

Campbell's

Q4 Fiscal 2024 Earnings Presentation





Rebecca Gardy

SVP & Chief Investor Relations Officer

Introduction

Forward-looking statements

Safe Harbor Regarding Forward-Looking Statements

This presentation contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current expectations regarding our future results of operations, economic performance, financial condition and achievements. These forward-looking statements can be identified by words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "pursue," "strategy," "target," "will" and similar expressions. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts, and may reflect anticipated cost savings or implementation of our strategic plan. These statements reflect our current plans and expectations and are based on information currently available to us. They rely on several assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties. We wish to caution the reader that the following important factors and those important factors described in our other Securities and Exchange Commission filings, or in our most recent Form 10-K, could affect our actual results and could cause such results to vary materially from those expressed in any forward-looking statements made by, or on behalf of, us: the risk that the cost savings and any other synergies from the Sovos Brands, Inc. ("Sovos Brands") transaction may not be fully realized or may take longer or cost more to be realized than expected, including that the Sovos Brands transaction may not be accretive within the expected timeframe or the extent anticipated; the risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging and transportation; our ability to execute on and realize the expected benefits from our strategy, including growing sales in snacks and growing/maintaining our market share position in soup; the impact of strong competitive responses to our efforts to leverage brand power with product innovation, promotional programs and new advertising; the risks associated with trade and consumer acceptance of product improvements, shelving initiatives, new products and pricing and promotional strategies; our ability to realize projected cost savings and benefits from cost savings initiatives and the integration of recent acquisitions; disruptions in or inefficiencies to our supply chain and/or operations, including reliance on key co-manufacturer and supplier relationships; risks related to the effectiveness of our hedging activities and our ability to respond to volatility in commodity prices; our ability to manage changes to our organizational structure and/or business processes, including selling, distribution, manufacturing and information management systems or processes; changes in consumer demand for our products and favorable perception of our brands; changing inventory management practices by certain of our key customers; a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of our key customers maintain significance to our business; product quality and safety issues, including recalls and product liabilities; the possible disruption to the independent contractor distribution models used by certain of our businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification; the uncertainties of litigation and regulatory actions against us; the costs, disruption and diversion of management's attention associated with activist investors; a disruption, failure or security breach of our or our vendors' information technology systems, including ransomware attacks; impairment to goodwill or other intangible assets; our ability to protect our intellectual property rights; increased liabilities and costs related to our defined benefit pension plans; our ability to attract and retain key talent; goals and initiatives related to, and the impacts of, climate change, including from weather-related events; negative changes and volatility in financial and credit markets, deteriorating economic conditions and other external factors, including changes in laws and regulations; and unforeseen business disruptions or other impacts due to political instability, civil disobedience, geopolitical conflicts, extreme weather conditions, natural disasters, pandemics or other outbreaks of disease or other calamities. This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may impact our outlook. We disclaim any obligation or intent to update forward-looking statements in order to reflect new information, events or circumstances after the date of this presentation.

Non-GAAP Financial Measures

This presentation refers to certain non-GAAP financial measures that are not prepared in accordance with generally accepted accounting principles in the United States ("GAAP") including net debt, organic net sales, adjusted EBIT (Earnings Before Interest and Taxes), adjusted EBITDA (EBIT plus Depreciation and Amortization), adjusted EBIT margin, adjusted EPS (Earnings per Share) and net debt to TTM (Trailing Twelve Months Ended) adjusted EBITDA. These non-GAAP measures should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP. See the appendix to this presentation for reconciliation of each non-GAAP financial measure to its most directly comparable financial measure stated in accordance with GAAP.

Industry and Market Data

This presentation includes industry and market data and forecasts derived from publicly available information, various industry publications, other published industry sources and the management's knowledge of the industry and the good faith estimates of management. This data involves a number of assumptions and limitations, and there can be no assurance these forecasts and estimates will prove accurate in whole or in part. While we believe that these sources are reliable, we have not independently verified this information. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors.

Agenda

1. Q4 FY24 Key Messages and Financial Highlights
2. Division Highlights
3. Q4 FY24 Financial Results
4. FY 25 Outlook
5. Summary
6. Q&A



Mark Clouse

President & Chief Executive Officer

CEO Perspective

Q4 FY24 Key Messages



- Sequential net sales growth and volume/mix turning positive for the company in Q4 FY24
- Double-digit growth in both adjusted EBIT and adjusted EPS
- Sovos Brands performance ahead of expectations leading to neutral impact on adjusted EPS in the quarter and the year
- In market performance and shares positive for Meals & Beverages; Snacks improved in Q4 but slower pace of recovery and increased competition in the salty segment
- FY 25 Guidance introduced; continued progress and reflects pragmatic approach to consumer recovery
- Investor Day on September 10th

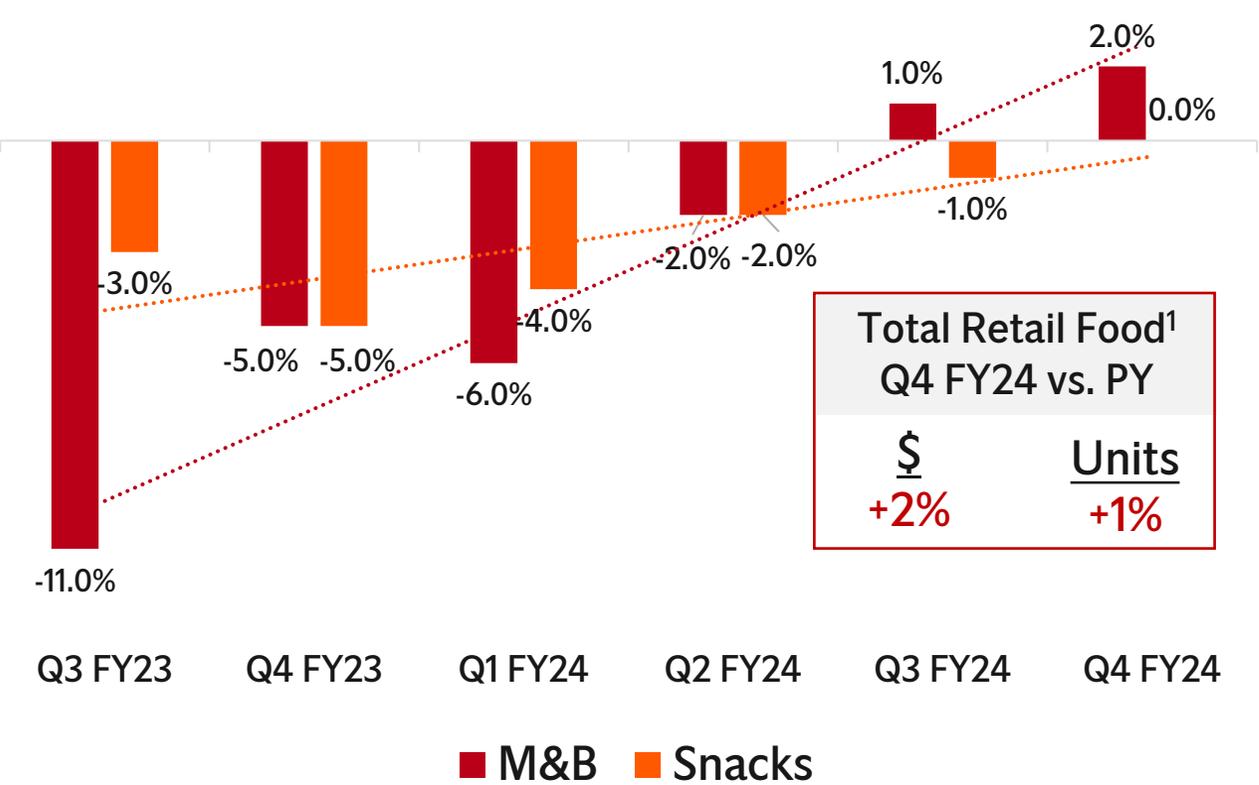
Key Financial Highlights

Q4 FY24				
Net sales	Vol/mix	Adj. EBIT*	Adj. EPS*	Consumption ¹
\$2.3B	+1%	\$329M	\$0.63	Flat
Organic net sales* (1)%		+36%	+26%	
FY24				
Net sales	Vol/mix	Adj. EBIT*	Adj. EPS*	Consumption ¹
\$9.6B	(2)%	\$1.5B	\$3.08	(1)%
Organic net sales* (1)%		+6%	+3%	

*See Non-GAAP reconciliation. Organic net sales excludes the impact of currency, acquisitions and divestitures.
¹Total Circana US MULO \$ Consumption latest 13 weeks and 52 weeks ending 07/28/2024, excluding Sovos Brands

The positive trajectory in food continues to improve; volume/mix improving in both divisions

