agreement with Wells Fargo Bank, N.A., and also executed a new revolving line of credit note pursuant to the amendment. Under the terms of this amendment and the revolving line of credit note, we may borrow up to \$7,500 from time to time up to November 30, 2025. As of November 1, 2024, we had \$1,084 of current debt on equipment loans, \$61,536 of net working capital and \$7,500 available under our revolving line of credit with Wells Fargo Bank, N.A. Refer to Note 5 to the Consolidated Financial Statements and the "Revolving Credit Facility" and "Loan Covenants" included within this Report for further information. The Company was in compliance with all loan covenants as of November 1, 2024.

All of our operating segments have been impacted by inflation, including higher costs for labor, freight and specific materials related to product manufacturing and delivery through fiscal year 2024. Additionally, commodity costs, including meat and flour costs, have and may continue to fluctuate due to both political and economic conditions, including the ongoing conflict between Ukraine and Russia. Despite higher commodity costs like we experienced in fiscal year 2024, we may not be able to increase our product prices in a timely manner or sufficiently to offset such increased commodity or other costs due to consumer price sensitivity, pricing in relation to competitors and the reluctance of retailers to accept a price increase. Instances of higher interest rates, general price inflation or deflation, raw materials costs, labor shortages or supply chain issues could adversely affect the Company's financial results and its liquidity. Higher product prices and promotions could potentially lower demand for our product and decrease volume. Management believes there are various options available to generate additional liquidity to repay debt or fund operations such as mortgaging real estate, should that be necessary. Our ability to increase liquidity will depend upon, among other things, our business plans and the performance of operating divisions and economic conditions of capital markets. If we are unable to increase liquidity through mortgaging real estate or additional borrowing, or generate positive cash flow necessary to fund operations, we may not be able to compete successfully, which could negatively impact our business, operations, and financial condition. With the cash expected to be generated from the Company's operations, we anticipate that we will maintain sufficient liquidity or exercise a portion of the line of credit to operate our business for at least the next twelve months. We will continue to monitor the impact of inflation and interest rate volatility on our liquidity and, if necessary, take action to preserve liquidity and ensure that our business can operate during these uncertain times.

Cash flows (used in) provided by operating activities:

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Net (loss) income	\$ (3,381)	\$ 3,474
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation and amortization	6,540	6,558
(Recoveries on) provision for losses on accounts receivable	(126)	147
Provision for (reduction in) promotional allowances	307	(679)
Loss on sale of property, plant and equipment	146	161
Deferred income taxes, net	(720)	(631)
Changes in assets and liabilities	(3,263)	(5,045)
Net cash (used in) provided by operating activities	<u>\$ (497)</u>	<u>\$ 3,985</u>

For the fifty-two weeks ended November 1, 2024, net cash used in operating activities was \$497, a decrease of \$4,482 in cash flows compared to the fifty-three weeks ended November 3, 2023. The decrease in net cash provided by operating activities primarily relates to a net loss of \$3,381, an increase in refundable income taxes of \$1,240 and an increase of other non-current assets of \$3,320, partially offset by a decrease in inventory of \$7,235 due to selling down inventory finished goods to adjust to lower consumer demand. During fiscal year 2024, we did not contribute towards our defined benefit pension plan. Plan funding strategies may be adjusted depending upon economic conditions, investment options, tax deductibility, or legislative changes in funding requirements.

Our cash conversion cycle (defined as days of inventory and trade receivables less days of trade payables outstanding) was equal to 84 days for the fifty-two weeks ended November 1, 2024, and 83 days for the fifty-three weeks ended November 3, 2023.

For the fifty-three weeks ended November 3, 2023, net cash provided by operating activities was \$3,985. The result was primarily related to net income of \$3,474 and a reduction in accounts receivable of \$6,480, partially offset by a decrease in accounts payable of \$6,457 and lower non-current liabilities of \$1,836. During fiscal year 2023, we did not contribute towards our defined benefit pension plan.

Cash flows used in investing activities:

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Proceeds from sale of property, plant and equipment	\$ 69	\$ 227
Additions to property, plant and equipment	(3,902)	(2,603)
Net cash used in investing activities	<u>\$ (3,833)</u>	<u>\$ (2,376)</u>

Additions to property, plant and equipment include the acquisition of equipment, upgrading of facilities to maintain operating efficiency and investments in cost effective technologies to lower costs. In general, we capitalize the cost of additions and improvements and expense the cost for repairs and maintenance. We may also capitalize costs related to improvements that extend the life, increase the capacity, or improve the efficiency of existing machinery and equipment. Specifically, capitalization of upgrades of facilities to maintain operating efficiency include acquisitions of machinery and equipment used on packaging lines and refrigeration equipment used to process food products.

The table below highlights the additions to property, plant and equipment for the fifty-two and fifty-three weeks ended:

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Building and leasehold improvements	\$ -	\$ 192
Furniture and fixture	92	-
Temperature control	-	-
Processing equipment	215	506
Packaging lines	2,595	205
Vehicles for sales and/or delivery	2,372	1,390
Quality control and communication systems	-	66
Computer software and hardware	345	-
Forklifts	52	39
Change in projects in process	(1,769)	205
Additions to property, plant and equipment	<u>\$ 3,902</u>	<u>\$ 2,603</u>

Expenditures for additions to property, plant and equipment during the fifty-two weeks ended November 1, 2024, include projects in process of \$755 related to the production facilities in Chicago and Statesville.

Cash flows used in financing activities:

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Payment of capital lease obligations	\$ (103)	\$ (1,151)
Repayments of bank borrowings	(1,045)	(1,083)
Net cash used in financing activities	<u>\$ (1,148)</u>	<u>\$ (2,234)</u>

Our stock repurchase program was approved by the Board of Directors in November 1999 and was expanded in June 2005. Under the stock repurchase program, we were authorized, at the discretion of management and the Board of Directors, to purchase up to an aggregate of 2,000,000 shares of our common stock on the open market. As of the end of fiscal year 2024, 120,113 shares remained authorized for repurchase under the program.

The Company leased three long-haul trucks received during fiscal year 2019. The six-year leases for these trucks would have expired in fiscal year 2025. We returned one long-haul truck on June 22, 2023, for a loss of \$12 and returned remaining two long-haul trucks on July 11, 2024, for a loss of \$90, in an effort to reduce the overall cost of delivering products as we transitioned deliveries to common carriers. All long-haul trucks under this lease agreement have been returned as of November 1, 2024. The Company leased one box truck for a market value of \$27 on April 17, 2023, and that lease term is two years.

The Company leased one refrigerated truck received on May 10, 2024, for a net present value of \$166. The seven-year lease for this truck will expire in fiscal year 2031. Amortization of equipment as a finance lease was \$44 during the fifty-two weeks ended November 1, 2024.

Equipment Note Payable

The following table reflects major components of our line of credit and borrowing agreements as of November 1, 2024, and November 3, 2023, respectively.

	November 1, 2024	November 3, 2023
Revolving credit facility	\$ -	\$ -
Equipment notes:		
3.68% note due 04/16/27, out of lockout 04/17/22	2,786	3,831
Total debt	2,786	3,831
Less current debt	(1,084)	(1,045)
Total long-term debt	<u>\$ 1,702</u>	<u>\$ 2,786</u>

Revolving Credit Facility

On November 30, 2023, we entered into a fifth amendment to the credit agreement with Wells Fargo Bank, N.A. dated March 1, 2018, as amended, and also executed a revolving line of credit note pursuant to the amendment. The revolving line of credit note replaces the existing note that expired by its terms on November 30, 2023. Under the terms of this amendment and the revolving line of credit note, we may borrow up to \$7,500 from time to time up to November 30, 2024, at an interest rate equal to (a) the daily simple secured overnight financing rate plus 2.0%, or if unavailable, (b) the prime rate, in each case as determined by the bank. The line of credit has an unused commitment fee of 0.35% of the available loan amount, payable on a quarterly basis. Amounts may be repaid and reborrowed during the term of the note. Accrued interest is payable on the first day of each month and the outstanding principal balance and remaining interest are due and payable on November 30, 2024. Refer to Subsequent Events under Note 1 to the Consolidated Financial Statements included within this Report for further information.

Loan Covenants

The Wells Fargo Loan Agreements and the credit agreement contain various affirmative and negative covenants that limit the use of funds and define other provisions of the loans. Material financial covenants are listed below, and the capitalized terms are defined in the applicable agreements:

- Total Liabilities divided by Tangible Net Worth not greater than 2.0 to 1.0 at each fiscal quarter end,
- Quick Ratio not less than 1.25 to 1.0 at each fiscal quarter end,
- Fixed Charge Coverage Ratio not less than 1.25 to 1.0 at each fiscal quarter end.

As of November 1, 2024, the Company was in compliance with all covenants under the Wells Fargo Loan Agreements and the credit agreement.

Aggregate contractual maturities of debt in future fiscal years are as follows as of November 1, 2024:

Fiscal Years	Debt Payable	
2025	\$	1,084
2026	\$	1,124
2027	\$	578

Impact of Inflation

Our operating results are heavily dependent upon the prices paid for raw materials. The marketing of our value-added products does not lend itself to instantaneous changes in selling prices. Changes in selling prices are relatively infrequent and do not compare with the volatility of commodity markets. All of our operating segments have been impacted by inflation, including higher costs for labor, freight, and specific materials. We expect this trend to continue through fiscal year 2025. Management is of the opinion that the Company's financial position and its capital resources are sufficient to provide for its operating needs and capital expenditures for fiscal year 2025. However, future volatility of general price inflation or deflation and raw material cost and availability could adversely affect our financial results.

Off-Balance Sheet Arrangements

We do not currently have any off-balance sheet arrangements within the meaning of Item 303(b) of Regulation S-K.

Contractual Obligations

Except as described above, we had no other debt or other contractual obligations within the meaning of Item 303(b) of Regulation S-K, as of November 1, 2024.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the respective reporting periods. Actual results could differ from those estimates. Amounts estimated related to liabilities for self-insured workers' compensation, employee healthcare and pension benefits are especially subject to inherent uncertainties and these estimated liabilities may ultimately settle at amounts not originally estimated. We record promotions, returns allowances, bad debt and inventory allowances based on recent and historical trends. Management believes its current estimates are reasonable and based on the best information available at the time. To the extent there are material differences between the estimates and the actual results, future results of operations could be affected.

Disclosure concerning our policies on credit risk, revenue recognition, cash surrender or contract value for life insurance policies, deferred income tax and the recoverability of our long-lived assets are provided in Notes 1 and 4 of the Notes to the Consolidated Financial Statements included in this Report.

Recently Issued Accounting Pronouncements and Regulations

Various accounting standard-setting bodies have been active in soliciting comments and issuing statements, interpretations, and exposure drafts. For information on new accounting pronouncements and the impact, if any, on our financial position or results of operations, see Note 1 of the Notes to the Consolidated Financial Statements included within this Report.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Not applicable for a smaller reporting company.

Item 8. Consolidated Financial Statements and Supplementary Data

The Consolidated Financial Statements required by this Item are set forth in Part IV, Item 15 of this Report.

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

Not applicable.

Item 9A. Controls and Procedures

Evaluation of disclosure controls and procedures

Disclosure controls and procedures are designed to help ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules, regulations and forms, and that such information is collected and communicated to our management, including our Chairman of the Board and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, with the participation and under the supervision of our Chairman of the Board and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) as of the end of the period covered by this Report. Based on this evaluation, the Chairman of the Board and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Report.

Our management, including our Chairman of the Board and Chief Financial Officer, does not expect that our disclosure controls and internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control.

The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

We maintain and evaluate a system of internal accounting controls, and a program designed to provide reasonable assurance that our assets are protected and that transactions are performed in accordance with proper authorization and are properly recorded. This system of internal accounting controls is continually reviewed and modified in response to evolving business conditions and operations and to recommendations made by our independent registered public accounting firm. We have established a code of conduct. Our management believes that the accounting and internal control systems provide reasonable assurance that assets are safeguarded, and financial information is reliable.

The Audit Committee of the Board of Directors meets regularly with our financial management and counsel, and with the independent registered public accounting firm engaged by us. Internal accounting controls and the quality of financial reporting are discussed during these meetings. The Audit Committee has discussed with the independent registered public accounting firm matters required to be discussed by Statement of Auditing Standards No. 16 (Communication with Audit Committees). In addition, the Audit Committee and the independent registered public accounting firm have discussed the independent registered public accounting firm's independence from our Company and its management, including the matters in the written disclosures required by Public Company Accounting Oversight Board Rule 3526 "Communicating with Audit Committees Concerning Independence".

Section 404 of the Sarbanes-Oxley Act of 2002

In order to comply with the Sarbanes-Oxley Act of 2002, we have undertaken and continue a comprehensive effort, which includes the documentation and review of our internal controls. In order to comply with the Sarbanes-Oxley Act, we centralized most accounting and many administrative functions in an effort to control the cost of maintaining our control systems.

