

Campbell's

Q3 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 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, terrorism, 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. Q3 FY24 Key Messages and Financial Highlights
2. Division Highlights
3. Q3 FY24 Financial Results
4. FY24 Outlook
5. Summary
6. Q&A



Mark Clouse

President & Chief Executive Officer

CEO Perspective

Q3 FY24 Key Messages

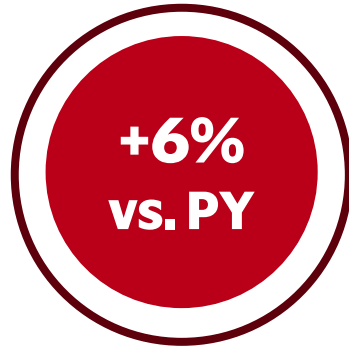


- Sequential net sales growth and volume / mix improvement with double-digit growth in both adjusted EBIT and adjusted EPS
- Sovos Brands performance ahead of expectations leading to neutral impact on adjusted EPS in the quarter
- In market performance stable for Meals & Beverages; some pressure in Snacks – reflecting the pace of consumer recovery
- Remain on track for fiscal 24 Snacks operating margin of 15%
- Guidance updated to include the Sovos Brands acquisition

Q3 FY24 Key Financial Highlights

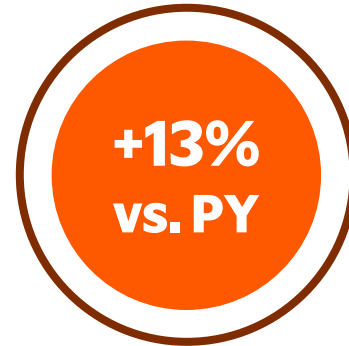
Net Sales

\$2.4B



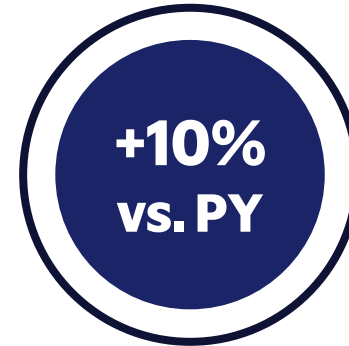
Adj. EBIT*

\$354M



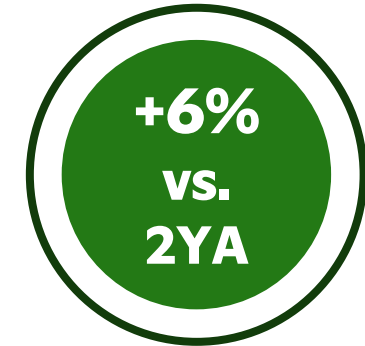
Adj. EPS*

\$0.75

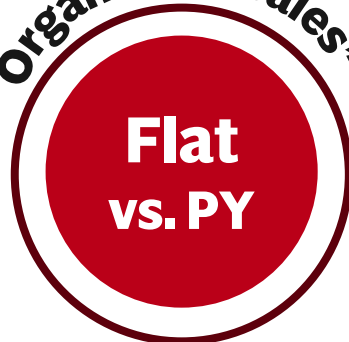


\$ Consumption¹ vs. PY

(2)%

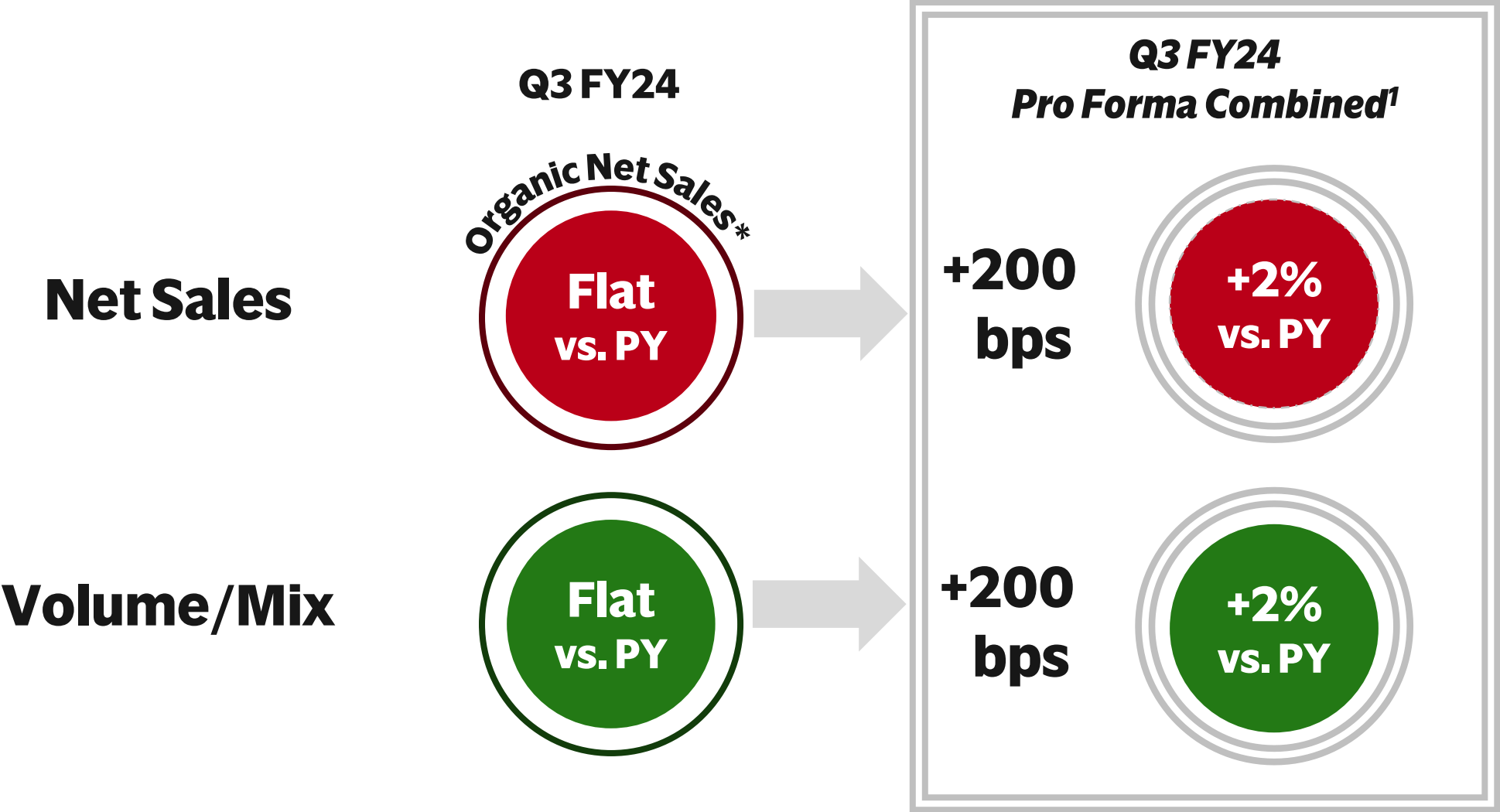


Organic Net Sales*



*See Non-GAAP reconciliation. Organic Net Sales excludes the impact of currency, acquisitions and divestitures.
¹Total Circana US MULO \$ Consumption latest 13 weeks ending 04/28/2024 excluding Sovos Brands

Campbell's momentum accelerated with the addition of Sovos Brands

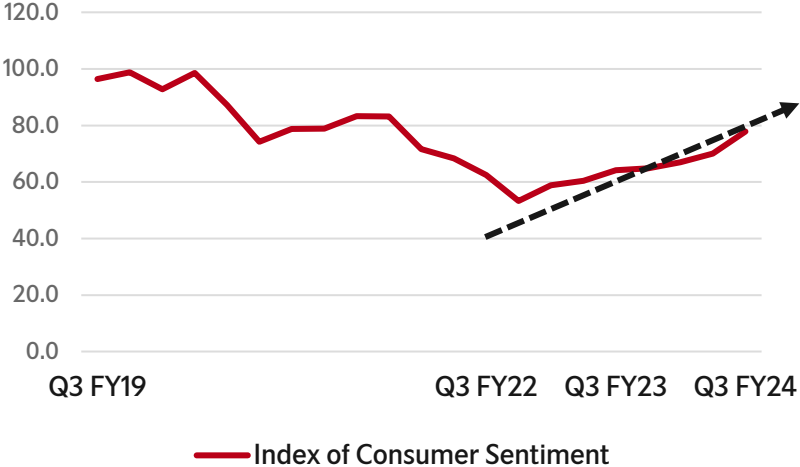


*See Non-GAAP reconciliation

¹ Pro forma combined basis presented to reflect results as if the Sovos Brands acquisition had occurred at the beginning of Q3 FY23.