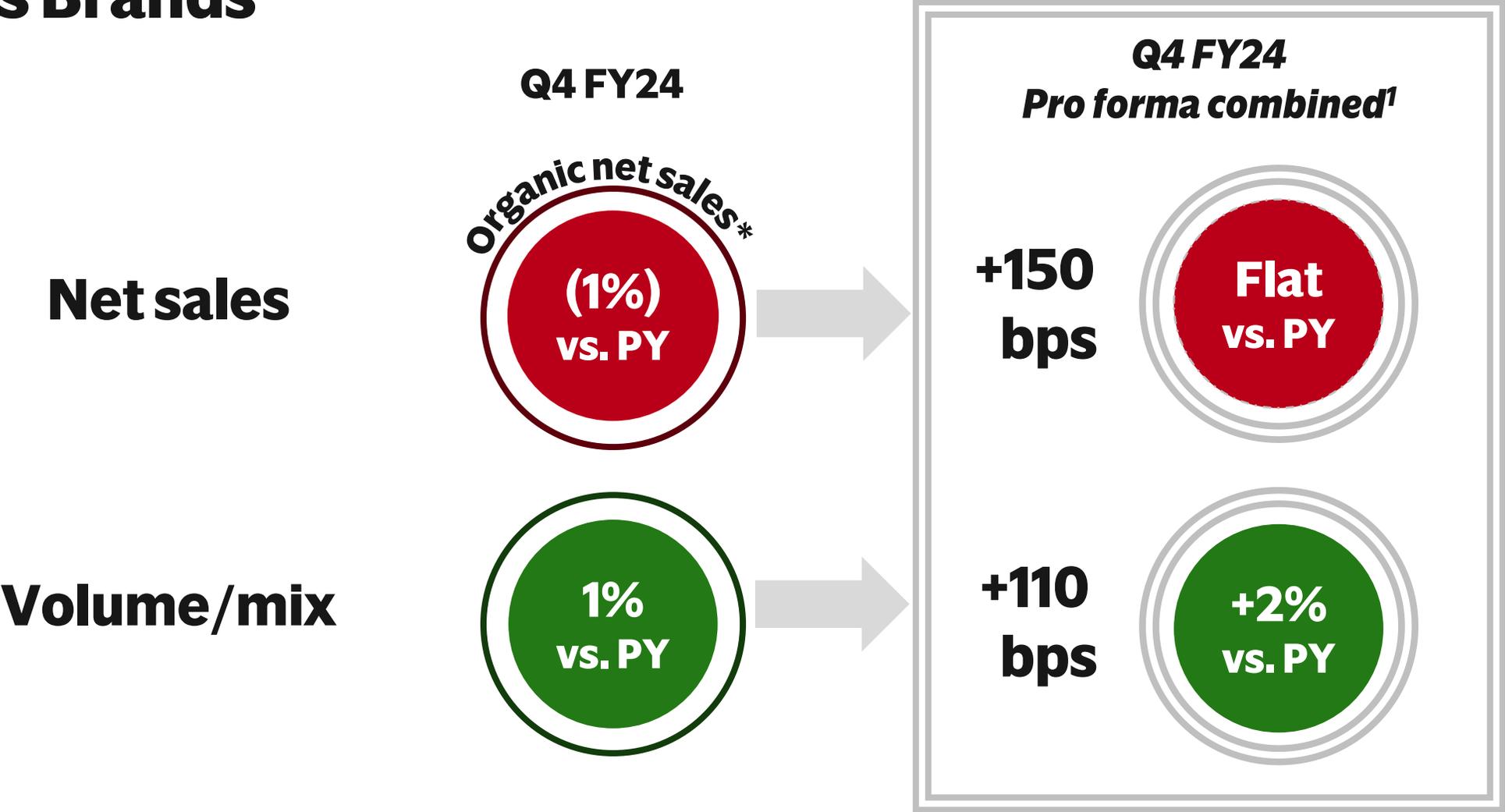
Campbell's year-over-year change volume / mix



- 1 Total Food \$ and units are positive¹ and improving in both our divisions
- 2 >75% of our sales are in categories that are growing
- 3 Household penetration (HHP) recovery stable²
- 4 Middle and lower income HHs beginning to return to growth as well³
- 5 Consumer Confidence⁴ remains volatile and remains a key watchout

¹ Circana, Total US MULO, Q4 FY24 13 w/e 7/28/24, vs. YA. Total Food defined as Edibles minus Beverages
² Circana Scan Panel, Total US MULO FY24, HHP of top 50 categories
³ Circana, Scan Panel, Total US MULO, NBD Volume Adjusted 13 weeks ending 7/28/24 vs. YA
⁴ Source: University of Michigan Consumer Sentiment Index

Campbell's momentum also accelerated with the addition of Sovos Brands



*See Non-GAAP reconciliation

¹ Pro forma combined basis presented to reflect results as if the Sovos Brands acquisition had occurred at the beginning of Q4 FY23.



Meals & Beverages

Topline growth with sequential volume/mix improvement vs. Q3 FY24; Sovos Brands adds significant acceleration



	Meals & Beverages	Pro forma combined**
	Q4 FY24 vs. PY	Q4 FY24 vs. PY**
Organic net sales*	+1%	+4%
Volume/mix	+2%	+4%
Dollar consumption¹	+1%	+4%



*See Non-GAAP reconciliation ** Pro forma combined basis presented to reflect results as if the Sovos Brands acquisition had occurred at the beginning of Q4 FY23.
¹ Total Circana US MULO \$ Consumption latest 13 weeks ending 07/28/24. Total US Meals & Beverages **excluding** Sovos Brands. Pro forma combined includes Sovos Brands.



Soup share improved in Q4, with category and Campbell's \$ consumption accelerating into the fall

Campbell's leading soup recovery, with remaining area of focus to improve Ready-To-Serve

Wet Soup



CPB vs. Category

Q4 FY24¹ **+2%** +1%

Last 4 weeks¹ **+6%** +5%

Broth



CPB vs. Category

+22% +11%

+20% +12%

Condensed



CPB vs. Category

(2)% (3)%

+3% +3%

RTS



CPB vs. Category

(4)% (4)%

+1% +3%

¹Total Circana US MULO \$ Consumption Q4 FY24 13 weeks ending 07/28/24, and last 4 weeks ending 08/18/24



\$1B Sauces Portfolio building momentum

Continued strength on *Rao's* and steady *Prego* performance

Campbell's Portfolio^{1,2} within the Total Italian Sauce category

#1
Unit share

#1
\$ Share

+1.3 pts
Unit share
vs PY

+1.6 pts
\$ Share
vs PY



\$ Consumption³
vs Q4 FY24

+19%

\$ Share brand in
Italian Sauce
category⁴

#1



+2%

#2

¹ Includes Prego, Rao's, & Michael Angelo's;

² Total Circana US MULO Unit and \$ Share latest 13 weeks ending 07/28/2024

³ Total Circana US MULO \$ Consumption latest 13 weeks ending 07/28/2024

⁴ Total Circana US MULO \$ Share latest 13 weeks ending 07/28/2024



Rao's sauce growth continues; Strong runway still ahead

Momentum Continues

+280bps

FY24 HHP¹ vs. PY

Outpacing YoY dollar category growth by

+14pts

Q4 FY24²

+22pts

FY24³

Growing with millennials

+19%

\$ consumption²
Q4 FY24

2.8X

faster than category¹
in FY24



Runway Ahead

~50%

HHP¹ vs. Prego

60%

Avg. # items³ vs. Prego

+30 pt gap

Brand awareness⁴ vs. Prego

¹ Circana OmniConsumer Scan Panel (CSIA) – Total US All Outlet latest 52 weeks ending 7/28/2024; NBD Adjusted

² Total Circana US MULO \$ Consumption latest 13 weeks ending 07/28/2024

³ Total Circana US MULO \$ Consumption, Avg Items per Store Selling latest 52 weeks ending 07/28/2024

⁴ Brand Equity Tracker, Published by Mindsight May 2024



Improving performance from other key Meals & Beverages brands in growing categories



ENERGY

Q4 FY24 Net sales	+3.6%	+5.5%	+2.2%
\$ Consumption¹	+2.6%	+1.5%	+5.0%
\$ Share²	Flat	Flat	Flat

* Includes Pacific Soup and Broth, excludes plant-based beverages

¹ Total Circana US MULO \$ Consumption latest 13 weeks ending 07/28/2024

² Total Circana US MULO \$ Share latest 13 weeks ending 07/28/2024



Snacks

Improving vol/mix and in-market performance versus Q3; some headwinds from unmeasured channels



Total Snacks

	Q3 FY24 vs. PY	Q4 FY24 vs. PY
Organic Net Sales*	(1)%	(3)%
Volume / Mix	(1)%	Flat
Dollar Consumption¹	(2)%	(1)%



*See Non-GAAP reconciliation

¹ Total Circana US MULO \$ Consumption latest 13 weeks ending 04/28/2024 and 07/28/2024. Total Snacks and Power Brands.

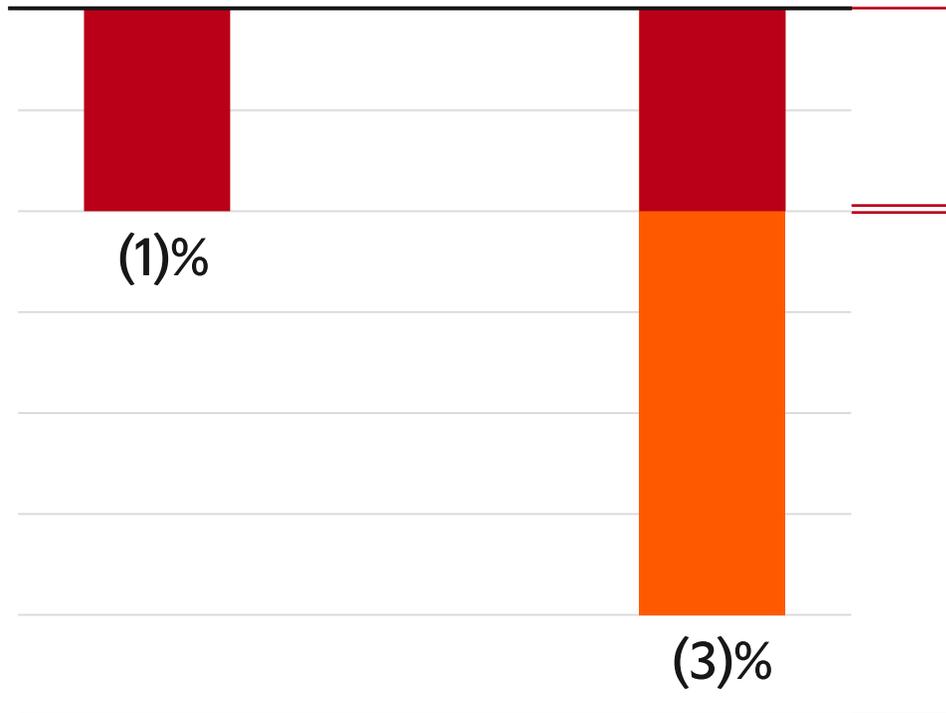


Snacks Q4 \$ Consumption sequentially improved versus Q3; Net sales lower due to Partner & Contract brands

Four sequential quarters of improving volume trends; +1% growth in Power brands

\$ Consumption

Organic net sales



Vol/mix stable, with ~(-100)bps of planned promotional investment

1

~(-100)bps of an on-going reduction in Partner and Contract brands as our independent distributor network requires less external scale