The Dodd-Frank Wall Street Reform and Consumer Protection Act permanently exempts smaller reporting companies with less than \$75 million in public float, such as the Company, from the requirement to obtain an external audit on the effectiveness of internal financial reporting controls provided in Section 404(b) of the Sarbanes-Oxley Act. As a result, an attestation report on internal controls over financial reporting by an independent registered public accounting firm has not been presented. Section 404(a) is still effective for smaller reporting companies and requires the disclosure of management attestations on internal controls over financial reporting as set forth below.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Management conducted an evaluation of the effectiveness of the internal controls over financial reporting based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control-Integrated Framework (2013) and related illustrative documents as an update to Internal Control-Integrated Framework (1992). Management determined that the 17 principles were present and functioning during its assessment of the effectiveness of our internal controls. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting for our fiscal year ended November 1, 2024. Based on management's assessment and the above-referenced criteria, management believes that the internal control over financial reporting was effective as of November 1, 2024.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the last quarter of fiscal year ended November 1, 2024 that has materially affected or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

Not applicable.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance

Insider Trading Policies and Procedures

The Company has an insider trading policy and procedures governing the purchase, sale and/or other dispositions of the Company's securities that applies to all directors, officers, employees and certain other persons. It is also the Company's policy to take appropriate steps to comply with applicable federal and state securities laws and regulations, as well as applicable stock exchange listing standards, when the Company engages in transactions in the Company's securities. The Company believes that its insider trading policy and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to the Company. A copy of the Company's insider trading policy is filed as Exhibit 19.1 to this Report.

The remaining information required by this item will be included in our definitive proxy statement on Schedule 14A related to our 2025 annual meeting of stockholders (the "Proxy Statement"), which will be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Exchange Act not later than 120 days after the end of our fiscal year ended November 1, 2024, and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this item will be included in the Proxy Statement and is incorporated herein by reference.

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

The information required by this item will be included in the Proxy Statement and is incorporated herein by reference.

Equity Compensation Plan Information

Not applicable, as we do not have any compensation plans under which our equity securities are authorized for issuance.

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

The information required by this item will be included in the Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this item will be included in the Proxy Statement is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) *Financial Statements*. The following documents are filed as a part of this Report:

	Page
Report of Independent Registered Public Accounting Firm (PCAOB ID: 23)	24
Consolidated Balance Sheets as of November 1, 2024, and November 3, 2023	26
Consolidated Statements of Operations for the fiscal years ended November 1, 2024, and November 3, 2023	27
Consolidated Statements of Comprehensive Income for the fiscal years ended November 1, 2024, and November 3, 2023	28
Consolidated Statements of Shareholders' Equity for the fiscal years ended November 1, 2024, and November 3, 2023	29
Consolidated Statements of Cash Flows for the fiscal years ended November 1, 2024, and November 3, 2023	30
Notes to Consolidated Financial Statements	31

(2) *Financial Statement Schedules*

Not applicable for a smaller reporting company.

(3) Exhibits

(a) The exhibits below are filed herewith or incorporated herein by reference.

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Restated Articles of Incorporation, as amended.	10-K	000-02396	3.4	01/18/19	
3.2	Amended and Restated Bylaws.	10-K/A	000-02396	3.7	02/09/18	
4.1	Description of Capital Stock of the Registrant	10-K	000-02396	4.1	01/15/21	
10.1*	Bridgford Foods Corporation Defined Benefit Pension Plan.	10-K	000-02396	10.1	01/18/19	
10.2*	Bridgford Foods Corporation Supplemental Executive Retirement Plan.	10-K	000-02396	10.2	01/18/19	
10.3*	Bridgford Foods Corporation Deferred Compensation Savings Plan.	10-K	000-02396	10.3	01/18/19	
10.4*	Consulting Agreement, dated August 12, 2019, between the Registrant and Allan L. Bridgford Sr.	8-K	000-02396	10.1	08/16/19	
10.5	Purchase and Sale Agreement dated March 16, 2020 between Bridgford Food Processing Corporation and CRG Acquisition, LLC.	8-K	000-02396	10.1	03/19/20	
10.6*	Consulting Agreement dated February 2, 2023, between the Registrant and Raymond F. Lancy.	8-K	000-02396	10.1	02/02/23	
19.1	Insider Trading Policy					X
21.1	Subsidiaries of the Registrant.	10-K	000-02396	21.1	01/15/21	
24.1	Power of Attorney (included as part of the signature page).					X
31.1	Certification of Principal Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1**	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Principal Executive Officer).					
32.2**	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Principal Financial Officer).					
97.1*	Clawback and Forfeiture Policy					X
101.INS	Inline XBRL Instance Document.					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document contained in Exhibit 101).					
*	Each of these Exhibits constitutes a management contract, compensatory plan or arrangement.					
**	Each of these Exhibits is furnished herewith.					

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

BRIDGFORD FOODS CORPORATION

By: /s/ MICHAEL W. BRIDGFORD

Michael W. Bridgford
Chairman of the Board

Date: January 29, 2025

POWER OF ATTORNEY

We, the undersigned directors and officers of Bridgford Foods Corporation, do hereby constitute and appoint Michael W. Bridgford and Cindy Matthews-Morales, or either of them, with full power of substitution and resubstitution, our true and lawful attorneys and agents, to do any and all acts and things in our name and behalf in our capacities as directors and officers and to execute any and all instruments for us and in our names in the capacities indicated below, which said attorneys and agents, or either of them, or their substitutes, may deem necessary or advisable to enable said corporation to comply with the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the Securities and Exchange Commission in connection with this Annual Report on Form 10-K, including specifically, but without limitation, power and authority to sign for us or any of us in our names and in the capacities indicated below, any and all amendments; and we do hereby ratify and confirm all that the said attorneys and agents, or either of them, shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ MICHAEL W. BRIDGFORD</u> Michael W. Bridgford	Chairman of the Board (Principal Executive Officer)	January 29, 2025
<u>/s/ CINDY MATTHEWS-MORALES</u> Cindy Matthews-Morales	Chief Financial Officer and Secretary (Principal Financial and Accounting Officer)	January 29, 2025
<u>/s/ RAYMOND F. LANCY</u> Raymond F. Lancy	Director	January 29, 2025
<u>/s/ BARON R. H. BRIDGFORD II</u> Baron R. H. Bridgford II	President	January 29, 2025
<u>/s/ ALLAN L. BRIDGFORD SR.</u> Allan L. Bridgford Sr.	Director	January 29, 2025
<u>/s/ WILLIAM L. BRIDGFORD</u> William L. Bridgford	Vice President and Director	January 29, 2025
<u>/s/ JOHN V. SIMMONS</u> John V. Simmons	Vice President and Director	January 29, 2025
<u>/s/ TODD C. ANDREWS</u> Todd C. Andrews	Director	January 29, 2025
<u>/s/ D. GREGORY SCOTT</u> D. Gregory Scott	Director	January 29, 2025
<u>/s/ KEITH A. ROSS</u> Keith A. Ross	Director	January 29, 2025
<u>/s/ MARY SCHOTT</u> Mary Schott	Director	January 29, 2025

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Bridgford Foods Corporation

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Bridgford Foods Corporation and its subsidiaries (the “Company”) as of November 1, 2024, and November 3, 2023, the related consolidated statements of operations, comprehensive income, shareholders’ equity, and cash flows, for each of the fiscal years then ended, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of November 1, 2024 and November 3, 2023, and the results of its operations and its cash flows for each of the two fiscal years in the period ended November 1, 2024 and November 3, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

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

Net Revenue - Reserves for Promotional Allowances

Critical Audit Matter Description

As described in Note 1 to the consolidated financial statements, contracts with customers often include some form of variable consideration in the form of discounts, trade allowances, consumer incentives, coupons, volume-based incentives, cooperative advertising, product returns and other such programs. Promotional allowances are treated as a reduction in revenue when the related revenue is recognized and are recorded at the estimated amount of credit expected to be issued to customers, based primarily on historical utilization and redemption rates.

We identified the estimation of reserves for promotional allowances by management as a critical audit matter because the inputs and assumptions utilized by management in estimating these reserves, including consistency of historical data and contract pricing, require significant judgment and create a high degree of estimation uncertainty. Consequently, auditing these assumptions requires subjective auditor judgment.

How We Addressed the Matter in Our Audit

The primary procedures we performed to address this critical audit matter included:

- Obtaining an understanding of management's processes and controls over calculating the reserves for promotional allowances, including understanding relevant significant inputs and assumptions.
- Performing substantive analytical procedures surrounding the reserves for promotional allowances by performing an independent calculation of the allowance by using historical data and assumptions.
- Evaluating the reasonableness of key inputs and assumptions relevant to the reserve for promotional allowances, including contractual pricing and rebate arrangements with customers and historical allowance data, which were compared to source documents, and performed sensitivity analysis over key inputs and significant assumptions.
- Testing the accuracy, completeness, validity of the underlying data used in schedules calculating the reserve for promotional allowances.
- We considered transactions submitted by customers subsequent to year end.
- Review of applicable disclosures.

We have served as the Company's auditor since 2009.

/s/ Baker Tilly US, LLP

Irvine, California
January 29, 2025

BRIDGFORD FOODS CORPORATION
CONSOLIDATED BALANCE SHEETS
As of November 1, 2024, and November 3, 2023
(in thousands, except share and per share amounts)

ASSETS	November 1, 2024	November 3, 2023
Current assets:		
Cash and cash equivalents	\$ 10,230	\$ 15,708
Accounts receivable, less allowance for doubtful accounts of \$110 and \$248, respectively, and promotional allowances of \$2,399 and \$2,093, respectively	30,404	28,593
Inventories, net	33,338	40,573
Refundable income taxes	3,408	2,168
Prepaid expenses and other current assets	609	435
Total current assets	77,989	87,477
Property, plant and equipment, net of accumulated depreciation and amortization of \$77,160 and \$73,397, respectively	64,634	67,487
Other non-current assets	14,731	12,034
Total assets	\$ 157,354	\$ 166,998
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 5,672	\$ 7,201
Accrued payroll, advertising, and other expenses	6,323	6,404
Income taxes payable	274	256
Current notes payable – equipment	1,084	1,045
Current right-of-use leases payable	1,098	1,120
Other current liabilities	2,002	1,955
Total current liabilities	16,453	17,981
Long-term notes payable – equipment, bridge loan and revolving credit facility	1,702	2,786
Deferred income taxes, net	7,622	8,342
Long-term right of use leases payable	2,235	2,450
Executive retirement plans and other non-current liabilities	1,206	5,904
Total long-term liabilities	12,765	19,482
Total liabilities	29,218	37,463
Contingencies and commitments (Notes 3, 5 and 6)		
Shareholders' equity:		
Preferred stock, without par value; Authorized - 1,000,000 shares; issued and outstanding – none	-	-
Common stock, \$1.00 par value; Authorized - 20,000,000 shares; issued and outstanding – 9,076,832 shares	9,134	9,134
Capital in excess of par value	8,298	8,298
Retained earnings	119,411	122,792
Accumulated other comprehensive loss	(8,707)	(10,689)
Total shareholders' equity	128,136	129,535
Total liabilities and shareholders' equity	\$ 157,354	\$ 166,998

See accompanying notes to consolidated financial statements.

BRIDGFORD FOODS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
For the fiscal years ended November 1, 2024, and November 3, 2023
(in thousands, except share and per share amounts)

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Net sales	\$ 223,645	\$ 251,636
Cost of products sold	167,317	181,279
Gross margin	56,328	70,357
Selling, general and administrative expenses	62,449	65,567
Loss on sale of property, plant and equipment	146	161
Operating (loss) income	(6,267)	4,629
Other income (expense)		
Interest expense	(429)	(579)
Cash surrender value gain	2,004	445
Total other income (expense)	1,575	(134)
(Loss) income before taxes	(4,692)	4,495
(Benefit on) provision for income taxes	(1,311)	1,021
Net (loss) income	\$ (3,381)	\$ 3,474
Basic (loss) earnings per share	\$ (0.37)	\$ 0.38
Shares used to compute basic (loss) earnings per share	9,076,832	9,076,832

See accompanying notes to consolidated financial statements.

BRIDGFORD FOODS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the fiscal years ended November 1, 2024, and November 3, 2023
(in thousands)

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Net (loss) income	\$ (3,381)	\$ 3,474
Other comprehensive income from defined benefit plans	3,112	1,255
Other postretirement benefit plans:		
Actuarial loss	(641)	(1,229)
Other comprehensive loss from other postretirement benefit plans, net	(641)	(1,229)
Other comprehensive income, before taxes	2,471	26
Tax benefit on other comprehensive income	(489)	(290)
Change in other comprehensive income, net of tax	1,982	(264)
Comprehensive (loss) income, net of tax	\$ (1,399)	\$ 3,210

See accompanying notes to consolidated financial statements.

BRIDGFORD FOODS CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the fiscal years ended November 1, 2024, and November 3, 2023
(in thousands)

	Shares	Amount	Capital in excess of par value	Retained earnings	Accumulated other comprehensive loss	Total shareholders' equity
Balance, October 28, 2022	9,076	\$ 9,134	\$ 8,298	\$ 119,318	\$ (10,425)	\$ 126,325
Net income	-	-	-	3,474	-	3,474
Net change in defined benefit plans and other benefit plans, net of tax	-	-	-	-	(264)	(264)
Balance, November 3, 2023	9,076	\$ 9,134	\$ 8,298	\$ 122,792	\$ (10,689)	\$ 129,535
Net loss	-	-	-	(3,381)	-	(3,381)
Net change in defined benefit plans and other benefit plans, net of tax	-	-	-	-	1,982	1,982
Balance, November 1, 2024	9,076	\$ 9,134	\$ 8,298	\$ 119,411	\$ (8,707)	\$ 128,136

See accompanying notes to consolidated financial statements.