The positive shifts in consumer trends are expected to drive continued category recovery

Improving Consumer Confidence¹



Top 50 Edible Categories²

% of Categories with Flat or Growing HHP*

Q3 FY23 vs. **Q3 FY24**
6% vs. **70%**

Stabilizing food volume as prices normalize³

	Q3 FY23	Q3 FY24
Volume (oz)	(3.4)%	+1.6%
Price	+13.1%	(0.6)%

Full recovery expected into H1 FY25

¹ Index of Consumer Sentiment by quarter, University of Michigan 2024, adjusted to align with CPB fiscal quarters

² Circana Scan Panel, Total US Multi Outlet

³ Circana Total US - Multi Outlet

* HHP = Household Penetration is a panel data measure that shows the percentage of total households in a market that have purchased a product or service, or shopped in a particular channel or retailer, within a given period



Meals & Beverages

Topline stabilization with sequential volume and mix improvement vs. Q2 FY24; significant acceleration with Sovos Brands



Meals & Beverages

Q3 FY24 vs. PY Q3 FY24 2yr CAGR

Pro Forma Combined**

Q3 FY24 vs. PY**

Organic Net Sales*

Flat (1)%

+5%

Dollar Consumption¹

(2)% Flat

+3%



*See Non-GAAP reconciliation ** Pro forma combined basis presented to reflect results as if the Sovos Brands acquisition had occurred at the beginning of Q3 FY23.

¹ Total Circana US MULO \$ Consumption latest 13 weeks ending 04/28/2024. Total US Meals & Beverages excluding Sovos Brands. Pro forma combined includes Sovos Brands



Soup improving and returning to share growth, Rao's adding another growth driver

Total CPB Wet Soup*

0.3 pts

Q3 \$ share¹ vs. PY



Total Broth/Stock

+2.6 pts

Q3 \$ share¹ vs. PY



Total Condensed

+0.1 pts

Q3 \$ share¹ vs. PY



Rao's RTS

+0.9 pts

Q3 \$ share¹ vs. PY

Total Condensed Cooking

+0.6 pts

Q3 \$ share¹ vs. PY

¹Total Circana US MULO \$ Share latest 13 weeks ending 04/28/2024
* Total CPB Wet Soup includes Rao's RTS (ready-to-serve)



Created a \$1B Sauces Business

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

#1
Unit Share

#1
\$ Share

+3.1 pts
Unit Share
vs PY

+3.1 pts
\$ Share
vs PY

Prego



Mainstream Italian Sauce³



#1 Unit Share

#1 \$ Share

+1.7 pts
Unit Share vs PY

+0.1 pts
\$ Share vs. PY

Ultra-Distinctive Italian Sauce³

#1 Unit Share

#1 \$ Share

+6.9 pts
Unit Share vs PY

+5.4 pts
\$ Share vs. PY



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

² Total Circana US MULO Unit and \$ Share latest ending 13 weeks ending 04/28/2024

³ Total Circana US MULO Unit and \$ Share latest ending 13 weeks ending 04/28/2024. Prego and Rao's indexed to Mainstream (excluding private label) & Ultra-Distinctive Italian Sauce, respectively.



Rao's Sauce momentum continues, significant runway still ahead

Significant additional HHP opportunity

<16% HHP
vs ~20% HHP for Premium peers¹

Strongest growth with younger consumers²

+54%
Gen Z and Millennial Retail Sales

With strong growth >10% across all consumer cohorts

Leading velocity for pasta sauce category

>78%
Brand velocity vs premium peer³ (\$/TPD)

White space distribution opportunity

~12pt
Difference in top 5 Rao's SKUs ACV vs next 5 Rao's SKUs⁴

~9
Avg items per store gap vs key category players⁵

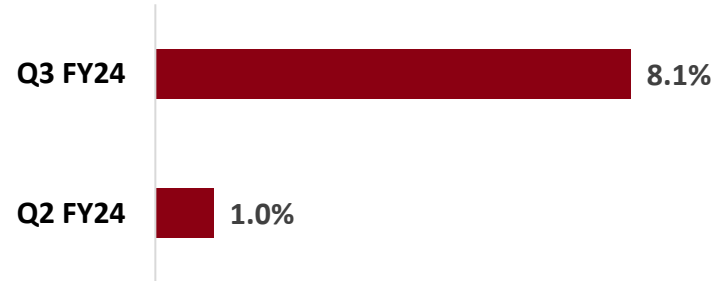
¹Rao's, Classico and Bertolli pasta sauce data shown, Source: HHP Circana Total US - all outlets L52 weeks ending 04/28/24; ²Circana Total US - All Outlets L52 Panel Data as of 04/28/24 and as compared to the comparable year-ago period, where applicable; ³Classico reference point shown based on Circana MULO L52 as of 04/28/24; ⁴Based on Rao's (MULO) SKU ranking by highest \$ sales during L52 weeks ending 04/28/24; ⁵Circana Mulo + C L52 weeks ending 04/28/24. Avg wkly items per store selling. Key category players include Prego and Ragu