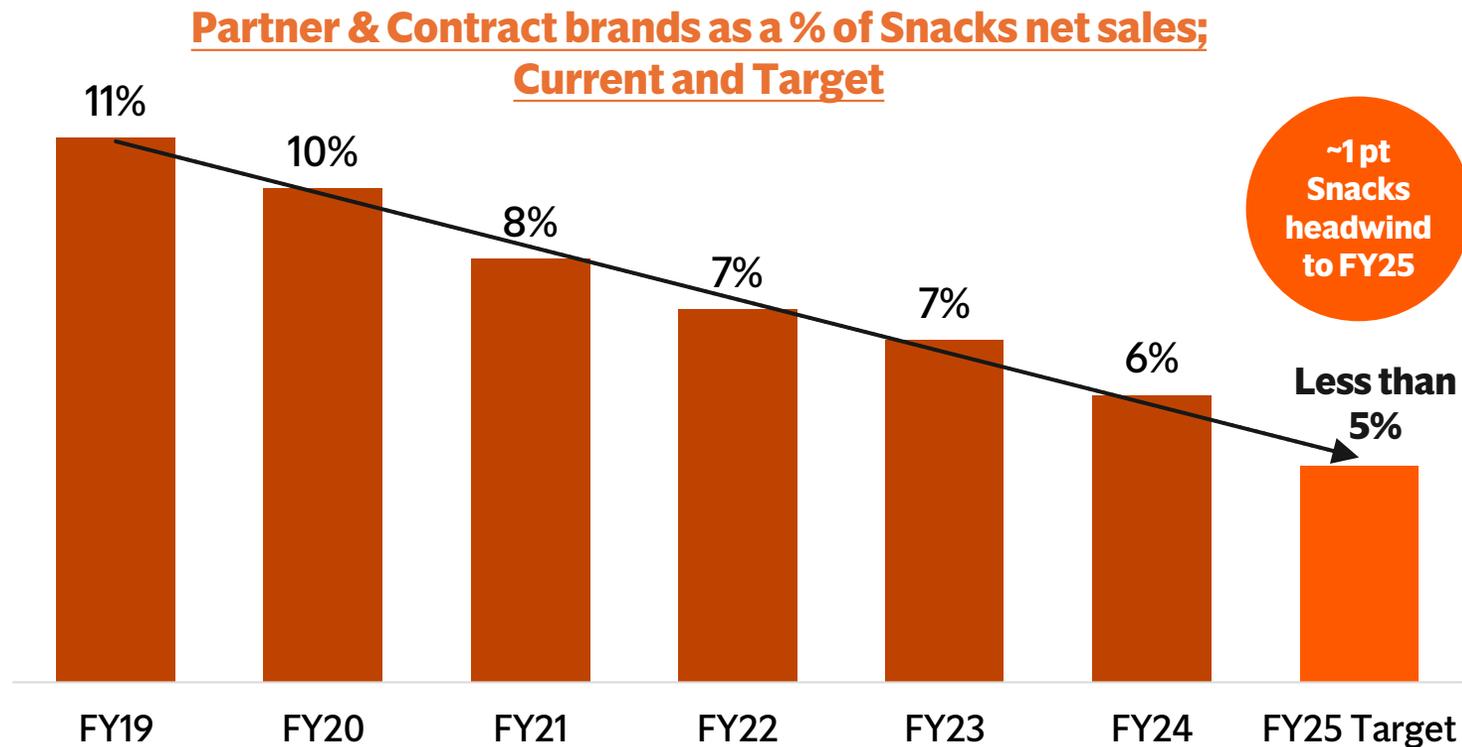
2

~(-100)bps reflects lapping some favorable trade timing in the fourth quarter of FY 23



Partner/Contract brands serve a clear purpose of scale; reductions reflect strategic choices to improve mix

Partner brands are brands CPB does not own that we agree to sell through IDPs to improve route scale. Contract brands are products CPB manufactures to add scale to our plants and are shipped to another company or customer.



Partner and Contract brands are **~50%** the variable contribution margin as Power brands

* IDP'= Independent Distribution Partner



Health of power brands remain strong, despite some shorter-term pressure

Taking action to reinforce the competitive positioning of our iconic brand portfolio with stronger **innovation**, increased **marketing**, and **sustainable promotional spend**

Q4 FY24 vs. PY

Power brands

Flat

Increase in \$ Consumption¹

Q4 FY24 vs. 2YA

Power brands

+9.5%

Increase in \$ Consumption¹



¹Total Circana US MULO \$ Consumption latest 13 weeks ending 07/28/2024



Consistent progress on Snacks margin journey over the last two years

Organic net sales*

6%

FY24 2-Year CAGR

Operating earnings

+12%

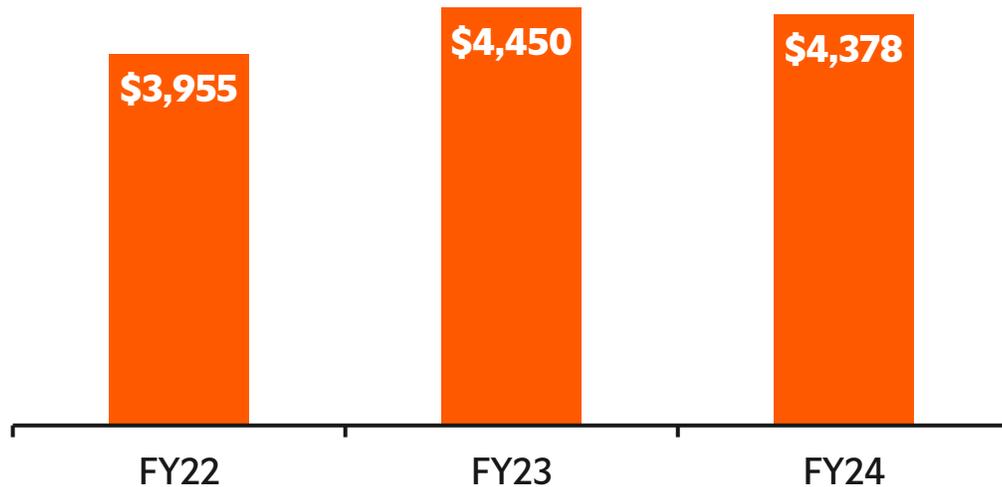
FY24 2-Year CAGR

Operating margin growth

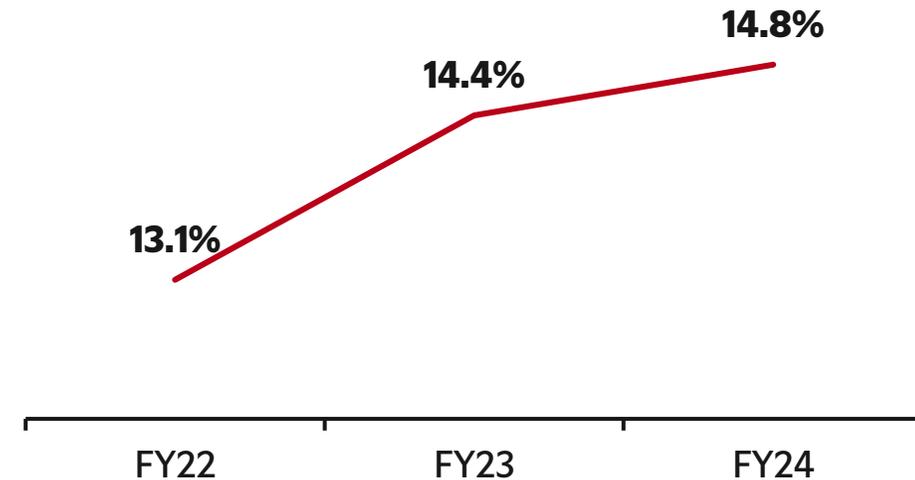
+170bps

FY24 vs. 2YA

Net sales



Operating margin



*See Non-GAAP reconciliation

Wrap up

- Solid Q4 Performance
- Improving volumes and mix, with improving margins
- Integration of Sovos Brands off to a great start
- Exciting moment for Campbell's
- Investor Day Sept 10th