BRIDGFORD FOODS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the fiscal years ended November 1, 2024, and November 3, 2023
(in thousands)

	<u>November 1, 2024</u> <u>(52 Weeks)</u>	<u>November 3, 2023</u> <u>(53 Weeks)</u>
Cash flows from operating activities:		
Net (loss) income	\$ (3,381)	\$ 3,474
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation and amortization	6,540	6,558
(Recoveries on) provision for losses on accounts receivable	(126)	147
Provision for (reduction in) promotional allowances	307	(679)
Loss on sale of property, plant and equipment	146	161
Deferred income taxes, net	(720)	(631)
Changes in operating assets and liabilities:		
Accounts receivable, net	(1,992)	6,480
Inventories, net	7,235	(40)
Refundable income taxes	(1,240)	(967)
Prepaid expenses and other current assets	(173)	(114)
Other non-current assets	(3,321)	(444)
Accounts payable	(1,529)	(6,457)
Accrued payroll, advertising and other expenses	(81)	(1,449)
Income taxes payable	18	32
Other current liabilities	47	(879)
Executive retirement plans and other non-current liabilities	(2,227)	(1,207)
Net cash (used in) provided by operating activities	<u>(497)</u>	<u>3,985</u>
Cash flows from investing activities:		
Proceeds from sale of property, plant and equipment	69	227
Additions to property, plant and equipment	(3,902)	(2,603)
Net cash used in investing activities	<u>(3,833)</u>	<u>(2,376)</u>
Cash flows from financing activities:		
Payment of financing lease obligations	(103)	(1,151)
Repayments of bank borrowings	(1,045)	(1,083)
Net cash used in financing activities	<u>(1,148)</u>	<u>(2,234)</u>
Net decrease in cash and cash equivalents	(5,478)	(625)
Cash and cash equivalents and restricted cash at beginning of year	15,708	16,333
Cash and cash equivalents and restricted cash at end of year	<u>\$ 10,230</u>	<u>\$ 15,708</u>
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	<u>\$ 1,365</u>	<u>\$ 2,587</u>
Cash paid for interest	<u>\$ 429</u>	<u>\$ 579</u>

See accompanying notes to consolidated financial statements.

BRIDGFORD FOODS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands except share and per share amounts, time periods, ratios and percentages)

NOTE 1 - The Company and Summary of Significant Accounting Policies:

Bridgford Foods Corporation (collectively with its subsidiaries, “Bridgford”, the “Company”, “we”, “our”) was organized in 1952. We originally began operations in 1932 as a retail meat market in San Diego, California and evolved into a meat wholesaler for hotels and restaurants, a distributor of frozen food products, a processor and packer of meat, and a manufacturer and distributor of frozen food products for sale on a retail and wholesale basis. We, including our subsidiaries, are primarily engaged in the manufacturing, marketing, and distribution of an extensive line of frozen, refrigerated, and snack food products throughout the United States.

The consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly owned. All inter-company transactions and balances have been eliminated.

Use of estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenues and expenses during the respective reporting periods. Management bases these estimates and assumptions upon historical experience, existing and known circumstances, authoritative accounting pronouncements and other factors that management believes to be reasonable. In addition, the Company has considered the potential impact of macroeconomic factors, including inflation, changes in interest rates, changes in commodity pricing, changes in discretionary spending, and recessionary concerns, on its business and operations. Although the full impact of these factors is unknown, the Company believes it has made appropriate accounting estimates and assumptions based on the facts and circumstances available as of the reporting date. However, actual results could differ from those estimates. Amounts estimated related to liabilities for pension benefits, self-insured workers’ compensation and employee healthcare benefits are subject to inherent uncertainties and these estimated liabilities may ultimately settle at amounts which may vary from current estimates. Other areas with underlying estimates include realization of deferred tax assets, cash surrender or contract value of life insurance policies, promotional allowances and the allowance for doubtful accounts and inventory reserves. Management believes its current estimates are reasonable and based on the best information available at the time. To the extent there are material differences between the estimates and the actual results, future results of operations could be affected.

Subsequent events

Management has evaluated events subsequent to November 1, 2024, through the date the accompanying consolidated financial statements were filed with the Securities and Exchange Commission for transactions and other events that may require adjustment of and/or disclosure in such financial statements.

On November 30, 2024, we entered into a sixth amendment to the credit agreement with Wells Fargo Bank, N.A. dated March 1, 2018, as amended, and also executed a revolving line of credit note pursuant to the amendment. The revolving line of credit note replaces the existing note that expired by its terms on November 30, 2024. Under the terms of this amendment and the revolving line of credit note, we may borrow up to \$7,500 from time to time up to November 30, 2025, at an interest rate equal to (a) the daily simple secured overnight financing rate plus 2.0%, or if unavailable, (b) the prime rate, in each case as determined by the bank. The line of credit has an unused commitment fee of 0.35% of the available loan amount, payable on a quarterly basis. Amounts may be repaid and reborrowed during the term of the note. Accrued interest is payable on the first day of each month and the outstanding principal balance and remaining interest are due and payable on November 30, 2025.

Based on management’s review, no other material subsequent events were identified that require adjustment to the consolidated financial statements or additional disclosure.

Accounts Receivable

Accounts receivables are recorded at net realizable value. The value is presented net of allowance for doubtful accounts and promotional incentives. Our accounts receivable consists mainly of trade receivables from customer sales. We evaluate the collectability of our accounts receivable based on several factors. The provision for doubtful accounts receivable is based on historical trends and current collectability risk. Our provision for doubtful accounts was \$110 and \$248 as of November 1, 2024, and November 3, 2023, respectively.

Concentrations of credit risk

Our credit risk is diversified across a broad range of customers and geographic regions. Losses due to credit risk have recently been immaterial. The carrying amount of cash equivalents, accounts and other receivables, accounts payable and accrued liabilities approximate fair market value due to the short maturity of these instruments. We maintain cash balances at financial institutions, which may at times exceed the amounts insured by the Federal Deposit Insurance Corporation. Management does not believe there is significant credit risk associated with these financial institutions.

Sales to Wal-Mart® comprised 27.8% of revenues in fiscal year 2024 and 25.4% of total accounts receivable was due from Wal-Mart® as of November 1, 2024. Sales to Wal-Mart® comprised 29.1% of revenues in fiscal year 2023 and 26.5% of total accounts receivable was due from Wal-Mart® as of November 3, 2023. Sales to Dollar General® comprised 14.2% of revenues in fiscal year 2024 and 20.2% of total accounts receivable was due from Dollar General® as of November 1, 2024. Sales to Dollar General® comprised 16.3% of revenues in fiscal year 2023 and 20.5% of total accounts receivable was due from Dollar General® as of November 3, 2023.

Business segments

The Company and its subsidiaries operate in two business segments - the processing and distribution of frozen foods products, and the processing and distribution of snack food products. See Note 7 Segment Information for further information.

Fiscal year

We maintain our accounting records on a 52-53-week fiscal basis ending on the Friday closest to October 31. As part of the regular accounting cycle, fiscal year 2024 included 52 weeks and fiscal year 2023 included 53 weeks.

Revenues

The Company recognizes revenue for the sale of the product at the point in time when our performance obligation has been satisfied and control of the product has transferred to our customer, which generally occurs upon shipment, pickup or delivery to a customer based on terms of the sale. Contracts with customers are typically short-term in nature with completion of a single performance obligation. Product is sold to foodservice, retail, institutional and other distribution channels. Products are delivered to customers primarily through our own long-haul fleet, common carrier or through a Company owned direct store delivery system. These delivery costs, \$7,460 and \$7,190 for fiscal years 2024 and 2023, respectively, are included in selling, general and administrative expenses in the accompanying consolidated financial statements. Shipping and handling that occurs after the customer has obtained control of the product is recorded as a fulfillment cost rather than an additional assured service. Costs paid to third party brokers to obtain contracts are recognized as part of selling expenses. Other sundry items in context of the contract are also recognized as selling expense. Any taxes collected on behalf of the government are excluded from net revenue.

We record revenue at the transaction price which is measured as the amount of consideration we anticipate to receive in exchange for providing product to our customers. Revenue is recognized as the net amount estimated to be received after deducting estimated or known amounts including variable consideration for discounts, trade allowances, consumer incentives, coupons, volume-based incentives, cooperative advertising, product returns and other such programs. Promotional allowances, including customer incentive and trade promotion activities, are recorded as a reduction to sales based on amounts estimated being due to customers, based primarily on historical utilization and redemption rates. Estimates are reviewed regularly until incentives or product returns are realized and the result of any such adjustments are known. Promotional allowances deducted from sales for fiscal years 2024 and 2023 were \$19,746 and \$17,256, respectively.

Advertising expenses

Advertising and other promotional expenses are recorded as selling, general and administrative expenses. Advertising expenses for fiscal years 2024 and 2023 were \$2,613 and \$2,822, respectively.

Cash and cash equivalents

We consider all investments with original maturities of three months or less to be cash equivalents. Cash equivalents include money market funds and treasury bills. Cash and cash equivalents totaled \$10,230 as of November 1, 2024 all of which were held at Wells Fargo Bank N.A., except for \$1,000 with Bank of America. Cash and cash equivalents totaled \$15,708 as of November 3, 2023 all of which were held at Wells Fargo Bank N.A.

Restricted cash

The Company had no restricted cash as of November 1, 2024 and November 3, 2023.

Fair value measurements

We classify levels of inputs to measure the fair value of financial assets as follows:

- Level 1 inputs: Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 inputs: Level 2 inputs are from other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs: Level 3 inputs are unobservable and should be used to measure fair value to the extent that observable inputs are not available.

The hierarchy noted above requires us to minimize the use of unobservable inputs and to use observable market data, if available, when determining fair value.

The Company does not have any assets or liabilities measured at fair value on a recurring or non-recurring basis for the fiscal years ended November 1, 2024, and November 3, 2023, except for pension plan investments (See Note 3 – Retirement and Other Benefit Plans).

Inventories

Inventories are valued at the lower of cost (which approximates actual cost on a first-in, first-out basis) or net realizable value. Inventories include the cost of raw materials, labor, and manufacturing overhead. We regularly review inventory quantities on hand and write down any excess or obsolete inventories to net realizable value. An inventory reserve is created when potentially slow-moving or obsolete inventories are identified in order to reflect the appropriate inventory value. Changes in economic conditions, production requirements, and lower than expected customer demand could result in additional obsolete or slow-moving inventory that cannot be sold or must be sold at reduced prices and could result in additional reserve provisions. The Company recorded a net realizable value reserve of \$1,467 and \$513 at November 1, 2024 and November 3, 2023, respectively, after determining that the market value on some meat products was less than the costs associated with completion and sale of the product.

Property, plant, and equipment

Property, plant, and equipment are carried at cost less accumulated depreciation. Major renewals and improvements are charged to the asset accounts while the cost of maintenance and repairs is charged to expense as incurred. When assets are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the respective accounts and the resulting gain or loss is credited or charged to income. Depreciation is computed on a straight-line basis over 10 to 20 years for buildings and improvements, 5 to 10 years for machinery and equipment, and 3 to 5 years for transportation equipment. We built a processing plant from the ground up and as such have attributed long useful lives accordingly to these types of assets employed at the new facility in Chicago. The Company incurred interest costs of \$429 and \$579 for fiscal year 2024 and 2023, respectively, all of which were recorded as interest expense in relation to equipment at the production facility in Chicago.

We test long-lived assets for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an impairment is indicated, we measure the fair value of assets to determine if and when adjustments are recorded.

Leases

Leases are recognized in accordance with ASC Topic 842 Leases (“ASC 842”) which requires a lessee to recognize assets and liabilities with lease terms of more than 12 months. We lease or rent property for such operations as storing inventory and equipment. We analyze our agreements to evaluate whether or not a lease exists by determining what assets exist for which we control usage for a period of time in exchange for consideration. In the event a lease exists, we classify it as a finance or operating lease and record a right-of-use (“ROU”) asset and the corresponding lease liability at the inception of the lease. In the case of month-to-month lease or rental agreements with terms of 12 months or less, we made an accounting policy election to not recognize lease assets and liabilities and record them on a straight-line basis over the lease term. The storage units rented on a month-to-month basis for use by our Snack Food Product segment direct store delivery route system are not costly to relocate and contain no significant leasehold improvements or degree of integration over leased assets. Orders can be fulfilled by another route storage unit interchangeably. No specialized assets exist in the rental storage units. Market price is paid for storage units. No guarantee of debt is made.

Finance lease assets are recorded within property, plant and equipment, net of accumulated depreciation and amortization. The Company’s leases of a box truck used in its Frozen Food Products segment qualify as finance leases. Finance lease liabilities are recorded under other liabilities. Operating leases are recorded as ROU assets under property, plant and equipment and the corresponding liability is recorded under other liabilities. The consolidated balance sheets reflect both the current and long-term obligation. The classification as a finance or operating lease determines whether the recognition, measurement and presentation of expenses and cash flows are considered operating or financing.

Life insurance policies

We record the cash surrender value or contract value for life insurance policies as an adjustment of premiums paid in determining the expense or income to be recognized under the contract for the period. The cash surrender value is included in other non-current assets in the accompanying Consolidated Balance Sheets. Expected proceeds from life insurance are recorded under prepaid expenses and other current assets (refer to Note 2 – Composition of Certain Financial Statement Captions).

Income taxes

Deferred taxes are provided for items whose financial and tax bases differ. A valuation allowance is provided against deferred tax assets when it is expected that it is more likely than not that the related asset will not be fully realized. The determination as to whether or not a deferred tax asset can be fully realized is subject to a significant degree of judgment, based at least partially upon a projection of future taxable income, which takes into consideration past and future trends in profitability, customer demand, supply costs, and multiple other factors, which are inherently difficult to predict.