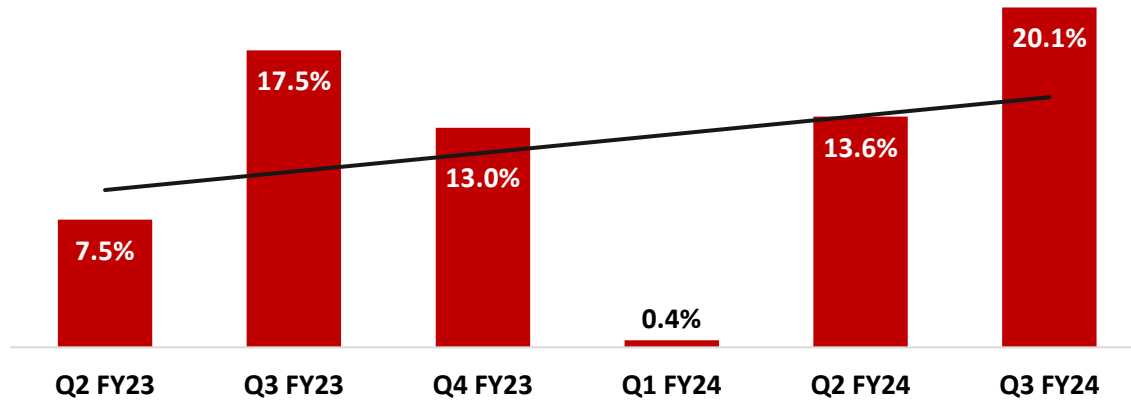
Campbell's Frozen continues to grow with Rao's momentum

Campbell's Total Frozen Meal business¹

2nd Consecutive
Quarter of \$
Velocity² Growth



Rao's Frozen Meals sees growth in \$ velocities²



Rao's Frozen Pizza continues to grow and build distribution behind launch

9x

**\$ consumption³
Q3 FY24 vs. PY**

~50%

**ACV⁴ Weighted
Distribution in Q3 FY24**



¹ Includes Rao's frozen meals (excl pizza) and Micheal Angelos

² Circana US MULO \$ Velocity 13 weeks ending on the quarters as indicated. \$ Velocity = \$s/TDP

³ Circana US MULO \$ Consumption 13 weeks ended 4/28/24

⁴ Circana US MULO, Rao's Frozen Pizza in aggregate ACV Weighted Distribution 13 weeks ending 04/28/24. ACV Weighted Distribution = A product's or brand's distribution weighted by the store size (ACV) and averaged over the corresponding time frame



Total noosa business back to growth with the core 8oz business consistently growing



+4.3%

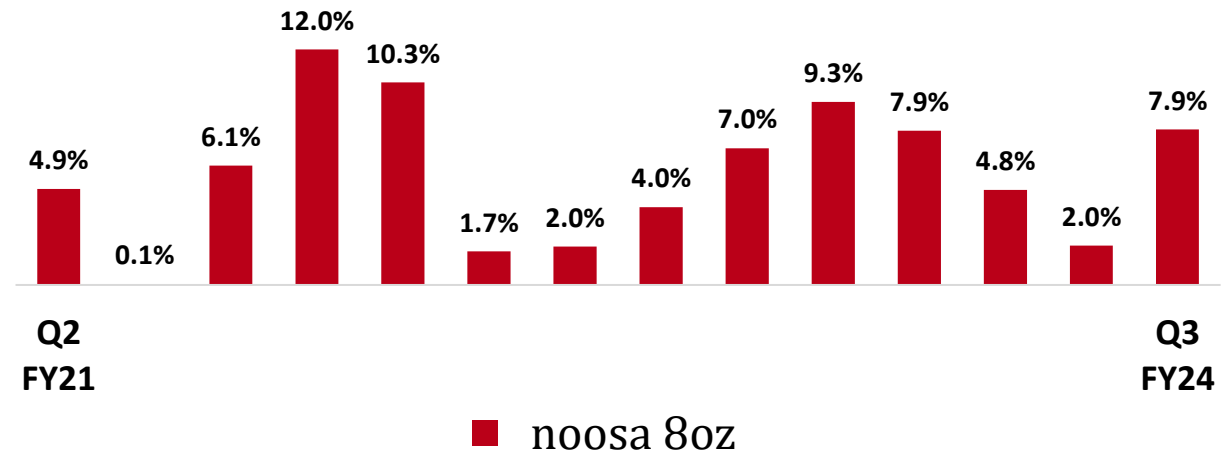
Q3 FY24 \$
consumption¹ vs.
PY

noosa's 8oz represents

62%

of the brand's spoonable
\$ consumption¹ in Q3 FY24

14 quarters
of consecutive YoY \$ consumption growth¹



¹ Circana US MULO \$ Consumption 13 weeks ending on the quarter indicated



Snacks

Strong performance on a 2-year basis for Snacking portfolio with 8 Power Brands remaining resilient