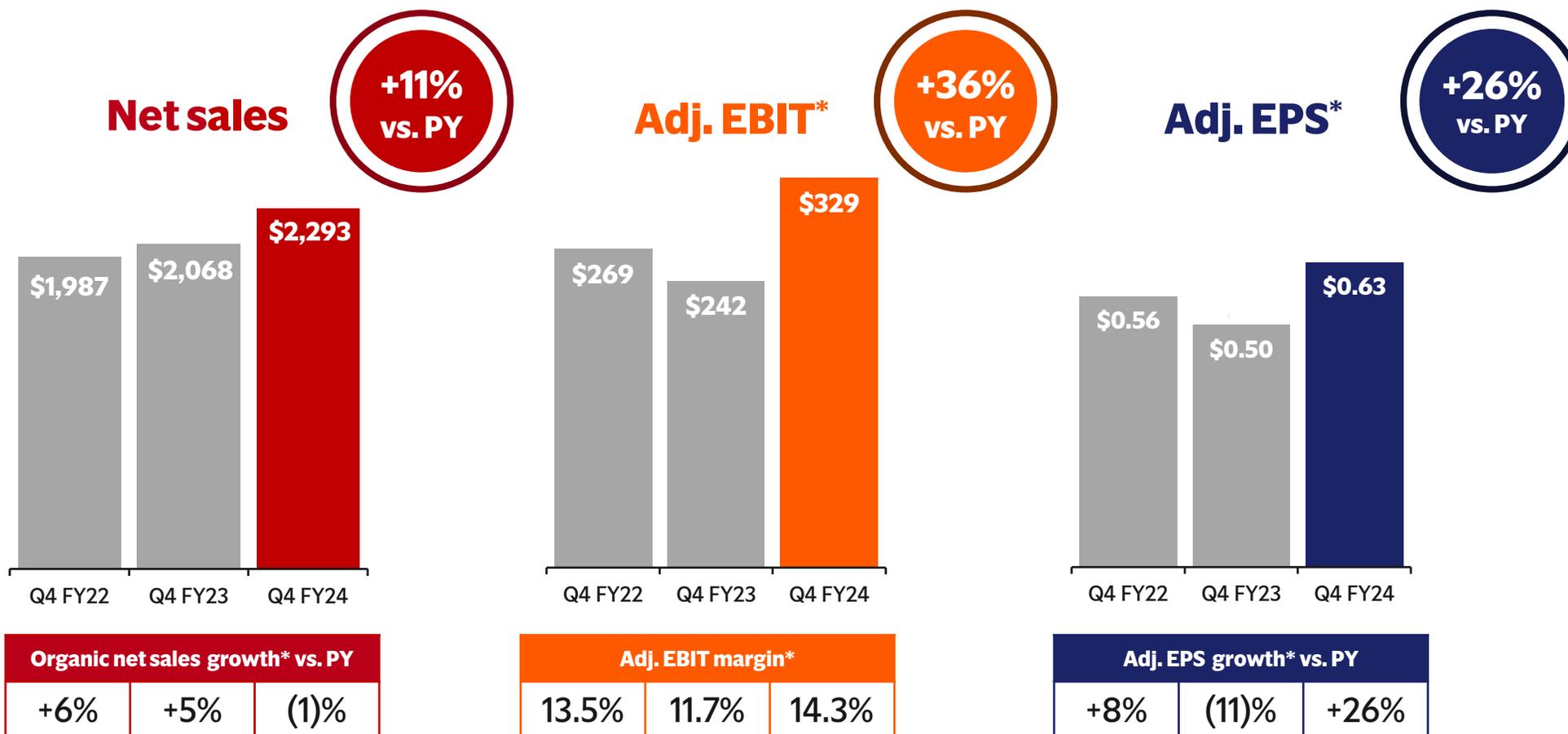
Carrie Anderson

EVP & Chief Financial Officer

CFO Perspective

Q4 FY24 Key Financial Results

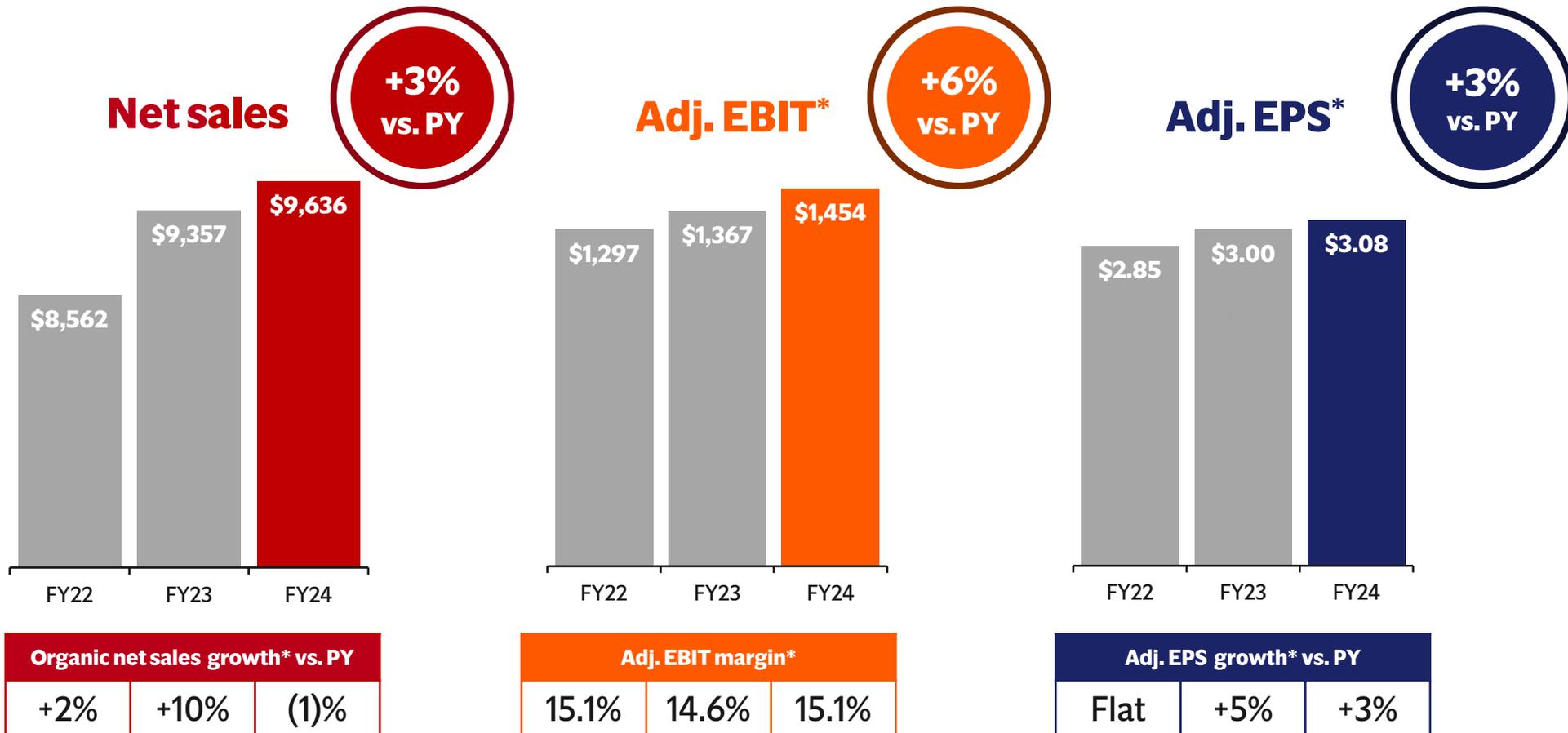
Q4FY24 figures reflect the contribution of the Sovos Brands acquisition which was approximately neutral to adjusted EPS in the quarter



*See Non-GAAP reconciliation

FY24 Key Financial Results

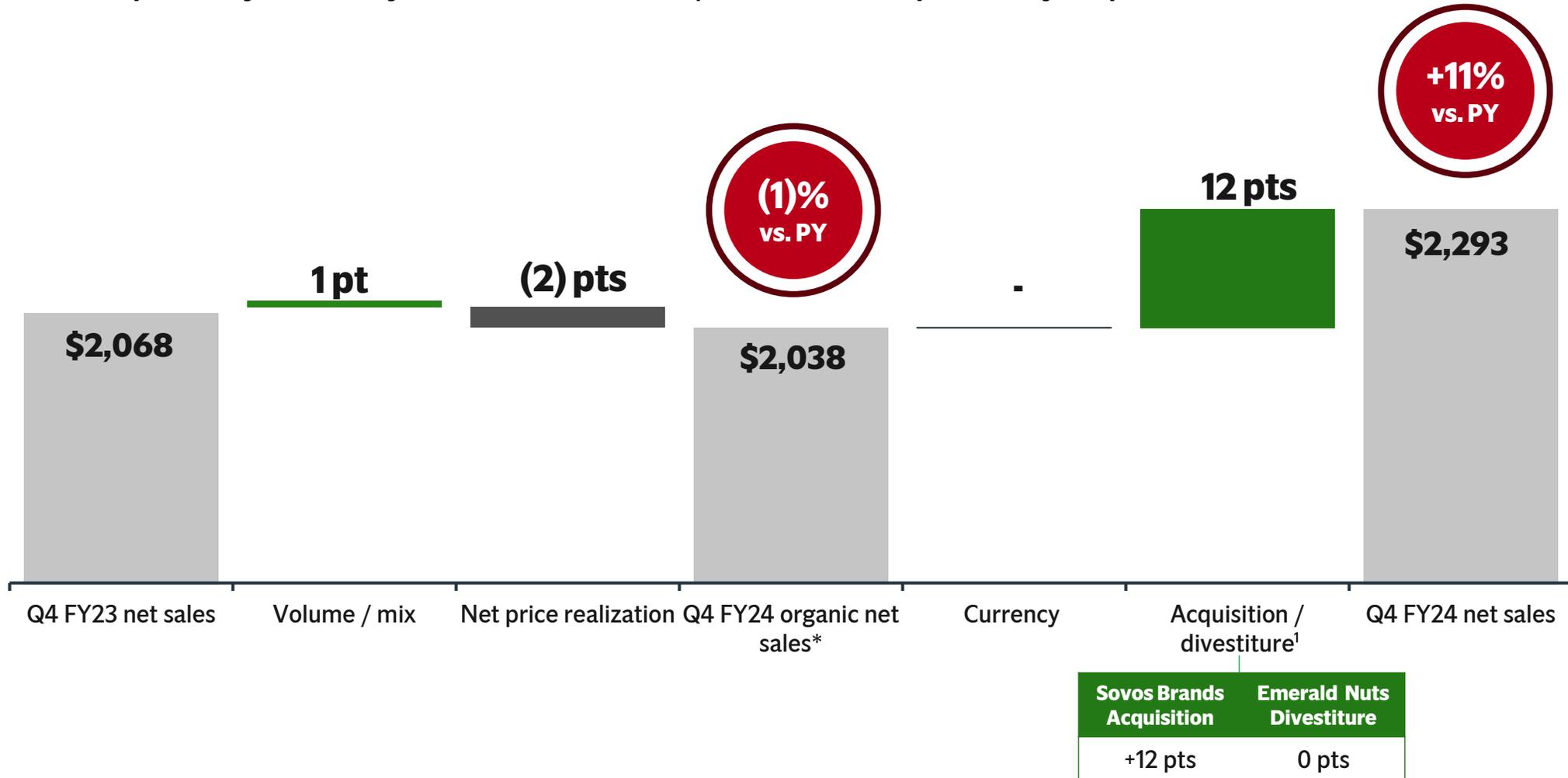
FY24 figures reflect the contribution of the Sovos Brands acquisition which was approximately neutral to full-year adjusted EPS



*See Non-GAAP reconciliation

Q4 FY24 Net Sales Bridge

Net sales reflect a full quarter of sales contribution from Sovos Brands. Organic net sales decreased as net price realization was partially offset by favorable volume / mix, that sequentially improved versus Q3 FY24

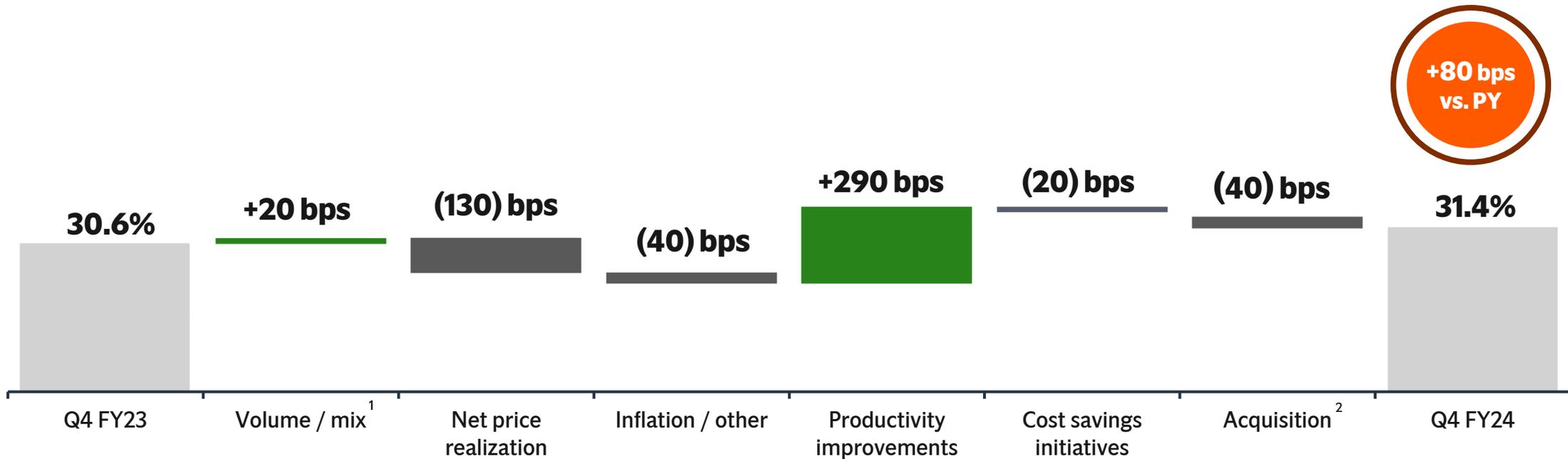


*See Non-GAAP reconciliation

¹ Represents the incremental net sales associated with the acquisition of Sovos Brands, which was completed on March 12, 2024 and the loss of net sales associated with the divestiture of the Emerald nuts business, which was completed on May 30, 2023.