We provide tax accruals for federal, state, and local exposures relating to audit results, tax planning initiatives and compliance responsibilities. The development of these accruals requires judgments about tax issues, potential outcomes, and timing. (See Note 4 for further information). Although the outcome of these tax audits is uncertain, in management's opinion adequate provisions for income taxes have been made for potential liabilities emanating from these reviews. If actual outcomes differ materially from these estimates, they could have a material impact on our results of operations.

Stock-based compensation

We measure and recognize compensation expenses for all share-based payments to employees, including grants of employee stock options, in the financial statements based on the fair value at the date of the grant. We have not issued, awarded, granted, or entered into any stock-based payment agreements since April 29, 1999, and no such expense was recognized in fiscal years 2024 and 2023.

Comprehensive income or loss

Comprehensive income or loss consists of net income and additional minimum pension liability adjustments net of taxes.

Recently issued accounting pronouncements and regulations

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses* (ASC 326), which provides guidance on measurement of credit losses on financial instruments. This ASU adds a current expected credit loss impairment model to GAAP that is based on expected losses rather than incurred losses whereby a broader range of reasonable and supportable information is required to be utilized in order to derive credit loss estimates. The effective date of the new guidance as amended by ASU No. 2019-10 is fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The adoption of ASU No. 2016-13 did not have a material or significant impact on the Company's Consolidated Financial Statements as it has been our policy to estimate and record credit losses on trade accounts receivable.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting – Improvements to Reportable Segments Disclosures*. The amendments enhance disclosures of significant segment expenses by requiring the disclosure of significant segment expenses regularly provided to the chief operating decision maker (CODM), extending certain annual disclosures to interim periods, and permitting more than one measure of segment profit or loss to be reported under certain conditions. The amendments are effective for the Company in fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption of the amendment is permitted, including adoption in any interim periods for which financial statements have not been issued. The Company is currently evaluating the guidance and its impact to the financial statements.

In March 2024, the SEC adopted rules to develop standardized climate-related disclosures by publicly traded companies including the emission of greenhouse gases. The rules are currently effective for the Company in the fiscal year beginning in 2027. However, as a result of pending legal challenges, the actual timing of effectiveness of the rules and applicable phase-in periods, as well as whether portions of the rules remain in effect after the legal challenges, are uncertain. The Company is currently evaluating the guidance and its impact on the financial statements.

NOTE 2 - Composition of Certain Financial Statement Captions:

	November 1, 2024	November 3, 2023
Inventories, net:		
Meat, ingredients, and supplies	\$ 10,314	\$ 12,244
Work in process	2,633	1,507
Finished goods	20,391	26,822
	<u>\$ 33,338</u>	<u>\$ 40,573</u>
Prepaid expenses and other current assets		
Prepaid insurance	84	274
Prepaid other	525	161
	<u>\$ 609</u>	<u>\$ 435</u>
Property, plant and equipment, net:		
Land	\$ 3,799	\$ 3,799
Buildings and improvements	24,148	24,173
Machinery and equipment	99,417	97,554
Finance leased trucks	166	355
Transportation equipment	11,127	10,078
Right of use assets	2,383	3,515
Construction in process	754	1,410
	141,794	140,884
Accumulated depreciation and amortization	(77,160)	(73,397)
	<u>\$ 64,634</u>	<u>\$ 67,487</u>
Other non-current assets:		
Cash surrender value benefits	\$ 14,032	\$ 12,029
Other	699	5
	<u>\$ 14,731</u>	<u>\$ 12,034</u>
Accrued payroll, advertising, and other expenses:		
Payroll, vacation, payroll taxes and employee benefits	\$ 5,112	\$ 4,610
Accrued advertising and broker commissions	386	732
Property taxes	431	444
Other	394	618
	<u>\$ 6,323</u>	<u>\$ 6,404</u>
Other current liabilities (Notes 3 and 6):		
Executive retirement plans	\$ 333	\$ 249
Incentive compensation	1,531	1,582
Finance lease obligation	62	62
Customer deposits	39	26
Postretirement healthcare benefits	37	36
	<u>\$ 2,002</u>	<u>\$ 1,955</u>
Executive retirement plans and other non-current liabilities (Note 3):		
Defined benefit retirement plan	\$ (5,212)	\$ (1,885)
Incentive compensation	735	2,266
Finance lease obligation	162	28
Postretirement healthcare benefits	5,521	5,495
	<u>\$ 1,206</u>	<u>\$ 5,904</u>

NOTE 3 - Retirement and Other Benefit Plans:

Noncontributory-Trusteed Defined Benefit Retirement Plans for Sales, Administrative, Supervisory and Certain Other Employees

We have noncontributory-trusteed defined benefit retirement plans for sales, administrative, supervisory, and certain other employees. In the third quarter of fiscal year 2006, we froze future benefit accruals under these plans for employees classified within the administrative, sales or supervisory job classifications or within any non-bargaining class. The benefits under these plans are primarily based on years of service and compensation levels. The funding policy of the plans requires contributions which are at least equal to the minimum required contributions needed to avoid a funding deficiency. The measurement date for the plans is our fiscal year end.

Net pension income consisted of the following:

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
	(52 Weeks)	(53 Weeks)
Service cost	\$ 56	\$ 57
Interest cost	2,813	2,688
Expected return on plan assets	(3,433)	(3,439)
Amortization of unrecognized loss	349	615
Net pension income	<u>\$ (215)</u>	<u>\$ (79)</u>

Net pension costs and benefit obligations are determined using assumptions as of the beginning of each fiscal year.

Weighted average assumptions for each fiscal year are as follows:

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
Discount rate	5.16%	5.96%
Rate of increase in salary levels	N/A	N/A
Expected return on plan assets	5.00%	7.00%

The benefit obligation, plan assets, and funded status of these plans as of the fiscal years ended are as follows:

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
	(52 Weeks)	(53 Weeks)
Change in plan assets:		
Fair value of the plans' assets - beginning of year	\$ 50,685	\$ 50,649
Actual return on the plans' assets	10,208	2,394
Benefits paid	(2,574)	(2,358)
Fair value of the plans' assets - end of year	<u>\$ 58,319</u>	<u>\$ 50,685</u>
Change in benefit obligations:		
Benefit obligations - beginning of year	\$ 48,800	\$ 50,098
Service cost	56	57
Interest cost	2,813	2,688
Actuarial gain (loss)	4,012	(1,686)
Benefits paid	(2,574)	(2,357)
Benefit obligations - end of year	<u>53,107</u>	<u>48,800</u>
Funded status of the plans	5,212	1,885
Unrecognized net actuarial loss	4,103	7,216
Net amount recognized	<u>\$ 9,315</u>	<u>\$ 9,101</u>

We perform an internal rate of return analysis when making the discount rate selection. The discount rates were based on FTSE Pension Discount Curve (formerly Citibank) as of November 1, 2024, and November 3, 2023, respectively.

The plans' assets are primarily invested in marketable equity securities, corporate and government debt securities, and the assets are administered by an investment management company. The plans' long-term return on assets is based on the weighted average of the plans' investment allocation as of the measurement date and the published historical returns for those types of asset categories, taking into consideration inflation rate forecasts. No expected employer contribution to the plans in fiscal year 2025 is planned.

For fiscal year 2024, our actuary used mortality tables from the Pri-2012 Total Dataset Mortality Table with MP-2021 Scaling. The expected rate of return on the plans' assets was 5.00% and 7.00% effective for fiscal years 2024 and 2023, respectively.

On May 22, 2024, we transitioned our pension plan assets held with Morgan Stanley Smith Barney LLC to align with our updated investment policy statement to shift away from equities to fixed income. This derisking strategy helps establish a basis for our investment results as well as helping to ensure that assets of the Plan are managed in accordance with the Employment Retirement Income Security Act of 1974 (“ERISA”) and regulations pertaining thereto.

The actual and target allocation for the plans’ assets are as follows:

Asset Class	2024		2023	
	2024	Target Asset Allocation	2023	Target Asset Allocation
Large Cap Equities	9.3%	8.0%	21.7%	23.0%
Mid Cap Equities	0.0%	0.0%	0.0%	0.0%
Small Cap Equities	2.4%	2.0%	9.5%	9.0%
International (equities only)	4.1%	5.0%	26.9%	27.0%
Fixed Income	84.0%	83.0%	36.0%	37.0%
Cash and other	0.2%	2.0%	5.9%	4.0%
Total	100.0%	100.0%	100.0%	100.0%

The fair value of our pension plans’ assets as of November 1, 2024, and the level under which fair values were determined, using the hierarchy described in Note 1, is as follows:

	2024			
	Level 1	Level 2	Level 3	Total
Total plan assets	\$ 58,319	-	-	\$ 58,319

The fair value of our pension plans’ assets as of November 3, 2023, and the level under which fair values were determined, using the hierarchy described in Note 1, is as follows:

	2023			
	Level 1	Level 2	Level 3	Total
Total plan assets	\$ 50,685	-	-	\$ 50,685

Expected payments for pension benefits are as follows:

Fiscal Years	Pension Benefits
2025	\$ 3,439
2026	\$ 3,529
2027	\$ 3,619
2028	\$ 3,669
2029	\$ 3,700
2030-2034	\$ 18,645

Executive Retirement Plans

Non-Qualified Deferred Compensation

Effective January 1, 1991, we adopted a deferred compensation savings plan for certain key employees. Under this arrangement, selected employees contribute a portion of their annual compensation to the plan. We contribute an amount to each participant’s account by computing an investment return equal to Moody’s Average Seasoned Bond Rate plus 2%. Employees receive vested amounts upon death, termination, or attainment of retirement age. No benefit expense was recorded under this plan for fiscal years 2024 and 2023.

Supplemental Executive Retirement Plan

Retirement benefits otherwise available to certain key executives under the Primary Benefit Plan have been limited by the effects of the Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) and the Tax Reform Act of 1986 (“TRA”). To offset the loss of retirement benefits associated with TEFRA and TRA, the Company has adopted a non-qualified “makeup” benefit plan (the “Supplemental Executive Retirement Plan”). Benefits will be provided under the Supplemental Executive Retirement Plan in an amount equal to 60% of each participant’s final average earnings minus any pension benefits and primary insurance amounts available to them under Social Security. However, in all cases the benefits are capped at \$120,000 per year for Allan L. Bridgford. Benefits provided under this plan for William L. Bridgford and Raymond F. Lancy are calculated at 50% of final average earnings, capped at \$200,000 per year, without offsets for other pension or Social Security benefits.

Benefits payable related to these plans and included in the accompanying consolidated financial statements were \$5,046 and \$4,994 as of November 1, 2024, and November 3, 2023, respectively. The benefit payable is recorded as \$333 and \$249 under current liabilities and \$4,713 and \$4,745 under non-current liabilities as of November 1, 2024, and November 3, 2023, respectively. In connection with these arrangements, we are the beneficiary of life insurance policies on the lives of certain key employees and retirees. The aggregate cash surrender value of these policies, included in non-current assets, was \$14,032 and \$12,029 as of November 1, 2024, and November 3, 2023, respectively. The net periodic pension income was \$109 and \$1,057 for fiscal year 2024 and 2023, respectively, caused by the change in pension discount rate between years.

Expected payments for executive postretirement benefits are as follows:

Fiscal Years	Executive Postretirement Benefits
2025	\$ 533
2026	\$ 533
2027	\$ 533
2028	\$ 532
2029	\$ 522
2030-2033	\$ 2,581

Incentive Compensation Plan for Certain Key Executives

We provide an incentive compensation plan for certain key executives, which is based upon our pretax income. The payment of these amounts is generally deferred over three or five-year periods. The total amount payable related to this arrangement was \$2,267 and \$3,848 as of November 1, 2024, and November 3, 2023, respectively. Future payments are approximately \$1,531, \$694, \$33 and \$9 for fiscal years 2025 through 2028, respectively.

Postretirement Healthcare Benefits for Selected Executive Employees

We provide postretirement health care benefits for selected executive employees. Net periodic postretirement healthcare (benefit) cost is determined using assumptions as of the beginning of each fiscal year, except for the total actual benefit payments and the discount rate used to develop the net periodic postretirement benefit expense, which is determined at the end of the fiscal year.

Net periodic postretirement healthcare cost (benefit) consisted of the following:

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Interest cost	\$ 38	\$ 22
Amortization of actuarial gain	(12)	(17)
Service cost	8	4
Net periodic postretirement healthcare cost	<u>\$ 34</u>	<u>\$ 9</u>

Weighted average assumptions for the fiscal years ended November 1, 2024, and November 3, 2023, are as follows:

	2024	2023
Discount rate	5.16%	5.96%
Medical trend rate next year	7.00%	7.50%
Ultimate trend rate	5.00%	5.00%
Year ultimate trend rate is achieved	2028	2028

The table below shows the estimated effect of a 1% increase in healthcare cost trend rate on the following:

	2024	2023
Interest cost plus service cost	\$ 9	\$ 5
Accumulated postretirement healthcare obligation	\$ 156	\$ 106

The table below shows the estimated effect of a 1% decrease in healthcare cost trend rate on the following:

	2024	2023
Interest cost plus service cost	\$ (7)	\$ (4)
Accumulated postretirement healthcare obligation	\$ (122)	\$ (84)

The healthcare obligation and funded status of this plan as of the fiscal years ended are as follows:

	2024	2023
Change in accumulated postretirement healthcare obligation:		
Healthcare obligation - beginning of year	\$ 649	\$ 426
Interest cost	38	22
Service cost	9	3
Actuarial gain (loss)	180	230
Benefits paid	(34)	(32)
Healthcare obligation – end of year	<u>\$ 842</u>	<u>\$ 649</u>
Funded status of the plans		
Unrecognized net actuarial (loss) gain	842	649
Unrecognized amounts recorded in other comprehensive income	(13)	33
	13	(33)
Postretirement healthcare liability	<u>\$ 842</u>	<u>\$ 649</u>

Expected payments for the postretirement benefits are as follows:

Fiscal Years	Postretirement Healthcare Benefits
2025	\$ 38
2026	\$ 38
2027	\$ 39
2028	\$ 39
2029-2033	\$ 191

401(K) Plan for Sales, Administrative, Supervisory and Certain Other Employees

During the fiscal year ended November 3, 2006, we implemented a qualified 401(K) retirement plan (the "401K Plan") for our sales, administrative, supervisory, and certain other employees. During fiscal years 2024 and 2023, we made total employer contributions to the 401K Plan in the amounts of \$783 and \$887, respectively.