	Total Snacks		Power Brands	
	Q3 FY24 vs. PY	Q3 FY24 2yr CAGR	Q3 FY24 vs. PY**	Q3 FY24 2yr CAGR**
Organic Net Sales*	(1)%	+6%	+2%	+9%
Dollar Consumption¹	(2)%	+6%	Flat	+9%



*See Non-GAAP reconciliation; ** Power Brands Net Sales represents reported growth rates
¹Total Circana US MULO \$ Consumption latest 13 weeks ending 04/28/2024. Total Snacks and Power Brands.



Although Snack trends have slowed; three key factors are important for context

1

Snacks categories have been the most resilient across food throughout inflation, even with most recent slowdown

2

Magnitude of slowdown of Snacks category far more modest than other edible categories

3

Snack categories are already showing signs of improvement and returning to growth for the important summer holidays

Proof Points

Snacks Q3 FY24 Category \$ Consumption¹ 3yr CAGR

+8%

+140 bps

Snacks Category \$ consumption¹

better than total edible over the last 2 years

Snacks Category

\$ Consumption²
L4W vs. PY

Unit Consumption³
L4W vs. PY

Flat

Flat

¹ Total Circana US MULO \$ Consumption latest 13 weeks ending 04/28/2024

² Total Circana US MULO \$ Consumption latest 4 weeks ending 05/26/2024

³ Total Circana US MULO Unit Consumption latest 4 weeks ending 05/26/2024



Winning in Late July and PF Cookies

Late July Sales

+26%

Q3 FY24 Net Sales vs. PY



Pepperidge Farm Cookies Category

Buyer Growth¹ vs. PY **+5%** **+1%**

Millennial Buyer Growth¹ vs. PY **+11%** **+3%**

¹ Total Circana US MULO 13 weeks ending 04/28/2024



Continued Progress on Snacks Margin Progression

Organic Net Sales*

+7%

Q3 FY24 YTD
2-Year CAGR

Operating Earnings

+14%

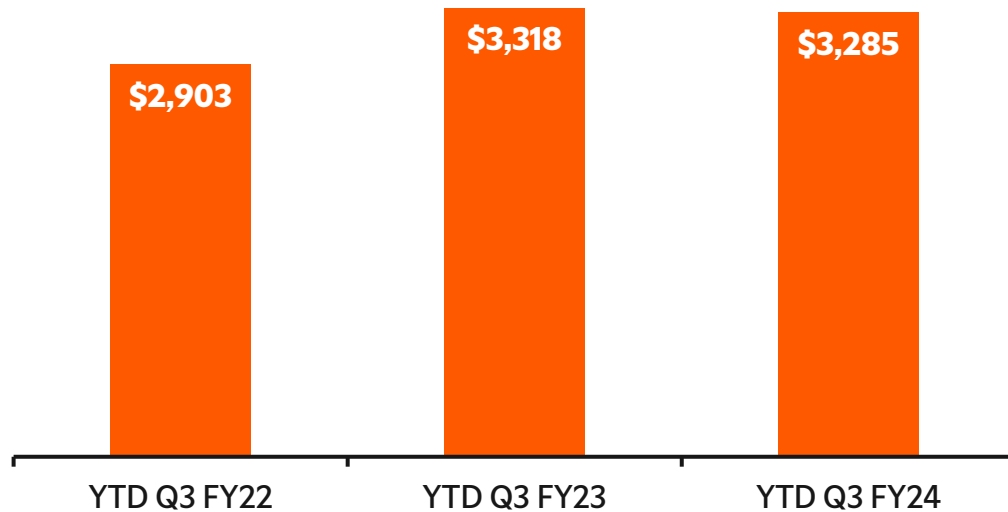
Q3 FY24 YTD
2-Year CAGR

Operating Margin Growth

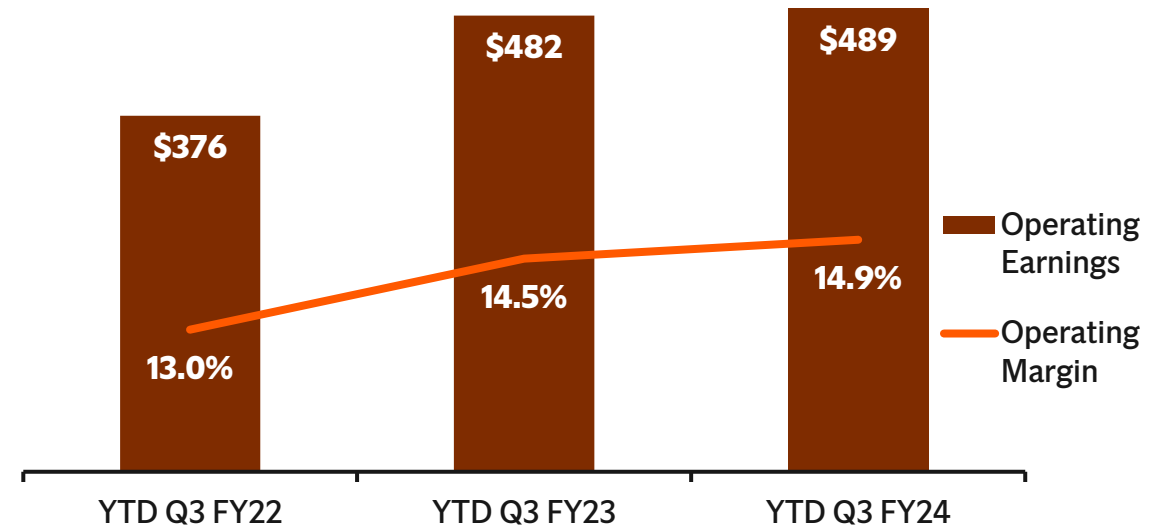
+190bps

Q3 FY24 YTD
vs. Q3 FY22 YTD

Net Sales



Operating Earnings



*See Non-GAAP reconciliation

Further Network Optimization

Continuing to transform Campbell's supply chain into a competitive advantage with \$230 million in capital investments through FY26, and further rationalization to drive savings and efficiency

Investments



Maxton, North Carolina

\$150 million

new aseptic soup production



Hanover, Pennsylvania

\$72 million

additional potato chip kettles



Franklin, Wisconsin

\$8 million

expand tortilla chips capacity



Richmond, UT¹

Expand *Goldfish* capacity by

+50% In FY25

Rationalization



Tualatin, Oregon

Closing in phases through
July 2026



Jeffersonville, Indiana

Specialize in *Late July* and
regional brands

Full program details and savings as part of September Investor Day

¹ Previously announced on 7/25/2023 with \$160 million in capital investment

Wrap up

- Solid Q3 Performance
- Stabilizing Volumes and Improving Margins
- Integration of Sovos Brands off to a great start
- Controlling the Controllables
- Exciting moment for Campbell's
- Looking forward to Investor Day in mid-September in NYC