Q4 FY24 Adjusted Gross Profit Margin* Bridge

Adjusted gross profit margin increase mainly driven by supply chain productivity improvements, which more than offset unfavorable net price realization, higher cost inflation and other supply chain costs, and the impact of the acquisition



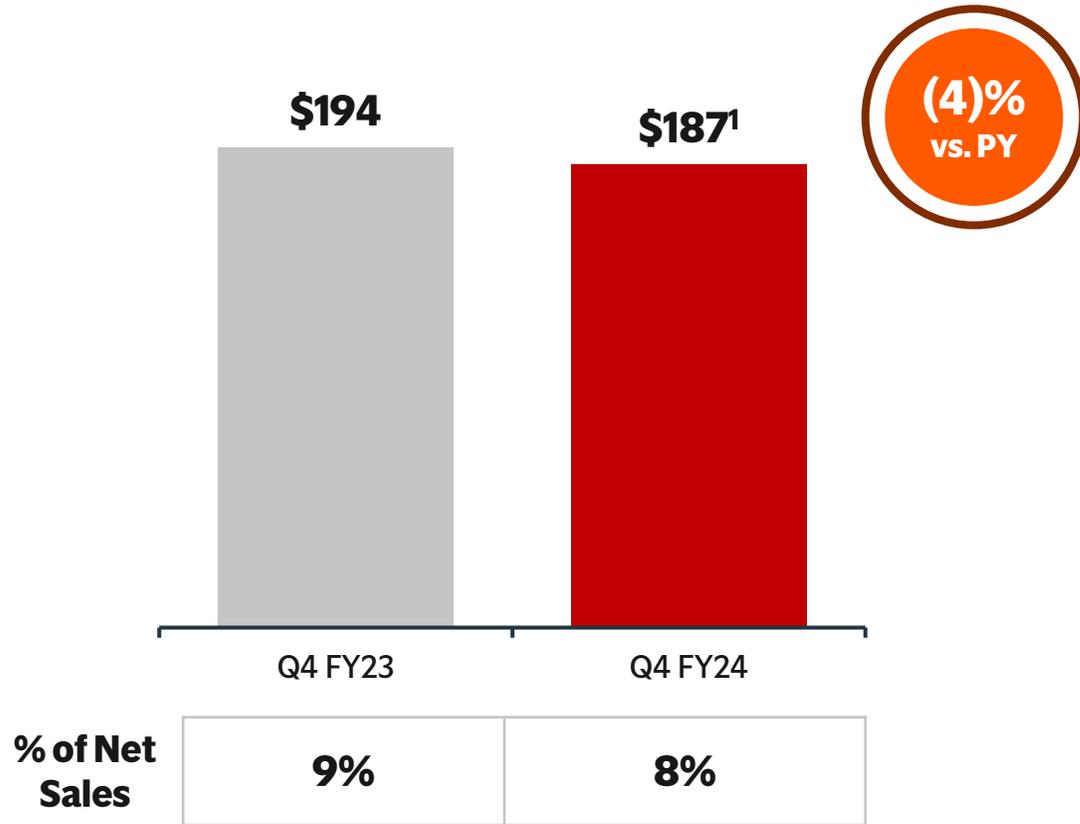
*See Non-GAAP reconciliation

¹ Volume / Mix includes the impact of operating leverage

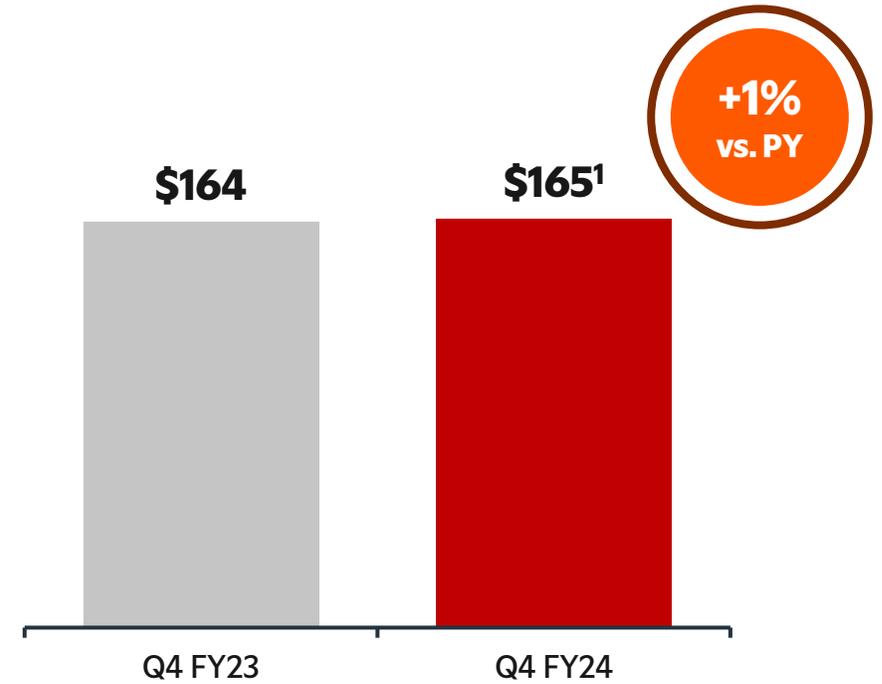
² Impact from the acquisition of Sovos Brands which was completed on March 12, 2024

Other Operating Items

Adjusted marketing & selling expenses*



Adjusted administrative expenses*



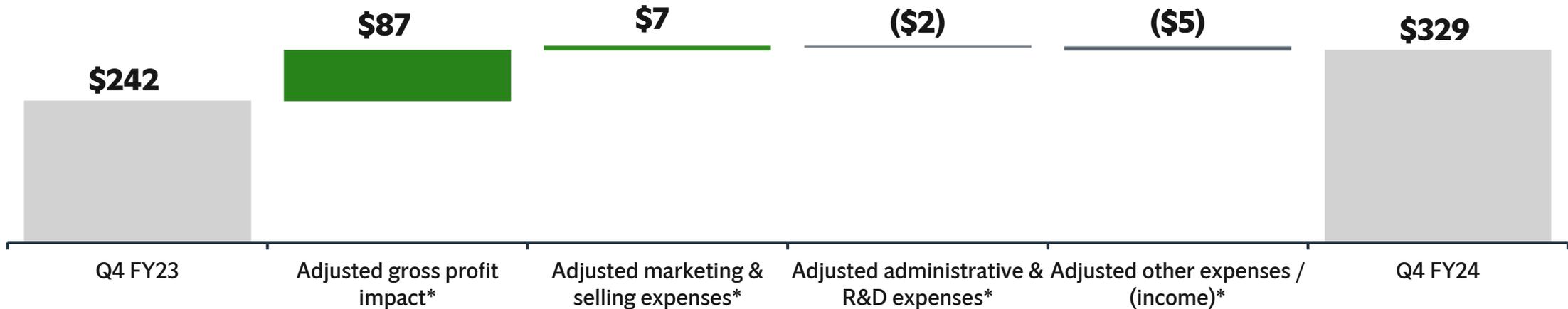
*See Non-GAAP reconciliation

¹ Q4 FY24 figures include Sovos Brands adjusted marketing & selling expenses and adjusted administrative expenses after the completion of the acquisition on March 12, 2024

Q4 FY24 Adjusted EBIT* Bridge

Double-digit adjusted EBIT growth primarily driven by higher adjusted gross profit from the contribution of the Sovos Brands acquisition and the base business performance

+36%
vs. PY

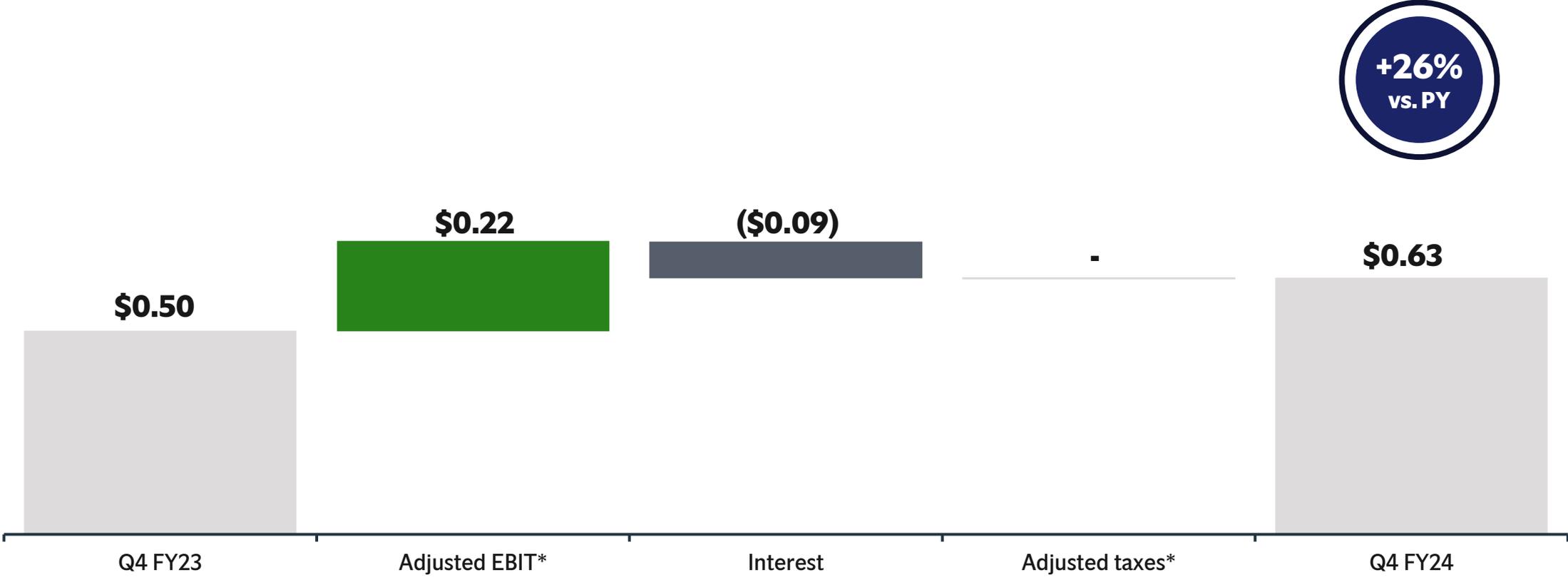


Adj. EBIT Margin*	11.7%	+80 bps	+120 bps	+80 bps	(20) bps	14.3%
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*See Non-GAAP reconciliation