NOTE 4 - Income Taxes:

The (benefit on) provision for income taxes include the following:

	November 1, 2024 (52 Weeks)	November 3, 2023 (53 Weeks)
Current:		
Federal	\$ (1,163)	\$ 1,660
State	1,196	(8)
	33	1,652
Deferred:		
Federal	(1,222)	(530)
State	(122)	(101)
	(1,344)	(631)
Total (benefit on) provision for income taxes	<u>\$ (1,311)</u>	<u>\$ 1,021</u>

The total tax benefit differs from the expected amount computed by applying the statutory federal income tax rate to income before income taxes as follows:

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
	<u>(52 Weeks)</u>	<u>(53 Weeks)</u>
(Benefit on) provision for federal income taxes at the applicable statutory rate	\$ (985)	\$ 944
Increase (decrease) in provision resulting from state income taxes, net of federal income tax benefit	(16)	(86)
Non-taxable life insurance gain	(421)	(93)
Other, net	111	256
(Benefit on) provision for income taxes	<u>\$ (1,311)</u>	<u>\$ 1,021</u>

Deferred income taxes result from differences in the basis of assets and liabilities for tax and accounting purposes.

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
Receivables allowance	\$ 29	\$ 64
Returns allowance	134	167
Inventory packaging reserve	677	299
Inventory overhead capitalization	314	571
Employee benefits	790	726
Other	218	(30)
State taxes payable (receivable)	226	232
Incentive compensation	595	824
Pension and health care benefits	77	924
Depreciation	(12,069)	(12,342)
Net operating loss carry-forward and credits	1,721	322
Right of use assets	(235)	-
Valuation allowance established against state NOL	(99)	(99)
Deferred income taxes, net	<u>\$ (7,622)</u>	<u>\$ (8,342)</u>

Management is required to evaluate whether a valuation allowance should be established against its deferred tax assets based on the consideration of all available evidence using a “more likely than not” standard. Realization of deferred tax assets is dependent upon taxable income in prior carryback years, estimates of future taxable income, tax planning strategies, and reversals of existing taxable temporary differences.

As of November 1, 2024, the Company did not have any valuation allowance against its federal net deferred tax assets. Management reevaluated the need for a valuation allowance at the end of 2023 and determined that some of its California NOL may not be utilized. Therefore, a valuation allowance of \$99 has been retained for such portion of the California NOL.

As of November 1, 2024, the Company had net operating loss carryforwards of approximately \$5,000 for federal and \$12,800 for state purposes.

The state loss carryforwards will expire at various dates through 2040.

In July 2006, the FASB issued guidance to clarify the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements. This interpretation prescribed a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The guidance also discussed derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The cumulative effect, if any, of applying this guidance is to be reported as an adjustment to the opening balance of retained earnings in the year of adoption. The provisions of this guidance have been incorporated into ASC 740-10.

As of November 1, 2024, we have provided a liability of \$349 to unrecognized tax benefits related to various federal and state income tax matters. \$76 of this liability will reduce our effective income tax rate if the asset is recognized in future reporting periods. We have not identified any new unrecognized tax benefits.

As of November 3, 2023, we have provided a liability of \$331 to unrecognized tax benefits related to various federal and state income tax matters. None of this liability will reduce our effective income tax rate if the asset is recognized in future reporting periods.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

	<u>November 1, 2024</u> <u>(52 Weeks)</u>	<u>November 3, 2023</u> <u>(53 Weeks)</u>
Balance at beginning of year	\$ 331	\$ 299
Additions based on tax positions related to the current year	-	16
Additions for tax positions of prior years	18	16
Balance at end of year	<u>\$ 349</u>	<u>\$ 331</u>

We recognize any future accrued interest and penalties related to unrecognized tax benefits in income tax expense. As of November 1, 2024, we had approximately \$61 in accrued interest and penalties which is included as a component of the \$349 unrecognized tax benefit noted above.

Our federal income tax returns are open to audit under the statute of limitations for the fiscal year ended October 29, 2021, through November 3, 2023.

We are subject to income tax in California and various other state taxing jurisdictions. Our state income tax returns are open to audit under the statute of limitations for the fiscal years ended October 30, 2020, through November 3, 2023.

We do not anticipate a significant change to the total amount of unrecognized tax benefits within the next 12 months.

NOTE 5 - Line of Credit and Borrowing Agreements:

The following table reflects major components of our revolving credit facility and borrowing agreements as of November 1, 2024, and November 3, 2023, respectively.

	<u>November 1, 2024</u>	<u>November 3, 2023</u>
Revolving credit facility	\$ -	\$ -
Equipment notes:		
3.68% note due 04/16/27, out of lockout 04/17/22	2,786	3,831
Total debt	2,786	3,831
Less current debt	(1,084)	(1,045)
Total long-term debt	<u>\$ 1,702</u>	<u>\$ 2,786</u>

Revolving Credit Facility

On November 30, 2023, we entered into a fifth amendment to the credit agreement with Wells Fargo Bank, N.A. dated March 1, 2018, as amended, and also executed a revolving line of credit note pursuant to the amendment. The revolving line of credit note replaces the existing note that expired by its terms on November 30, 2023. Under the terms of this amendment and the revolving line of credit note, we may borrow up to \$7,500 from time to time up to November 30, 2024, at an interest rate equal to (a) the daily simple secured overnight financing rate plus 2.0%, or if unavailable, (b) the prime rate, in each case as determined by the bank. The line of credit has an unused commitment fee of 0.35% of the available loan amount, payable on a quarterly basis. Amounts may be repaid and reborrowed during the term of the note. Accrued interest is payable on the first day of each month and the outstanding principal balance and remaining interest are due and payable on November 30, 2024. Refer to Subsequent Events under Note 1 to the Consolidated Financial Statements included within this Report for further information.

Equipment Notes Payable

On December 26, 2018, we entered into a master collateral loan and security agreement with Wells Fargo Bank, N.A. (the "Original Wells Fargo Loan Agreement") for up to \$15,000 in equipment financing which was amended and expanded as detailed below. We subsequently entered into additional master collateral loan and security agreements with Wells Fargo Bank, N.A. on each of April 18, 2019, December 19, 2019, March 5, 2020, and April 17, 2020 (the Original Wells Fargo Loan Agreement and the subsequent agreements collectively referred to as the "Wells Fargo Loan Agreements"). Pursuant to the Wells Fargo Loan Agreements, we owe the amounts as stated in the table above.

Loan Covenants

The Wells Fargo Loan Agreements and the credit agreement contain various affirmative and negative covenants that limit the use of funds and define other provisions of the loans. The main financial covenants are listed below:

- Total Liabilities divided by Tangible Net Worth not greater than 2.0 to 1.0 at each fiscal quarter end,
- Quick Ratio not less than 1.25 to 1.0 at each fiscal quarter end,
- Fixed Charge Coverage Ratio not less than 1.25 to 1.0 at the end of each fiscal quarter end.

As of November 1, 2024, the Company was in compliance with all covenants under the Wells Fargo Loan Agreements and the credit agreement.

Aggregate contractual maturities of debt in future fiscal years are as follows as of November 1, 2024.

Fiscal Years	Debt Payable	
2025	\$	1,084
2026	\$	1,124
2027	\$	578

NOTE 6- Contingencies and Commitments:

The Company leases warehouse and/or office facilities throughout the United States through month-to-month rental agreements. In the case of month-to-month lease or rental agreements with terms of 12 months or less, the Company made an accounting policy election to not recognize lease assets and liabilities and record them on a straight-line basis over the lease term. For further information regarding our lease accounting policy, please refer to Note 1 – The Company and Summary of Significant Accounting Policies – Leases.

The Company leased three long-haul trucks received during fiscal year 2019. The six-year leases for these trucks would have expired in fiscal year 2025. We returned one long-haul truck on June 22, 2023, for a loss of \$12 and returned two long-haul trucks on July 11, 2024, for a loss of \$90, in an effort to reduce the overall cost of delivering products. All long-haul trucks under this lease agreement have been returned as of November 1, 2024. The Company leased one box truck for a market value of \$27 on April 17, 2023, and that lease term is two years.

The Company leased one refrigerated truck received on May 10, 2024, for a net present value of \$166. The seven-year lease for this truck will expire in fiscal year 2031. Amortization of equipment as a finance lease was \$44 during the fifty-two weeks ended November 1, 2024.

The Company performed a detailed analysis and determined that the only indications of a long-term lease in addition to transportation leases for long-haul trucks were the warehouse leases with Hogshed Ventures, LLC and Racine Partners 4333 LLC.

The Company's five-year term lease with Racine Partners 4333 LLC, was effective June 1, 2022. A ROU asset of \$2,383 and corresponding liability for warehouse storage space of \$2,450 as of November 1, 2024, was recorded for Racine Partners 4333 LLC for 43rd Street in Chicago, Illinois. This lease does not provide an implicit rate and we estimated our incremental interest rate to be approximately 3.68%. We used our estimated incremental borrowing rate and other information available at the lease commencement date in determining the present value of the lease payments.

We leased warehouse storage space from Hogshed Ventures, LLC for 40th Street in Chicago, Illinois, during fiscal year 2024. We leased this space under a non-cancellable operating lease. This lease terminated on June 30, 2024 and was not renewed. There is no further lease liability recorded as of November 1, 2024.

We, as lessor, leased a parking lot in Anaheim, California with a five-year term effective May 29, 2024, to a tenant. Both current and non-current receivables less executory costs including broker's commissions, were recorded in current and non-current liabilities in the amount of \$161 and \$722, as of November 1, 2024. Unearned revenue was also recorded in the amount of \$167 and \$693, respectively, in the consolidated balance sheet as of November 1, 2024. This lease does not provide an implicit rate, and we estimated our incremental interest rate to be approximately 7.34%. We used our estimated incremental borrowing rate and other information available at the lease commencement date in determining the present value of the lease payments. Legal ownership does not transfer at the end of the lease. We retain ownership of the parking lot. There is no net book value of the underlying asset.

The following is a schedule by years of future minimum lease payments for transportation leases and ROU assets:

Fiscal Year	Financing Obligations
2025	\$ 1,128
2026	1,206
2027	748
2028	253
Later Years	181
Total minimum lease payments(a)	\$ 3,516
Less: Amount representing executory costs	40
Less: Amount representing interest(b)	-
Present value of future minimum lease payments(c)	\$ 3,556

(a) Minimum payments exclude contingent rentals based on actual mileage and adjustments of rental payments based on the Consumer Price Index.

(b) Amount necessary to reduce net minimum lease payments to present value calculated at the Company's incremental borrowing rate at the inception of the leases.

(c) Reflected in Note 2, as current and noncurrent obligations under capital leases of \$62 and \$162, respectively, and ROU assets of \$1,097 and \$2,235, respectively.

We purchase large quantities of pork, beef, and flour. These ingredients are generally available from a number of different suppliers although the availability of these ingredients is subject to seasonal variation. We build ingredient inventories to take advantage of downward trends in seasonal prices or anticipated supply limitations.

We purchase bulk flour under short-term fixed price contracts at current market prices. The contracts are usually effective for and settle within three months or less at a fixed price and quantity. We monitor and manage our ingredient costs to help negate volatile daily swings in market prices when possible. We do not participate in the commodity futures market or hedging to limit commodity exposure.

The Company is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters is not expected to have a material adverse effect on the Company's consolidated financial position or results of operations.

NOTE 7 - Segment Information:

We have two reportable operating segments, Frozen Food Products (the processing and distribution of frozen products) and Snack Food Products (the processing and distribution of meat and other convenience foods).

We evaluate each segment's performance based on revenues and operating income. Selling, general and administrative expenses include corporate accounting, information systems, human resources and marketing management at the corporate level. These activities are allocated to each operating segment based on revenues and/or actual usage.