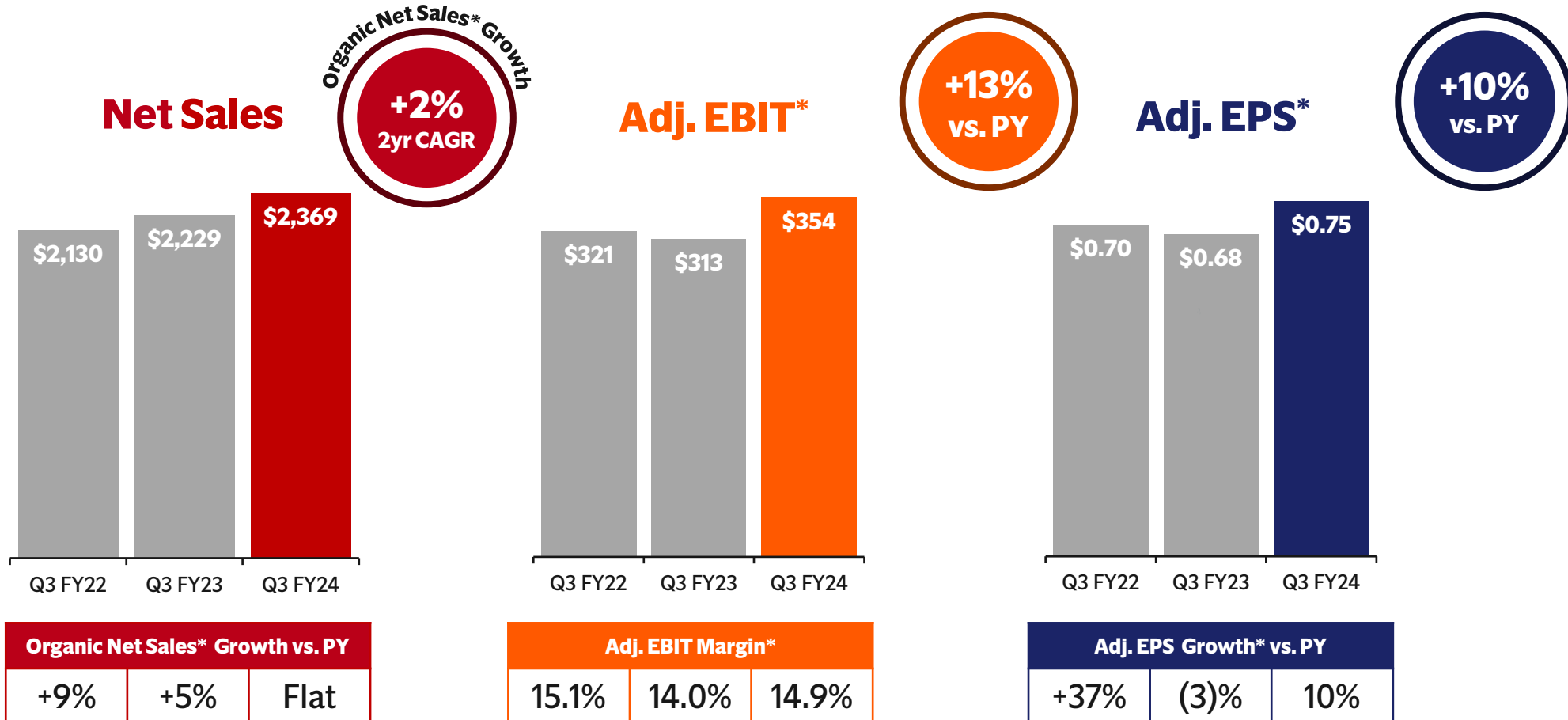
Carrie Anderson

EVP & Chief Financial Officer

CFO Perspective

Q3 FY24 Key Financial Results

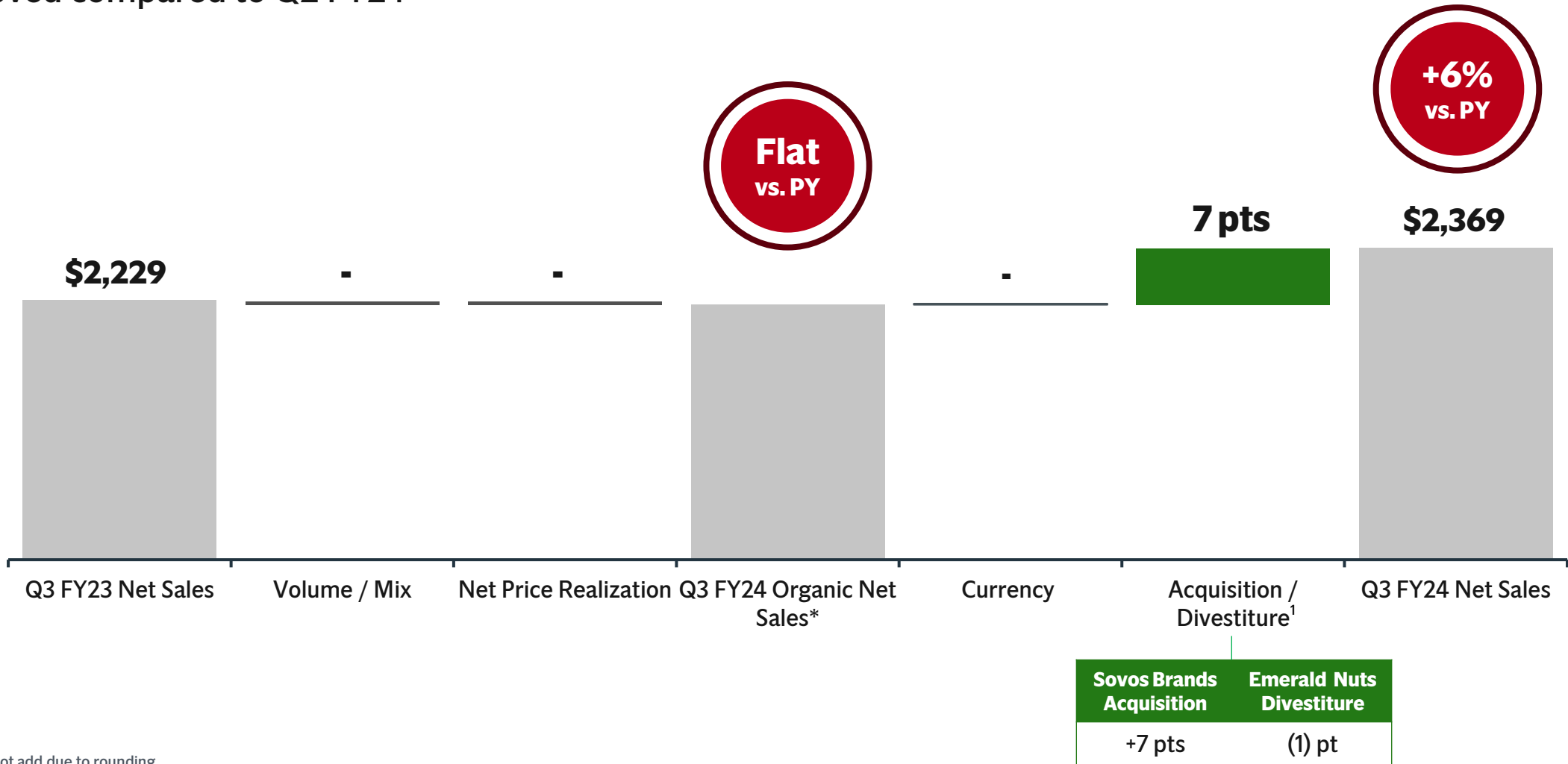
Q3FY24 figures reflect the contribution of the Sovos Brands acquisition which was approximately neutral to adjusted EPS in the quarter