Q4 FY24 Adjusted EPS* Bridge

Double-digit growth in adjusted EPS vs prior year, primarily driven by adjusted EBIT growth. The impact of the acquisition was approximately neutral to adjusted EPS, inclusive of incremental net interest expense



*See Non-GAAP reconciliation

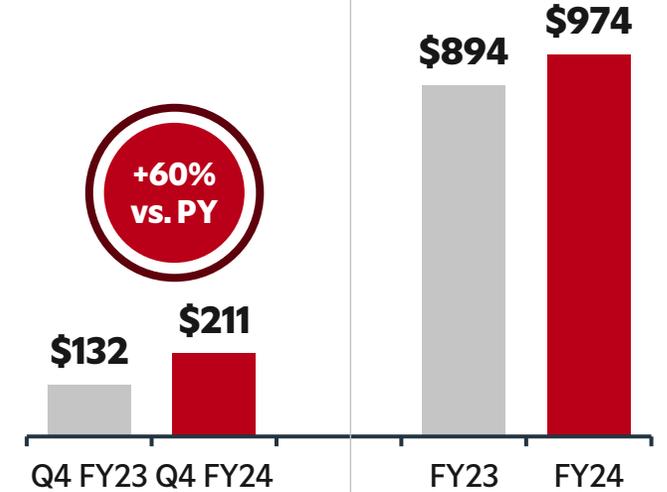
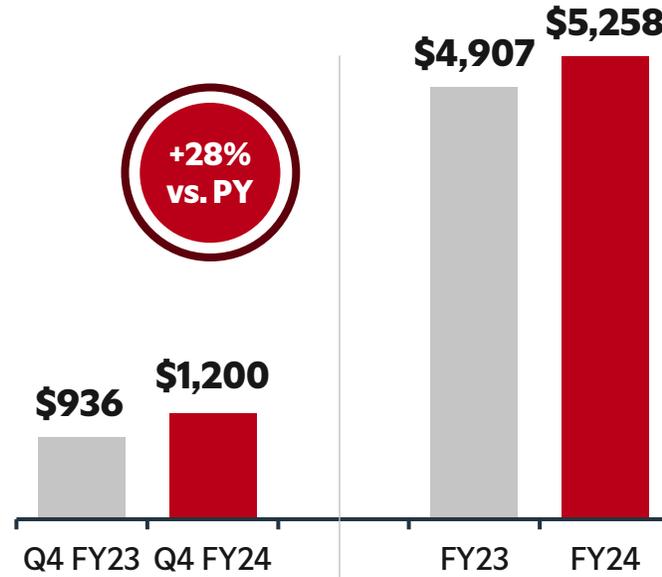


Q4 FY24 Meals & Beverages Results

Continued sequential vol/mix improvement

Net sales

Operating earnings



	Q4 FY23	Q4 FY24	FY23	FY24
Vol / mix	(5)%	2%	(5)%	(2)%
Net price realization	6%	(1)%	12%	Flat
Organic net sales* vs. PY	1%	1%	7%	(1)%

	Q4 FY23	Q4 FY24	FY23	FY24
Operating margin	14.1%	17.6%	18.2%	18.5%

*See Non-GAAP reconciliation; Numbers may not add due to rounding.

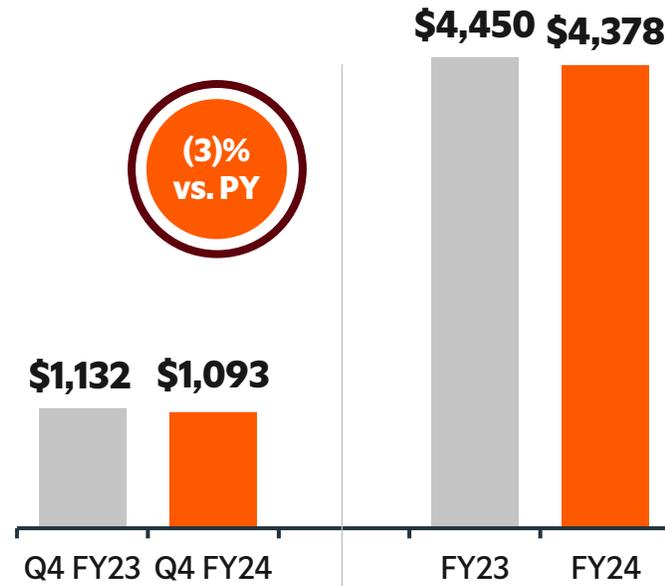


Q4 FY24 Snacks Results

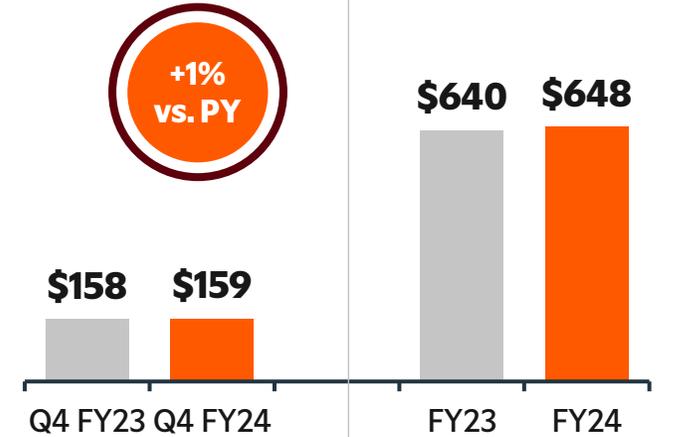
Continued sequential vol/mix improvement



Net sales



Operating earnings



	Q4 FY23	Q4 FY24	FY23	FY24
Vol / mix	(5)%	Flat	(2)%	(2)%
Net price realization	13%	(2)%	15%	1%
Organic net sales* vs. PY	9%	(3)%	13%	(1)%

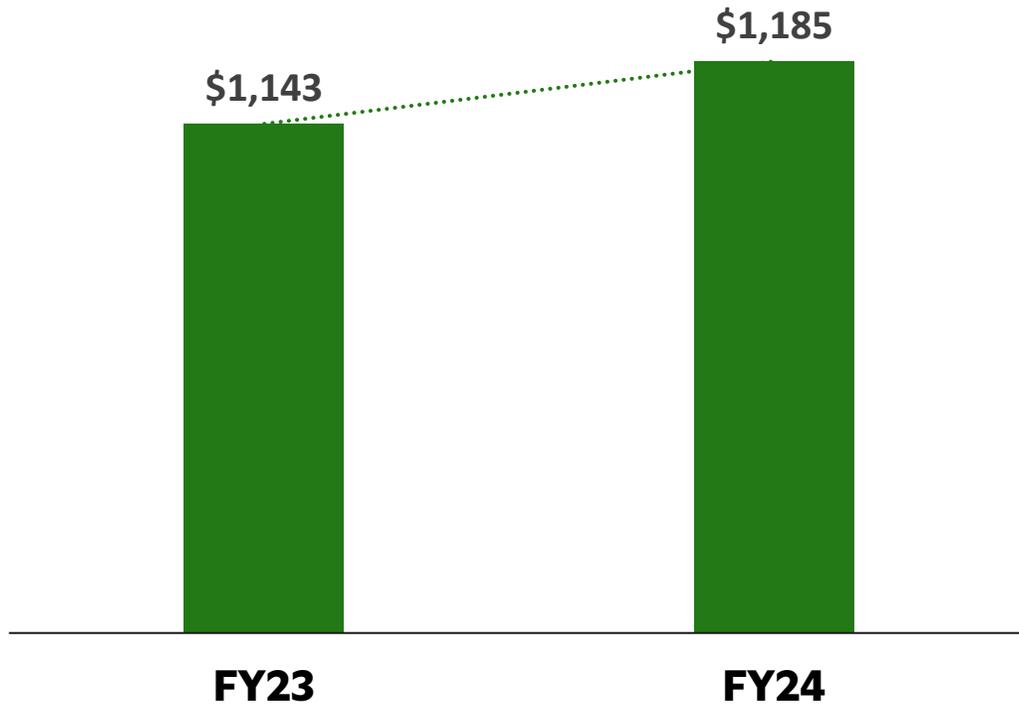
	Q4 FY23	Q4 FY24	FY23	FY24
Operating margin	14.0%	14.5%	14.4%	14.8%

*See Non-GAAP reconciliation; Numbers may not add due to rounding.

Disciplined Capital Allocation

Strong operating cash flow with a focus on investment in growth CapEx and returning cash to shareholders.
Leverage ratio below 4x as expected.

Net cash flows from operations



	FY23	FY24
Invest for growth		
Capital expenditures	\$370	\$517
Return cash to shareholders		
Dividends	\$447	\$445
Share repurchases	<u>\$142</u>	<u>\$67</u>
	\$589	\$512
Balance Sheet		
Leverage ratio*	2.6x	3.7x

*Calculated as Net Debt to TTM Adjusted EBITDA. See Non-GAAP reconciliation.

FY25 Guidance

\$ Millions, Except Per Share	FY24 Results	FY25 Guidance (Includes 53 rd week) ¹
Net sales	\$9,636	+9% to +11%
Organic net sales²	\$9,525*	0% to +2%
Adjusted EBIT	\$1,454*	+9% to +11%
Adjusted EPS	\$3.08*	+1% to +4% \$3.12 to \$3.22

*See non-GAAP reconciliation

¹ The benefit of the 53rd week is included in our Fiscal 2025 guidance and is estimated to be worth approximately 2 points of reported net sales and adjusted EBIT growth and \$0.06 of adjusted EPS.