The following segment information is for the fiscal years ended November 1, 2024 (52 weeks) and November 3, 2023 (53 weeks):

Segment Information				
2024	Frozen Food Products	Snack Food Products	Other	Totals
Net sales	\$ 58,408	\$ 165,237	\$ -	\$ 223,645
Cost of products sold	42,404	124,913	-	167,317
Gross margin	16,004	40,324	-	56,328
SG&A	14,202	48,247	-	62,449
Loss on sale of property, plant, and equipment	96	50	-	146
Operating income (loss)	\$ 1,706	\$ (7,973)	\$ -	\$ (6,267)
Total assets	\$ 16,972	\$ 112,471	\$ 27,911	\$ 157,354
Additions to PP&E	\$ 891	\$ 3,011	\$ -	\$ 3,902

Segment Information				
2023	Frozen Food Products	Snack Food Products	Other	Totals
Net sales	\$ 57,638	\$ 193,998	\$ -	\$ 251,636
Cost of products sold	43,180	138,099	-	181,279
Gross margin	14,458	55,899	-	70,357
SG&A	14,443	51,124	-	65,567
Loss on sale of property, plant, and equipment	75	86	-	161
Operating (loss) income	\$ (60)	\$ 4,689	\$ -	\$ 4,629
Total assets	\$ 15,241	\$ 121,725	\$ 30,032	\$ 166,998
Additions to PP&E	\$ 493	\$ 2,110	\$ -	\$ 2,603

The following information further disaggregates our sales to customers by major distribution channel and customer type for the fiscal years ended November 1, 2024, and November 3, 2023, respectively.

2024

Distribution Channel	Retail (a)	Foodservice (b)	Totals
Direct store delivery	\$ 110,361	\$ -	\$ 110,361
Direct customer warehouse	54,876	-	54,876
Total Snack Food Products	165,237	-	165,237
Distributors	7,658	50,750	58,408
Total Frozen Food Products	7,658	50,750	58,408
Total Net Sales	\$ 172,895	\$ 50,750	\$ 223,645

(a) Includes sales to food retailers, such as grocery retailers, warehouse club stores, and internet-based retailers.

(b) Includes sales to foodservice distributors, restaurant operators, hotel chains and noncommercial foodservice establishments such as schools, convenience stores, healthcare facilities and the military.

2023

Distribution Channel	Retail (a)	Foodservice (b)	Totals
Direct store delivery	\$ 130,497	\$ -	\$ 130,497
Direct customer warehouse	63,501	-	63,501
Total Snack Food Products	193,998	-	193,998
Distributors	8,397	49,241	57,638
Total Frozen Food Products	8,397	49,241	57,638
Total Net Sales	\$ 202,395	\$ 49,241	\$ 251,636

(a) Includes sales to food retailers, such as grocery retailers, warehouse club stores, and internet-based retailers.

(b) Includes sales to foodservice distributors, restaurant operators, hotel chains and noncommercial foodservice establishments such as schools, convenience stores, healthcare facilities and the military.

NOTE 8 - Unaudited Interim Financial Information:

Not applicable for a smaller reporting company.

Exhibit 19.1

Bridgford Foods Corporation

Insider Trading Policy

(January 21, 2025)

1. PURPOSE

The purchase or sale of securities while possessing material nonpublic (“*inside*”) information or the disclosure of inside information (“*tipping*”) to others who may trade in such securities is sometimes referred to as “*insider trading*” and is prohibited by federal and state securities laws. Illegal insider trading occurs when a person buys or sells a security when in possession of inside information in violation of a duty of trust or confidence. As an essential part of your work, you may have or obtain access to inside information about Bridgford Foods Corporation (including information about other companies with which the Company does, or may do, business such as customers, suppliers or partners). When we refer in this Policy to “*Bridgford*” or the “*Company*,” we are referring to Bridgford Foods Corporation and any of its current or future subsidiaries.

Bridgford has adopted this Insider Trading Policy (“*Policy*”) to assist the Company in preventing illegal insider trading and to avoid even the appearance of improper conduct on the part of any director, officer, employee or contractor of the Company. This Policy is designed to protect and further Bridgford’s reputation for integrity and ethical conduct. However, the ultimate responsibility for complying with the securities laws, adhering to this Policy and avoiding improper transactions rests with you. It is imperative that you use your best judgment and that you ask questions where you are uncertain how to handle a particular situation.

2. PENALTIES FOR INSIDER TRADING

The penalties for violating the insider trading laws are substantial and include imprisonment, disgorgement of profits gained or losses avoided, and substantial civil and criminal fines. As of the effective date of this Policy, an insider trading violation carries a maximum prison sentence of 20 years. Criminal fines can reach up to \$5.0 million for individuals and \$25.0 million for entities, and civil sanctions may include an injunction, industry bar, disgorgement and penalties of up to three times the profit gained or loss avoided. Individuals and entities considered to be “control persons” who knew or recklessly disregarded the fact that a “controlled person” was likely to engage in insider trading also may be civilly liable. As of the effective date of this Policy the civil liability of “control persons” can be the greater of \$1.0 million, or three times the amount of the profit gained or loss avoided. For this purpose, a “control person” is an entity or person who directly or indirectly controls another person, and could include the Company, its directors and officers.

Under some circumstances, individuals who trade on inside information may also be subjected to private civil lawsuits. Moreover, as the inside information of Bridgford is the property of the Company, trading on or tipping Bridgford’s confidential information could result in serious employment sanctions, up to and including termination of employment.

You should be aware that the Securities and Exchange Commission (“*SEC*”), the Financial Industry Regulatory Authority (“*FINRA*”) and the Nasdaq Stock Market use sophisticated electronic surveillance techniques to investigate and detect insider trading, and the SEC and the U.S. Department of Justice pursue insider trading violations vigorously. Cases involving trading through foreign accounts, trading by family members and friends, and trading involving only a small number of shares have been successfully prosecuted.

There is no exception from insider trading prohibitions for small transactions or transactions that may seem necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure.

3. SCOPE AND APPLICABILITY

3.1. **Covered Persons.** This Policy applies to each member of the Board of Directors (the “*Board*”) and to all officers, employees and, where appropriate in the Company’s determination, contractors, within all of Bridgford’s operations. All persons covered by this Policy are referred to as “*Covered Persons*.” This Policy also applies to family members and domestic partners who share a household with a Covered Person.

3.2. **Restricted Persons.** Sections 8 through 10 of this Policy impose certain **additional** obligations and restrictions on individuals who are designated as “*Restricted Persons*.” Restricted Persons include:

- 3.2.1. Members of the Board;
- 3.2.2. Executive Officers;
- 3.2.3. Employees with the title of “Vice President” or above;
- 3.2.4. Members of the Accounting, Finance, and Information Technology Departments with the title of “Director” or above;
- 3.2.5. Designated positions or individual employees as determined by the President or the Chief Financial Officer. Any such designated persons will be promptly notified that they are subject to this Policy;
- 3.2.6. Family members and domestic partners who share a household with any of the persons listed above; and
- 3.2.7. Any other individual whom the Compliance Officer (as defined below) may designate as a “*Restricted Person*” because they have, or may have, access to inside information concerning the Company (as determined in the sole discretion of the Compliance Officer).

Restricted Persons can be officers, directors, employees or contractors of the Company (or their respective family members or domestic partners). Any person designated as a Restricted Person by title or express designation as set forth above (i) must comply with this Policy (as a Restricted Person and as a Covered Person) until notified otherwise in writing by the Compliance Officer, and (ii) in the event of termination or separation from the Company, shall continue to be designated by the Company as a Restricted Person until such time as such person is no longer in possession of inside information.

3.3. **Covered Securities and Transactions.** Subject to the specific exceptions set forth in **Section 5.2**, this Policy applies to all transactions in the Company’s securities, including common stock and any other type of securities that are convertible into, exchangeable for or exercisable for common stock, such as preferred stock, convertible debt securities, options, warrants, and other derivative securities. This Policy applies to sales, purchases, gifts, exchanges, pledges, options, hedges, puts, calls and short sales, and any other transaction that purports to transfer the economic consequences of ownership.

This Policy applies to all investment decisions you make regarding transactions in Company securities. For example, if you have the power to direct the purchase or sale of Company securities by virtue of your position as a director or officer of a corporation or non-profit organization, as a general partner of a partnership, as a managing member of a limited liability company (“**LLC**”), as a trustee of a trust, or as executor of an estate, then all transactions in Company securities made on behalf of any such corporation, organization, partnership, LLC, trust or estate are covered by this Policy.

This Policy also applies to trading in securities of another company if you learn inside information about that company in the course of, or as a result of, your employment by or association with Bridgford (including customers, suppliers, partners, licensors and other third-parties).

You are expected to comply with this Policy until such time as you no longer provide service to the Company **and** you no longer possess any inside information subject to this Policy. In addition, if you are subject to a trading blackout under this Policy at the time you cease to provide service to the Company, you are expected to abide by the applicable trading restrictions until at least the end of the relevant blackout period.

There may be instances where you suffer financial harm or other hardship or are otherwise required to forego a planned transaction because of the restrictions imposed by this Policy. In general, a personal financial emergency or other personal circumstances are not mitigating factors under securities laws and will not excuse a failure to comply with this Policy. Please refer to **Section 9.3** of this Policy for additional information about the circumstances under which you may be able to sell Company securities in connection with a financial hardship.

3.4. **Provision of the Policy.** This Policy will be provided or made available to all directors, officers, employees and, where appropriate in the Company’s determination, contractors, upon its adoption by the Company, and to all new directors, officers, employees and, where appropriate in the Company’s determination, contractors, at the commencement of their employment by or association with the Company. The Policy will be posted under the “Governance” tab of the Company’s website at www.bridgford.com.

4. DEFINITIONS

4.1. **Insider Trading.** In general, “*insider trading*” occurs when a person purchases or sells a security while in possession of inside information in breach of a duty of trust or confidence owed directly or indirectly to the issuer of the security, the issuer’s stockholders or the source of the information. “*Inside information*” is information which is considered both “*material*” and “*nonpublic*.” Insider trading is a crime, may subject you to serious financial penalties and termination of employment, and is strictly prohibited by this Policy. Please refer to **Section 2** of this Policy for additional information.

4.2. **Materiality.** A fact is considered “*material*” if (i) there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, hold or sell securities, or (ii) disclosure of the information would be expected to significantly alter the total mix of the information in the marketplace about the issuer of the security.

Material information can reflect either good or bad news and is not limited to financial information. While it is impossible to list all types of information that might be deemed “*material*” under particular circumstances, information dealing with the following subjects affecting the Company would generally be considered material:

- 4.2.1. projections of future revenues, expenses, margins, earnings, losses or liquidity position;
- 4.2.2. significant changes to the Company’s strategic plans;
- 4.2.3. anticipated or actual Company financial results for a quarter and/or year;
- 4.2.4. restatements of financial results, or material impairments, write-offs or restructurings;
- 4.2.5. commercial launch of significant new products by the Company;
- 4.2.6. significant changes in the Company’s prospects, pricing or cost structure;
- 4.2.7. news of a pending or proposed merger, acquisition, joint venture or similar transaction;
- 4.2.8. news of a significant sale, disposition, divestiture, or write-down of assets;
- 4.2.9. news of the execution or termination of significant contracts or other commercial arrangements (including with customers, distributors, payors, suppliers, partners, licensors or other third-parties);
- 4.2.10. changes in dividend policies or amounts, recapitalizations or stock splits;
- 4.2.11. offerings of securities or other financing developments;
- 4.2.12. significant repurchases of securities;
- 4.2.13. extraordinary borrowings;
- 4.2.14. changes or proposed changes in senior management or the Board, or other major personnel changes, significant labor disputes or negotiations;
- 4.2.15. regulatory developments significantly impacting the Company, or its business or products;

- 4.2.16. major developments or significant changes in research and development or intellectual property;
- 4.2.17. significant changes or developments in products, supplies or inventory, including significant product recalls, defects or product returns;
- 4.2.18. the interruption of production or other aspects of the Company's business as a result of an accident, fire, or natural disaster;
- 4.2.19. cybersecurity risks and incidents, including vulnerabilities and breaches; and
- 4.2.20. news regarding significant litigation or government investigations, including any change in status or the resolution thereof.

Federal and other investigators will scrutinize a questionable trade after the fact with the benefit of hindsight, so when in doubt you should always err on the side of deciding that the information is material and not trade.

- 4.3. **Nonpublic Information.** Information is "*nonpublic*" if it has not been widely disclosed to the general public through major newswire services, national news services, financial news services, filings with the SEC, or other method that has been determined by the SEC to be compliant with Regulation FD. For purposes of this Policy, information will be considered public (i.e., no longer "*nonpublic*") after the close of trading on the second full trading day following the Company's public release of the information.
- 4.4. **Tippling.** "*Tippling*" is the disclosure of material nonpublic information concerning the Company or its securities to an outside person. Providing insider information to anyone who thereafter trades on the basis of that information may subject both you (the "*tipper*") and the other person (the "*tippee*") to insider trading liability.

5. **PROHIBITED ACTIVITIES**

5.1. **Prohibitions.** Except for the limited exceptions described below, the following shall apply to all transactions in Company securities:

- 5.1.1. No Covered Person may purchase, sell, transfer or effectuate any other transaction in Company securities while in possession of inside information concerning the Company or its securities. This prohibition includes sales of shares received upon exercise of stock options or warrants, upon vesting of restricted stock, or upon settlement of restricted stock units.
- 5.1.2. No Covered Person may "*tip*" or disclose inside information concerning the Company or its securities to any outside person (including family members, affiliates, analysts, investors, members of the investment community and news media). Should a Covered Person inadvertently disclose such information to an outside person, the Covered Person must promptly inform the Compliance Officer (or, in the absence of the Compliance Officer, the President) regarding this disclosure. In that event, the Company will either take steps necessary to (i) preserve the confidentiality of the information, including requiring the outside person to agree in writing to comply with the terms of this Policy and/or sign a confidentiality agreement, or (ii) disclose the information publicly in accordance with the requirements of Regulation FD.

- 5.1.3. No Covered Person may purchase Company securities on margin, hold Company securities in a margin account, or otherwise pledge Company securities as collateral for a loan because, in the event of a margin call or default on the loan, the broker or lender could sell the shares at a time when the Covered Person is in possession of inside information, resulting in liability for insider trading. The Compliance Officer may make exceptions to this prohibition on a case-by-case basis.
 - 5.1.4. Short-term and speculative trading in Company securities, as well as hedging and other derivative transactions involving Company securities, can create the appearance of impropriety and may become the subject of an SEC or FINRA investigation. These types of transactions can also result in inadvertent violations of insider trading laws and/or liability for “*short-swing*” profits under Section 16(b) of the Securities Exchange Act of 1934 (“*Exchange Act*”). Therefore, it is the Company’s policy to prohibit the following activities, even if you are not in possession of inside information:
 - 5.1.4.1. No Covered Person may trade in any interest or position relating to the future price of Company securities, such as put or call options, enter into any “*short sale*” of Company securities, or enter into any other derivative securities relating to Company securities.
 - 5.1.4.2. No Covered Person may hedge the value of Company securities. A “*hedge*” is a transaction designed to offset or reduce the risk of a decline in the market value of an equity security, and can include, but is not limited to, prepaid variable forward contracts, equity swaps, collars and exchange funds.
 - 5.1.4.3. No Covered Person may trade in securities of the Company on an active basis, including short-term speculation.
 - 5.1.5. No Covered Person may trade in securities of another company if the Covered Person is in possession of inside information about that other company which the Covered Person learned in the course of, or as a result of, his or her employment by or association with Bridgford.
 - 5.1.6. No Covered Person shall make any information about the Company publicly available, including by posting information about the Company on any Internet message board or social media site, except to the extent specifically authorized to do so.
- 5.2. **Exceptions to Prohibited Activities.** Prohibitions in trading securities under this Policy do not include:
- 5.2.1. The acceptance or purchase of stock options, restricted stock, restricted stock units or other equity awards issued or offered by the Company, and the vesting, cancellation or forfeiture of stock options, restricted stock, restricted stock units or other equity awards in accordance with applicable plans and agreements.

- 5.2.2. The exercise of vested stock options or warrants, either on a “*cash for stock*” or “*stock for stock*” basis, where no Company stock is sold (by the Covered Person, the Company or otherwise) to fund the option or warrant exercise. However, while vested stock options and warrants are not prevented from being exercised under this Policy, the sale of any stock acquired upon such exercise is subject to this Policy.
- 5.2.3. The receipt of Company stock upon vesting of restricted stock or settlement of restricted stock units, as well as the withholding of Company stock by the Company in payment of tax obligations, provided that no Company stock is sold (by the Covered Person, the Company or otherwise) in connection with the payment of tax obligations.
- 5.2.4. In the event the Company has adopted an employee stock purchase plan (“*ESPP*”), elections with respect to participation in the ESPP or to purchases of Company stock under the ESPP, provided that the sale of any stock acquired through the ESPP is subject to this Policy.
- 5.2.5. Company securities purchased or sold under a Rule 10b5-1 Trading Plan (“*Trading Plan*”) that has been approved in advance by the Compliance Officer (see **Sections 8 and 10** of this Policy).
- 5.2.6. Transfers of Company stock by a Covered Person into a trust for which the Covered Person is a trustee, or from the trust back into the name of the Covered Person.
- 5.2.7. Transfers of Company securities by will or pursuant to the laws of descent and distribution.
- 5.2.8. Bona fide gifts of Company securities following receipt of written approval by the Compliance Officer (provided that the Compliance Officer shall retain the discretion to require the recipient to certify that it will comply with the terms of this Policy as a “Covered Person”).
- 5.2.9. Bona fide charitable donations to an organization that has obtained 501(c)(3) tax exempt status under the Internal Revenue Code following receipt of written approval by the Compliance Officer (provided that the Compliance Officer shall retain the discretion to require the organization to certify that it will comply with the terms of this Policy as a “Covered Person”).
- 5.2.10. Private securities transactions not expressly prohibited under **Section 5.1** of this Policy between a Covered Person and a sophisticated party provided that (i) if it is proposed by the Covered Person that inside information is to be provided to the sophisticated party, any such information shall only be provided by the Company in the Company’s sole discretion, and then, if so disclosed, only after the party has entered into a non-disclosure agreement with the Company in form and substance satisfactory to the Company, and (ii) the party agrees to any restrictions under the federal securities laws that the Company may impose on the party’s ability to effect transactions in any Company securities purchased by the party.
- 5.2.11. Purchases and sales of mutual funds, exchange traded funds or other similar funds or investment vehicles that invest in securities of the Company and with respect to which the Covered Person is a passive investor and has no rights with respect to the voting or disposition of any Company securities, and purchases and sales of Company securities by any such entity.

6. COMPANY COMPLIANCE OFFICER

The Board has delegated the Chief Financial Officer the responsibility of serving as the compliance officer for purposes of this Policy (the “*Compliance Officer*”) with all attendant rights and obligations. The Board may from time to time change the Compliance Officer.

The duties and responsibilities of the Compliance Officer include the following:

- 6.1. Administering and interpreting this Policy and monitoring and enforcing compliance with all of its provisions and procedures.
- 6.2. Responding to all inquiries relating to this Policy and its procedures.
- 6.3. Designating and announcing special trading blackout periods during which trading in Company securities is prohibited by specific persons (see **Section 9** of this Policy).
- 6.4. Recommending revisions of this Policy (with the assistance of outside legal counsel as necessary) to reflect changes in applicable laws, regulations, stock exchange listing standards or governance practices, provided that all changes to this Policy must be approved by the Board.
- 6.5. Annually providing or otherwise making available copies of this Policy to all Covered Persons and overseeing periodic training related to this Policy.
- 6.6. Ensuring the maintenance of records required by the provisions of this Policy.
- 6.7. Maintaining the list of Restricted Persons and updating it periodically as necessary to reflect additions or deletions.
- 6.8. Such other duties and responsibilities as are consistent with the terms of this Policy.

Any questions arising under this Policy, including questions relating to whether information constitutes inside information, or whether a specific transaction is covered by this Policy, should be directed to the Compliance Officer by email to compliance@bridgford.com.

In the event that the Compliance Officer is not available, the President may perform the duties of the Compliance Officer hereunder. In addition, the Compliance Officer may designate one or more individuals to perform the Compliance Officer’s duties (which may include, but are not required to be limited to, the President).

The determinations of the Compliance Officer (or any designated individual, as applicable) under this Policy are final.

7. CONFIDENTIALITY OF INFORMATION RELATING TO THE COMPANY

- 7.1. **Access to Information.** Risk of insider trading violations by individuals employed by or contracted with the Company can be substantially limited by restricting the pool of individuals with access to inside information to the greatest extent possible. Access to inside information about the Company should be limited to officers, directors, employees and contractors of the Company on a need-to-know basis. In addition, such information should not be communicated to anyone outside of the Company, unless such person has signed an appropriate non-disclosure agreement prior to dissemination of the information or is otherwise subject to obligations of confidentiality to the Company. When communication of inside information about the Company becomes necessary, all directors, officers, employees, and contractors must take care to emphasize the need for confidential treatment of such information and adherence to the Company's policies with regard to confidential information.
- 7.2. **Disclosure of Information.** Inside Company information is the property of Bridgford and the confidentiality of this information must be strictly maintained within the Company. Only the Company's executive officers, as such are determined from time to time by the Board, or individuals delegated by such officers, are authorized to disclose inside information about the Company to the public, members of the investment community or stockholders, unless one of these officers has expressly authorized disclosure of such information by another employee in advance. All inquiries regarding the Company should be directed to the President or the Chief Financial Officer and no other comment should be provided.

8. PRE-CLEARANCE REQUIRED FOR TRADING BY RESTRICTED PERSONS AND FOR TRADING PLANS ENTERED INTO BY COVERED PERSONS

All Restricted Persons must pre-clear all transactions in Company securities as provided below:

- 8.1. The Restricted Person proposing to effectuate a trade or other transaction in Company securities must notify the Compliance Officer in writing of the proposed transaction prior to the proposed transaction date, in accordance with the instructions provided on Exhibit A (or as may otherwise be approved by the Compliance Officer and communicated to the Restricted Persons from time to time).
- 8.2. The Compliance Officer must approve the proposed trade or other transaction in writing. If the proposed transaction is not completed within five trading days after the Restricted Person has received pre-clearance (or fewer trading days, if so designated as a condition to receiving clearance, or if the Restricted Person subsequently acquires inside information), pre-clearance for the transaction (or any unfilled portion) must be re-requested since circumstances may have changed over that time period.
- 8.3. The Compliance Officer's decision with respect to the pre-clearance of a particular trade or other transaction, whether approved or denied, shall be final and shall be kept confidential by the requestor.

All Covered Persons must pre-clear any Trading Plan as provided below:

- 8.4. Any Covered Person who wishes to implement a Trading Plan must first pre-clear the Trading Plan, and any renewals, amendments or modifications of the Trading Plan, with the Compliance Officer. To obtain pre-clearance, please email the Compliance Officer at compliance@bridgford.com.

8.5. The Compliance Officer must approve the Trading Plan, or any renewals, amendments or modifications, in writing. If the proposed Trading Plan is not entered into, renewed, amended or modified within five trading days after the Covered Person has received pre-clearance (or fewer trading days, if so designated as a condition to receiving clearance), pre-clearance for the Trading Plan must be re-requested since circumstances may have changed over that time period.

For additional information regarding the adoption of a Trading Plan and the applicable requirements and limitations, please refer to **Section 10** of this Policy.

9. BLACKOUT PERIODS

- 9.1. **Regular Blackout Periods for Restricted Persons.** As a matter of good corporate governance, the Company institutes trading blackout periods during predetermined time periods. Restricted Persons may not trade or effectuate any other transactions in Company securities during the period that begins with the day that is the fifteenth calendar day before the end of the fiscal quarter (or the thirtieth day before the end of a fiscal year, as applicable) and continues until the close of trading on the second full trading day after the Company's public release of quarterly or annual financial results. Trades or other transactions made pursuant to an approved Trading Plan (but not the adoption, renewal, amendment, modification or termination of a Trading Plan; see **Section 10** of this Policy) and pursuant to a Hardship Trading Exemption (see **Section 9.3** of this Policy) are exempted from this restriction.
- 9.2. **Special Blackout Periods.** From time to time, the Compliance Officer may determine that trading or transacting in Company securities is inappropriate during an otherwise open trading window due to the existence, or potential existence, of inside information. Accordingly, the Compliance Officer may prohibit trading or other transactions at any time by announcing a special blackout period and the scope of impacted personnel (which may include designated Restricted Persons and/or Covered Persons). The Compliance Officer will provide written notice of any modification of the trading blackout policy or any additional prohibition on trading during the period when trading or other transactions are otherwise permitted under this Policy. The existence of a special blackout period should be considered confidential information and any Covered Person to whom the special blackout period applies shall be prohibited from communicating the existence of the special blackout period to anyone to whom the special blackout period does not apply.
- 9.3. **Hardship Trading Exemption.** The Compliance Officer may, on a case-by-case basis, authorize trading or transactions in Company securities during a trading blackout period due to financial or other hardship. Any Covered Person wanting to rely on this exception must first notify the Compliance Officer in writing of the circumstance of the hardship and the amount and nature of the proposed trade or transaction. Such person will also be required to certify to the Compliance Officer in writing no earlier than two trading days prior to the proposed trade or transaction that they are not in possession of inside information concerning the Company or its securities. Upon authorization from the Compliance Officer, the person may trade or transact, although such person will be responsible for ensuring that any such trade or transaction complies in all other respects with this Policy.
- 9.4. **No Safe Harbors.** There are no unconditional "safe harbors" for trades or transactions made at particular times, and all persons subject to this Policy must exercise good judgment at all times. Even when a regular blackout period is not in effect, you may be prohibited from engaging in any transactions involving the Company's securities because you possess inside information concerning the Company or its securities, are subject to a special blackout period, or are otherwise restricted under this Policy.

10. RULE 10b5-1 TRADING PLANS

A Rule 10b5-1 Trading Plan is a contract to purchase, sell or otherwise transact securities according to a written instruction or plan established prior to effecting any transactions in the securities. In general, a Trading Plan must set forth a non-discretionary trading method by leaving the amount of securities to be purchased, sold or otherwise transacted and the price and date for each event to either (i) a written specification, (ii) a written formula, or (iii) a third party.

While adoption of a Trading Plan does not obviate the requirement to otherwise comply with insider trading laws, it does provide an affirmative defense to a claim that the insider acted on the basis of material, nonpublic information, even if an individual was aware of such information at the time of the transaction.

To be adopted in good faith, the Trading Plan must be adopted, renewed, amended or modified when the individual has no knowledge of inside information, and the plan must not be made as part of a scheme to fraudulently evade insider trading prohibitions.