² Growth rate adjusted for Sovos Brands which was acquired on March 12, 2024, the impact of the 53rd week in fiscal 2025 and Pop Secret which was divested on August 26, 2024. Note: A non-GAAP reconciliation is not provided for fiscal 2025 guidance as the company is unable to reasonably estimate the full-year financial impact of items such as actuarial gains or losses on pension and postretirement plans because these impacts are dependent on future changes in market conditions. The inability to predict the amount and timing of these future items makes a detailed reconciliation of these forward-looking financial measures impracticable.

³ Pro forma as if company had owned Sovos Brands for all of FY24

FY25 Assumptions

- Net sales growth reflects a full twelve-month contribution from Sovos Brands, and an expectation of high-single digit net sales growth on a pro forma basis³; expect neutral adjusted EPS impact for full year
- Pop Secret divestiture expected to have a ~1% impact on Net sales and ~\$0.04 per share dilutive impact for fiscal 25
- Low-single digit core inflation mitigated by ~3% productivity improvements and ~\$70 million of enterprise cost savings
- Marketing & Selling of approximately ~9% to 10% of net sales with an increase in Q1 FY25 compared to prior year
- Adjusted net interest expense of \$350 to \$355 million, reflecting full year acquisition-related debt and expected refinancing of March 2025 bond maturities
- Adjusted effective tax rate of ~24%
- Diluted share count of ~300 million shares
- Capital expenditures for the full year at ~5% of Net sales
- Expect Q1 FY25 organic net sales growth to be relatively flat versus prior year with adjusted EPS in the mid-to-high 80 cent range

Delivered on Our Commitments with Q4 Results; FY25 Guidance Introduced



Q&A Forum



Mark Clouse

President & Chief Executive Officer



Carrie Anderson

EVP & Chief Financial Officer

Appendix

Campbell's

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

					% Change			
	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	Net Sales, As Reported	Organic Net Sales	Impact of Divestiture	Impact of Acquisition
July 28, 2024								
Meals & Beverages	\$ 1,200	\$ 2	\$ (257)	\$ 945	28%	1%	0%	27%
Snacks	1,093	-	-	1,093	(3)%	(3)%	0%	0%
Total Net Sales	\$ 2,293	\$ 2	\$ (257)	\$ 2,038	11%	(1)%	0%	12%
July 30, 2023								
Meals & Beverages	\$ 936		\$ -	\$ 936				
Snacks	1,132		(5)	1,127				
Total Net Sales	\$ 2,068		\$ (5)	\$ 2,063				

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

July 30, 2023

Meals & Beverages

	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>
	\$ 936	\$ 4	\$ 940

% Change

<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
0%	1%

Snacks

	1,132	(1)	1,131
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8%	9%
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Total Net Sales

\$ 2,068	\$ 3	\$ 2,071
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4%	5%
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July 31, 2022

Meals & Beverages

	<u>Net Sales, As Reported</u>	<u>Impact of Divestiture</u>	<u>Organic Net Sales</u>
	\$ 935	\$ -	\$ 935

Snacks

	1,052	(13)	1,039
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Total Net Sales

\$ 1,987	\$ (13)	\$ 1,974
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Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Fourth Quarter

July 31, 2022

Meals & Beverages

<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>
\$ 935	\$ 5	\$ 940

% Change

<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
6%	7%

Snacks

1,052	-	1,052
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6%	6%
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Total Net Sales

<u>\$ 1,987</u>	<u>\$ 5</u>	<u>\$ 1,992</u>
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<u>6%</u>	<u>6%</u>
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August 1, 2021

Meals & Beverages

<u>Net Sales, As Reported</u>
\$ 878

Snacks

995

Total Net Sales

<u>\$ 1,873</u>

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

					% Change			
	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	Net Sales, As Reported	Organic Net Sales	Impact of Divestiture	Impact of Acquisition
April 28, 2024								
Meals & Beverages	\$ 1,272	\$ -	\$ (166)	\$ 1,106	15%	0%	0%	15%
Snacks	1,097	(1)	-	1,096	(2)%	(1)%	(1)%	0%
Total Net Sales	\$ 2,369	\$ (1)	\$ (166)	\$ 2,202	6%	0%	(1)%	7%
April 30, 2023								
Meals & Beverages	\$ 1,108		\$ -	\$ 1,108				
Snacks	1,121		(16)	1,105				
Total Net Sales	\$ 2,229		\$ (16)	\$ 2,213				

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Fourth Quarter

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2024 – As Reported	\$ 77	3.4%	\$ (3)	\$ (0.01)
Costs associated with cost savings and optimization initiatives	40		31	0.10
Pension and postretirement actuarial losses	33		25	0.08
Commodity mark-to-market losses	27		20	0.07
Accelerated amortization	7		5	0.02
Costs associated with acquisition	14		11	0.04
Impairment charges	129		98	0.33
Certain litigation expenses	2		2	0.01
2024 – Adjusted	\$ 329	14.3%	\$ 189	\$ 0.63
2023 – As Reported	\$ 272	13.2%	\$ 169	\$ 0.57
Costs associated with cost savings and optimization initiatives	16		13	0.04
Pension and postretirement actuarial gains	(41)		(31)	(0.10)
Commodity mark-to-market gains	(30)		(23)	(0.08)
Charges associated with divestiture	13		13	0.04
Accelerated amortization	7		5	0.02
Costs associated with acquisition	5		4	0.01
2023 – Adjusted	\$ 242	11.7%	\$ 150	\$ 0.50
\$ Change - Adjusted	\$ 87		\$ 39	\$ 0.13
% Change - Adjusted	36%	+260 bps	26%	26%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Fourth Quarter

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2023 – Adjusted	\$ 242	11.7%	\$ 150	\$ 0.50
2022 – As Reported	\$ 170	8.6%	\$ 96	\$ 0.32
Costs associated with cost savings and optimization initiatives	16		12	0.04
Pension and postretirement actuarial losses	32		24	0.08
Commodity mark-to-market losses	51		38	0.13
2022 – Adjusted	\$ 269	13.5%	\$ 170	\$ 0.56
\$ Change - Adjusted	\$ (27)		\$ (20)	\$ (0.06)
% Change - Adjusted	(10)%	(180) bps	(12)%	(11)%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Fourth Quarter

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2022 – Adjusted	\$ 269	13.5%	\$ 170	\$ 0.56
2021 – As Reported	\$ 411	21.9%	\$ 288	\$ 0.95
Costs associated with cost savings and optimization initiatives	10		8	0.03
Pension and postretirement actuarial gains	(165)		(126)	(0.41)
Commodity mark-to-market gains	(11)		(8)	(0.03)
Charges (gains) associated with divestiture	11		(3)	(0.01)
2021 – Adjusted	\$ 256	13.7%	\$ 159	\$ 0.52
\$ Change - Adjusted	\$ 13		\$ 11	\$ 0.04
% Change - Adjusted	5%	(20) bps	7%	8%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Twelve Months

					% Change			
	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	Net Sales, As Reported	Organic Net Sales	Impact of Divestiture	Impact of Acquisition
July 28, 2024								
Meals & Beverages	\$ 5,258	\$ 5	\$ (423)	\$ 4,840	7%	(1)%	0%	9%
Snacks	4,378	(2)	-	4,376	(2)%	(1)%	(1)%	0%
Total Net Sales	\$ 9,636	\$ 3	\$ (423)	\$ 9,216	3%	(1)%	(1)%	5%
July 30, 2023								
Meals & Beverages	\$ 4,907		\$ -	\$ 4,907				
Snacks	4,450		(51)	4,399				
Total Net Sales	\$ 9,357		\$ (51)	\$ 9,306				

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Twelve Months

July 30, 2023

Meals & Beverages

	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>
	\$ 4,907	\$ 27	\$ 4,934

% Change

	<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
	7%	7%

Snacks

	4,450	(2)	4,448
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	13%	13%
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Total Net Sales

	<u>\$ 9,357</u>	<u>\$ 25</u>	<u>\$ 9,382</u>
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	<u>9%</u>	<u>10%</u>
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July 31, 2022

Meals & Beverages

	<u>Net Sales, As Reported</u>	<u>Impact of Divestiture</u>	<u>Organic Net Sales</u>
	\$ 4,607	\$ -	\$ 4,607

Snacks

	3,955	(13)	3,942
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Total Net Sales

	<u>\$ 8,562</u>	<u>\$ (13)</u>	<u>\$ 8,549</u>
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Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Twelve Months

	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>	<u>% Change</u>	
	<u>Net Sales, As Reported</u>		<u>Organic Net Sales</u>	<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
July 31, 2022					
Meals & Beverages	\$ 4,607	\$ (2)	\$ 4,605	0%	1%
Snacks	3,955	-	3,955	3%	3%
Total Net Sales	\$ 8,562	\$ (2)	\$ 8,560	1%	2%
August 1, 2021					
Meals & Beverages	\$ 4,621	\$ (68)	\$ 4,553		
Snacks	3,855	-	3,855		
Total Net Sales	\$ 8,476	\$ (68)	\$ 8,408		

Reconciliation of GAAP and Non-GAAP Financial Measures

Twelve Months

July 28, 2024

	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales
Meals & Beverages	\$ 5,258	\$ 33	\$ (423)	\$ 4,868
Snacks	4,378	(3)	-	4,375
Total Net Sales	\$ 9,636	\$ 30	\$ (423)	\$ 9,243

July 31, 2022

	Net Sales, As Reported	Impact of Divestiture	Organic Net Sales
Meals & Beverages	\$ 4,607	\$ -	\$ 4,607
Snacks	3,955	(66)	3,889
Total Net Sales	\$ 8,562	\$ (66)	\$ 8,496

% Change

Two Year CAGR

Net Sales, As Reported	Organic Net Sales	Net Sales, As Reported	Organic Net Sales
14%	6%	7%	3%
11%	12%	5%	6%
13%	9%	6%	4%