In addition to obtaining pre-clearance of a Trading Plan (see [Section 8](#) of this Policy), a Trading Plan must meet the following requirements and specifications:

- 10.1. **No Adoption During Blackout Period.** A Trading Plan involving the Company's securities may not be adopted, renewed, amended or modified by any Covered Person during any blackout period, even if the individual is not then in possession of any inside information.
- 10.2. **90-Day Cooling-Off Period for Directors and Officers:** A Trading Plan adopted by any director or officer may not commence until both (i) the passage of at least 90 calendar days after the adoption, renewal, amendment, or modification of the Trading Plan, and (ii) the passage of at least two business days following the disclosure of the Company's financial results in a Form 10-Q or Form 10-K for the fiscal quarter in which the Trading Plan was adopted, renewed, amended or modified (but in any event, the required cooling-off period is subject to a maximum of 120 calendar days after adoption, renewal, amendment or modification of the Trading Plan).
- 10.3. **Cooling-Off Period for Covered Persons Who are Not Directors and Officers:** The Trading Plan of a Covered Person who is not a director or officer may not commence until the passage of at least 30 calendar days following the adoption, renewal, amendment or modification of the Trading Plan.
- 10.4. **Director and Officer Certifications:** Any Trading Plan adopted by a director or officer must include a representation certifying that, at the time of the adoption, renewal, amendment or modification, the director or officer is: (i) not aware of material, nonpublic information about the Company or its securities; and (ii) adopting, renewing, amending or modifying the Trading Plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1.
- 10.5. **Prohibition on Multiple Overlapping Trading Plans:** No multiple overlapping Trading Plans will be permitted unless qualifying for one of the following exceptions and pre-cleared by the Compliance Officer (see [Section 8](#) of this Policy): (i) a later-commencing Trading Plan that is not authorized to begin until after all trades under the earlier-commencing Trading Plan are completed or expired; or (ii) an outstanding or additional Trading Plan qualifies as an eligible sell-to-cover transaction (i.e., a sale of securities for the purpose of generating funds to cover the withholding taxes associated with equity vesting and elections under 401(K) plans or employee stock purchase plans that may be structured as Trading Plans).

Any amendments or modifications to a Trading Plan must meet each of the requirements of a new Trading Plan as described above. In addition, while this Policy does not limit the ability of a Covered Person to terminate a previously adopted Trading Plan, any new Trading Plan adopted following the termination of a previously adopted Trading Plan must meet each of the requirements of a new Trading Plan as described above.

Transactions effected under an approved Trading Plan will not require further pre-clearance at the time of the transaction and will typically not be subject to future trading blackout periods (regular or special) that may be in effect under this Policy at the time of the transaction (although the Compliance Officer retains the discretion to terminate a Trading Plan during any blackout period).

The Compliance Officer may, from time to time, institute additional parameters and requirements regarding Trading Plans.

Purchases, sales and other transactions made pursuant to a Trading Plan must still comply with all other applicable reporting requirements under federal and state securities laws, including filings pursuant to Section 16 of the Exchange Act.

SEC rules require the Company to make certain disclosures concerning the Trading Plans adopted, renewed, amended, modified or terminated by its officers and directors. Accordingly, you must timely provide such information regarding your Trading Plan, if any, to the Compliance Officer.

EXHIBIT A

TRADING PRE-CLEARANCE INSTRUCTIONS FOR RESTRICTED PERSONS

Pre-clearance of any transactions in Company securities by Restricted Persons is mandatory. If you have questions about the process by which pre-clearance must be obtained, please email the Company's Compliance Officer at compliance@bridgford.com.

Instructions for Pre-Clearance of Purchase or Sale of Company Securities

To process your request to purchase or sell shares of the Company's stock on the open market, please send an email request to the Compliance Officer at the email address above with the completed form attached to this Exhibit A (or such other form approved by the Compliance Officer from time to time).

If you are purchasing or selling shares of the Company's stock on the open market, the Company requests that you place the following in the subject line of your email, as applicable: "Pre-Clearance Request - Purchase of Shares" or "Pre-Clearance Request - Sale of Shares"

Instructions for Pre-Clearance of Exercise of Company Stock Options / Warrants

To process your request to exercise stock options or warrants, please send an email request to the Compliance Officer at the email address above.

If you are exercising options or warrants, the Company requests that you place the following in the subject line of your email: "Pre-Clearance Request - Exercise of Options / Warrants"

The body of the email should contain the following:

- Type of security being exercised (e.g., stock option, warrant, etc.);
- Estimated sale date; and
- "Exercising and Selling" or "Exercising and Holding."

Requests for Additional Information

If you need any of the information requested above, or if you need to seek pre-clearance of any other transaction in Company securities, please contact the Compliance Officer at the email address above.

Please note that the ultimate responsibility for compliance with federal and state securities laws rests with you, and that the clearance of any proposed transaction should not be construed as a guarantee that you will not later be found to have been in possession of inside information.

**APPLICATION AND APPROVAL FORM
FOR TRADING BY RESTRICTED PERSONS**

Name _____
Title _____
Proposed Trade Date _____
Type of Security to be Traded _____
Type of Transaction (Purchase/Sale) _____
Number of Shares to be Traded _____

Certification

I, _____, hereby certify that I am not aware of any "inside information" concerning the Company (as defined in the Company's "Insider Trading Policy"). I understand that if I trade while I am aware of such information or in violation of such trading restrictions, I may be subject to severe civil and/or criminal penalties and may be subject to discipline by the Company up to and including termination for cause. I hereby certify that I am not aware of any violations of the Policy and that if I become aware of any such violations, I shall provide prompt notice in accordance with the terms of the Policy and shall take such other actions as may be required by the Policy.

Signature

Date

Review and Decision

The Compliance Officer has reviewed the foregoing application and

Approves *Prohibits*

the proposed transaction(s).

Compliance Officer (or Designee)

Date

Exhibit 31.1

I, Michael W. Bridgford, certify that:

1. I have reviewed this annual report on Form 10-K of Bridgford Foods Corporation;
2. Based on my knowledge, this annual 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual 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 the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 29, 2025

/s/ MICHAEL W. BRIDGFORD

**Michael W. Bridgford, Chairman of the Board
(Principal Executive Officer)**

Exhibit 31.2

I, Cindy Matthews-Morales, certify that:

1. I have reviewed this annual report on Form 10-K of Bridgford Foods Corporation;
2. Based on my knowledge, this annual 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual 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 the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 29, 2025

/s/ CINDY MATTHEWS-MORALES

Cindy Matthews-Morales
Chief Financial Officer and Secretary
(Principal Financial and Accounting 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

I, Michael W. Bridgford, Chairman of the Board of Bridgford Foods Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (1) the Annual Report on Form 10-K of the Company for the fiscal year ended November 1, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 780(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 29, 2025

/s/ MICHAEL W. BRIDGFORD

Michael W. Bridgford
Chairman of the Board
(Principal Executive Officer)

This certification accompanies the Annual Report on Form 10-K pursuant to Section 13(a) and Section 15(d) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934.

Exhibit 32.2Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Cindy Matthews-Morales, Chief Financial Officer and Secretary of Bridgford Foods Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (1) the Annual Report on Form 10-K of the Company for the fiscal year ended November 1, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 780(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 29, 2025

/s/ CINDY MATTHEWS-MORALES

Cindy Matthews-Morales

**Chief Financial Officer and Secretary
(Principal Financial and Accounting Officer)**

This certification accompanies the Annual Report on Form 10-K pursuant to Section 13(a) and Section 15(d) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934.

Exhibit 97.1

BRIDGFORD FOODS CORPORATION
CLAWBACK AND FORFEITURE POLICY

The Board of Directors (the “**Board**”) of Bridgford Foods Corporation (the “**Company**”) has adopted this Clawback and Forfeiture Policy (this “**Policy**”) to comply with Section 10D and Rule 10D-1 of the Exchange Act and the Listing Rules of The Nasdaq Stock Market (the “**Rules**”), and to establish the circumstances under which the Company shall seek recoupment and forfeiture of Incentive-Based Compensation Received by Executive Officers of the Company in the event of an Accounting Restatement. The Board believes the adoption of this Policy is consistent with the Company’s executive compensation philosophy and objectives, and in furtherance of the Board’s intention to follow sound corporate governance practices.

This Policy was adopted by the Board on November 17, 2023 (the “**Effective Date**”). The Board has delegated to the Compensation Committee the responsibility of administering this Policy. Except as specifically set forth in Section 2 (which sets forth the role of the Audit Committee with respect to this Policy), the Compensation Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. Any determinations by the Audit Committee or the Compensation Committee, as applicable, shall be binding on all Executive Officers. The Compensation Committee may, from time to time, recommend amendments to this Policy. Any amendments to this Policy must be approved by the Board. This Policy shall be filed as an exhibit to the Company’s Annual Report on Form 10-K.

1. **Certain Definitions.** For purposes of this Policy, the following terms shall have the meanings set forth below:

(a) “**Accounting Restatement**” means a restatement of any Company Financial Statements which is required as a result of, or necessitated by, any material noncompliance by the Company with any financial reporting requirement under the federal securities laws, including any accounting restatement that (i) corrects errors that are material to previously issued Company Financial Statements (commonly referred to as “Big R” restatements), or (ii) corrects errors that are not material to previously issued Company Financial Statements, but would result in a material misstatement if the errors were left uncorrected in the current report, or the error correction was recognized in the current period (commonly referred to as “little r” restatements).

(b) “**Accounting Restatement Date**” means the date on which the Company is required to prepare an Accounting Restatement, which shall be the earlier of: (i) the date the Board concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, and (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement.

(c) “**Audit Committee**” means the Audit Committee of the Board

(d) “**Company Financial Statements**” means any audited or unaudited financial statements of the Company included in any SEC Report.

(e) “**Compensation Committee**” means the Compensation Committee of the Board.

(f) “**Exchange Act**” means the Securities and Exchange Act of 1934, as amended.

(g) “**Executive Officer**” means any person who is or has been designated by the Board as an “officer” for purposes of Rule 16a-1(f) under the Exchange Act, who hold such position at the time the Incentive-Based Compensation at issue under this Policy was granted, earned, or vested.

(h) “**Financial Reporting Measures**” means measures that are determined and presented in accordance with the accounting principles used in preparing the Company Financial Statements, as well as any measures derived wholly or in part from such measures, including non-GAAP financial measures, regardless of whether such measures were presented in the Company Financial Statements or an SEC Report. Financial Reporting Measures include, without limitation, the Company’s stock price and total stockholder return.

(i) “**Incentive-Based Compensation**” means any cash or equity bonus or other compensation that is granted, earned, or vested based wholly or in part on the attainment of a Financial Reporting Measure, including, but not limited to, annual cash bonuses, short- and long-term cash incentive awards, stock options, restricted stock, restricted stock units, stock appreciation rights or performance shares, and the proceeds from the sale of shares acquired through an incentive plan that were granted or vested solely or in part on satisfying a Financial Reporting Measure performance goal.

(j) “**Received**” means the fiscal period during which a Financial Reporting Measure is attained, even if the Incentive-Based Compensation payment or award (or the vesting of such award) occurs after the end of that period.

(k) “**Recovery Period**” means the three completed fiscal years immediately preceding the Accounting Restatement Date.

(l) “**Restated Financial Statements**” means Company Financial Statements as restated as a result of an Accounting Restatement.

(m) “**SEC**” means the Securities and Exchange Commission.

(n) “**SEC Report**” means an Annual Report on Form 10-K, Quarterly Report on Form 10-Q or any other report containing Company Financial Statements that is filed by the Company with the SEC.

2. Accounting Restatement: Provisions Applicable to Executive Officers.

(a) In each instance where all three of the following factors exist:

(i) an Accounting Restatement has occurred;

(ii) Incentive-Based Compensation was Received by an Executive Officer during the Recovery Period after beginning service as an Executive Officer; and

(iii) the Audit Committee, in its sole discretion exercised in good faith, determines that the amount or reported value of that Incentive-Based Compensation that was paid to or Received by such Executive Officer during the Recovery Period exceeds the amount or reported value of the Incentive-Based Compensation that would have been Received by such Executive Officer if such amount or value had been determined on the basis of the Restated Financial Statements (such excess amount or value, the “**Excess Incentive-Based Compensation**”);

Then: the Company shall, in accordance with Section 4(b), seek to recoup or recover the amount or value of such Excess Incentive-Based Compensation from the Executive Officer. The Company is entitled to recoup or recover Excess Incentive-Based Compensation pursuant to the terms of this Policy regardless of any fault of the Executive Officer for the accounting error(s) necessitating the Accounting Restatement.

(b) If the Audit Committee cannot determine the amount of Excess Incentive-Based Compensation Received by the Executive Officer directly from the information in the Accounting Restatement, then it shall make its determination based on a reasonable estimate of the effect of the Accounting Restatement.

3. No Indemnity or Insurance Reimbursement.

The Company shall not insure or indemnify any Executive Officer against the loss of any Incentive-Based Compensation subject to recoupment or forfeiture hereunder. The Company shall not pay or reimburse any Executive Officer for premiums paid toward an insurance policy to fund potential recovery obligations.

4. General Provisions.

(a) Calculation of Erroneously Awarded Incentive-Based Compensation. Any Excess Incentive-Based Compensation that the Company is entitled to recoup or recover pursuant to the terms of this Policy shall be calculated without regard to any taxes paid by the Executive Officer.

(b) Recoupment Methods. The Compensation Committee shall determine, in its sole discretion, the method for recouping Excess Incentive-Based Compensation hereunder, which may include, without limitation: (i) requiring reimbursement of cash Incentive-Based Compensation previously paid; (ii) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity incentive awards; (iii) cancelling or rescinding some or all outstanding vested or unvested equity incentive awards; (iv) offsetting the recouped amount from any compensation otherwise owed by the Company to the Executive Officer (including compensation that is not incentive-based); (v) cancelling or setting-off against planned future grants of cash incentive awards or equity incentive awards; (vi) any other method authorized by any agreement between the Company and a particular Executive Officer; or (vii) taking any other remedial and recovery action permitted by law.

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

(d) Binding Agreement. This Policy shall be binding and enforceable against all Executive Officers and their respective beneficiaries, heirs, executors, administrators or other legal representatives.