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Twelve Months

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2024 – As Reported	\$ 1,000	10.4%	\$ 567	\$ 1.89
Costs associated with cost savings and optimization initiatives	109		83	0.28
Pension and postretirement actuarial losses	33		25	0.08
Commodity mark-to-market losses	22		16	0.05
Accelerated amortization	27		20	0.07
Costs associated with acquisition	126		109	0.36
Cybersecurity incident costs	3		2	0.01
Impairment charges	129		98	0.33
Certain litigation expenses	5		5	0.02
2024 – Adjusted	<u>\$ 1,454</u>	<u>15.1%</u>	<u>\$ 925</u>	<u>\$ 3.08</u>
2023 – As Reported	\$ 1,312	14.0%	\$ 858	\$ 2.85
Costs associated with cost savings and optimization initiatives	66		50	0.17
Pension and postretirement actuarial gains	(15)		(11)	(0.04)
Commodity mark-to-market gains	(21)		(16)	(0.05)
Charges associated with divestiture	13		13	0.04
Accelerated amortization	7		5	0.02
Costs associated with acquisition	5		4	0.01
2023 – Adjusted	<u>\$ 1,367</u>	<u>14.6%</u>	<u>\$ 903</u>	<u>\$ 3.00</u>
\$ Change - Adjusted	\$ 87		\$ 22	\$ 0.08
% Change - Adjusted	6%	+50 bps	2%	3%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Twelve Months

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2023 – Adjusted	\$ 1,367	14.6%	\$ 903	\$ 3.00
2022 – As Reported	\$ 1,163	13.6%	\$ 757	\$ 2.51
Costs associated with cost savings and optimization initiatives	31		24	0.08
Pension and postretirement actuarial losses	44		33	0.11
Commodity mark-to-market losses	59		44	0.15
Loss on extinguishment of debt	-		3	0.01
2022 – Adjusted	\$ 1,297	15.1%	\$ 861	\$ 2.85
\$ Change - Adjusted	\$ 70		\$ 42	\$ 0.15
% Change - Adjusted	5%	(50) bps	5%	5%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Twelve Months

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2022 – Adjusted	\$ 1,297	15.1%	\$ 861	\$ 2.85
2021 – As Reported	\$ 1,545	18.2%	\$ 1,008	\$ 3.30
Costs associated with cost savings and optimization initiatives	53		40	0.13
Pension and postretirement actuarial gains	(203)		(155)	(0.51)
Commodity mark-to-market gains	(50)		(38)	(0.12)
Charges (gains) associated with divestiture	11		(3)	(0.01)
Deferred tax charge	-		19	0.06
2021 – Adjusted	\$ 1,356	16.0%	\$ 871	\$ 2.86
\$ Change - Adjusted	(59)		(10)	(0.01)
% Change - Adjusted	(4)%	(90) bps	(1)%	-%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

Fourth Quarter

	<u>Gross Profit</u>	<u>GP %</u>	<u>EBT</u>	<u>Tax</u>	<u>Tax Rate</u>
2024 – As Reported	\$ 675	29.4%	\$ (6)	\$ (3)	50.0%
Costs associated with cost savings and optimization initiatives	17		40	9	
Pension and postretirement actuarial losses	-		33	8	
Commodity mark-to-market losses	27		27	7	
Accelerated amortization	-		7	2	
Costs associated with acquisition	-		14	3	
Impairment charges	-		129	31	
Certain litigation expenses	-		2	-	
2024 – Adjusted	\$ 719	31.4%	\$ 246	\$ 57	23.2%
2023 – As Reported	\$ 656	31.7%	\$ 225	\$ 56	24.9%
Costs associated with cost savings and optimization initiatives	6		16	3	
Pension and postretirement actuarial gains	-		(41)	(10)	
Commodity mark-to-market gains	(30)		(30)	(7)	
Charges associated with divestiture	-		13	-	
Accelerated amortization	-		7	2	
Costs associated with acquisition	-		5	1	
2023 – Adjusted	\$ 632	30.6%	\$ 195	\$ 45	23.1%
\$ Change – Adjusted	\$ 87		\$ 51	\$ 12	
% Change – Adjusted	14%	+80 bps	26%	27%	+10 bps

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

	<u>Marketing & Selling Expenses</u>	<u>Other Expenses / (Income)</u>
2024 – As Reported	\$ 188	\$ 181
Pension and postretirement actuarial losses	-	(33)
Accelerated amortization	-	(7)
Costs associated with acquisition	(1)	-
Impairment charges	-	(129)
2024 – Adjusted	\$ 187	\$ 12
% of Net Sales – Adjusted	8.2%	0.5%
2023 – As Reported	\$ 199	\$ (9)
Costs associated with cost savings and optimization initiatives	(5)	-
Pension and postretirement actuarial gains	-	41
Charges associated with divestiture	-	(13)
Accelerated amortization	-	(7)
Costs associated with acquisition	-	(5)
2023 – Adjusted	\$ 194	\$ 7
% of Net Sales – Adjusted	9.4%	0.3%
% of Net Sales Change – Adjusted	(120) bps	+20 bps
\$ Change – Adjusted	\$ (7)	\$ 5
% Change - Adjusted	(4)%	n/m

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

	<u>Administrative Expenses</u>	<u>R&D Expenses</u>	<u>Total</u>
2024 – As Reported	\$ 182	\$ 26	\$ 208
Costs associated with cost savings and optimization initiatives	(7)	-	(7)
Costs associated with acquisition	(8)	-	(8)
Certain litigation expenses	(2)	-	(2)
2024 – Adjusted	\$ 165	\$ 26	\$ 191
% of Net Sales – Adjusted	7.2%	1.1%	8.3%
2023 – As Reported	\$ 167	\$ 26	\$ 193
Costs associated with cost savings and optimization initiatives	(3)	(1)	(4)
2023 – Adjusted	\$ 164	\$ 25	\$ 189
% of Net Sales – Adjusted	7.9%	1.2%	9.1%
% of Net Sales Change - Adjusted	(70) bps	(10) bps	(80) bps
\$ Change – Adjusted	\$ 1	\$ 1	\$ 2
% Change - Adjusted	1%	4%	1%

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Fourth Quarter – Adjusted Diluted EPS Impact from Adjusted EBIT

	<u>EBIT</u>
2024 – Adjusted	\$ 329
2023 – Adjusted	242
\$ Change	\$ 87
Deduct: 2023 Adjusted tax rate impact on EBIT	(20)
Impact to Net Earnings	\$ 67
Fourth Quarter 2023 Diluted Shares	299
Adjusted Diluted EPS Impact	\$ 0.22

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Adjusted Diluted EPS Impact from Change in Adjusted Tax Rate

	<u>Fourth Quarter</u>
2024 – Adjusted EBT	\$ 246
Decrease (Increase) in Adjusted Tax Rate	(0.1)%
Adjusted EBT multiplied by the Change in Adjusted Tax Rate	\$ -
Fourth Quarter 2023 Diluted Shares	299
Adjusted Diluted EPS Impact	\$ 0.00

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fiscal 2024 Organic Sales Base for Fiscal 2025 Guidance

Full Year

	<u>Net Sales, As Reported</u>	<u>Impact of Divestiture</u>	<u>Organic Net Sales Base for FY2025 Guidance</u>
July 28, 2024			
Meals & Beverages	\$ 5,258	\$ -	\$ 5,258
Snacks	4,378	(111)	4,267
Total Net Sales	<u>\$ 9,636</u>	<u>\$ (111)</u>	<u>\$ 9,525</u>

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Net Debt

	<u>July 30, 2023</u>	<u>July 28, 2024</u>
Short-Term Borrowings	\$ 191	\$ 1,423
Long-Term Debt	4,498	5,761
Total Debt	\$ 4,689	\$ 7,184
Less: Cash and Cash Equivalents	(189)	(108)
Net Debt	\$ 4,500	\$ 7,076

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)	(a)	(b)	=(a)+(b)
	<u>Twelve Months Ended July 28, 2024</u>	<u>Sovos August 2023 – March 11, 2024</u>	<u>Combined Twelve Months Ended July 28, 2024</u>
Net Earnings, as reported	\$ 567	\$ 24	\$ 591
Taxes	190	13	203
Interest, net	243	21	264
Earnings before interest and taxes, as reported	\$ 1,000	\$ 58	\$ 1,058
Costs associated with cost savings and optimization initiatives	109	-	109
Pension and postretirement actuarial losses	33	-	33
Commodity mark-to-market losses	22	-	22
Accelerated amortization	27	-	27
Costs associated with acquisition	126	17	143
Cybersecurity incident	3	-	3
impairment charges	129	-	129
Certain litigation expenses	5	-	5
Adjusted Earnings before interest and taxes	\$ 1,454	\$ 75	\$ 1,529
Depreciation and amortization, as reported	\$ 411	\$ 21	\$ 432
Costs associated with cost savings and optimization initiatives	(28)	-	(28)
Accelerated amortization	(27)	-	(27)
Adjusted Depreciation and amortization	\$ 356	\$ 21	\$ 377
Adjusted Earnings before interest, taxes, depreciation and amortization	\$ 1,810	\$ 96	\$ 1,906
Net Debt			\$ 7,076
Net Debt to Adjusted EBITDA			3.7

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)	<u>Twelve Months Ended July 30, 2023</u>
Net Earnings, as reported	\$ 858
Taxes	270
Interest, net	184
Earnings before interest and taxes, as reported	\$ 1,312
Costs associated with cost savings and optimization initiatives	66
Pension and postretirement actuarial gains	(15)
Commodity mark-to-market gains	(21)
Charges associated with divestiture	13
Accelerated amortization	7
Costs associated with acquisition	5
Adjusted Earnings before interest and taxes	\$ 1,367
Depreciation and amortization, as reported	\$ 387
Costs associated with cost savings and optimization initiatives	(24)
Accelerated amortization	(7)
Adjusted Depreciation and amortization	\$ 356
Adjusted Earnings before interest, taxes, depreciation and amortization	\$ 1,723
Net Debt	\$ 4,500
Net Debt to Adjusted EBITDA	2.6

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

	<u>Net Sales</u>
Total Net Sales 2024	\$ 2,293
Add: Impact of Currency	2
Total	\$ 2,295
Total Net Sales 2023	\$ 2,068
Deduct: Impact of Divestiture	(5)
Add: Sovos Brands, Inc. May 1, 2023 – July 30, 2023	225
Pro Forma Combined	\$ 2,288
% Change	0%

Fourth Quarter

	<u>Net Sales</u>
Meals & Beverages Net Sales 2024	\$ 1,200
Add: Impact of Currency	2
Meals & Beverages	\$ 1,202
Meals & Beverages Net Sales 2023	\$ 936
Add: Sovos Brands, Inc. May 1, 2023 – July 30, 2023	225
Pro Forma Combined	\$ 1,161
% Change	4%

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

	<u>Net Sales</u>
Sovos Brands Net Sales 2024	\$ 257
Sovos Brands, Inc. May 1, 2023 – July 28, 2023	225
\$ Change	\$ 32
% Change	14%