*See Non-GAAP reconciliation

Q3 FY24 Net Sales Bridge

Net sales reflect a partial quarter of sales contribution from Sovos Brands. Organic net sales stable as volume / mix improved compared to Q2 FY24



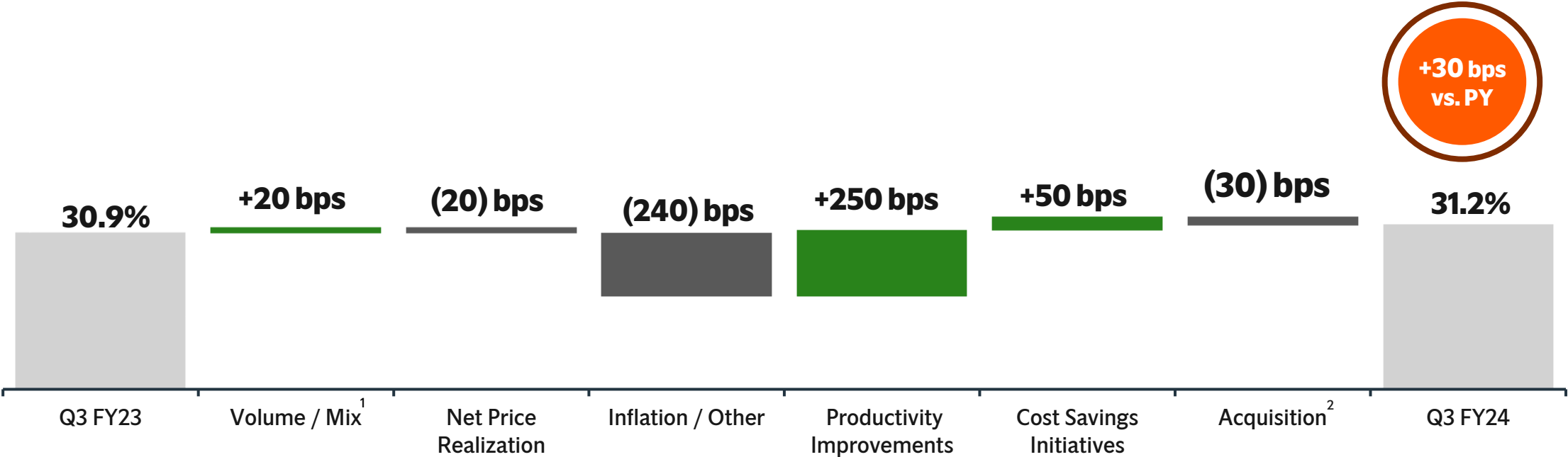
Numbers may not add due to rounding

*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.

Q3 FY24 Adjusted Gross Profit Margin* Bridge

Adjusted gross profit margin increase driven by the net benefit of productivity improvements, costs savings and favorable volume / mix that more than offset the impact of inflation, slightly negative net price realization and the impact of the acquisition



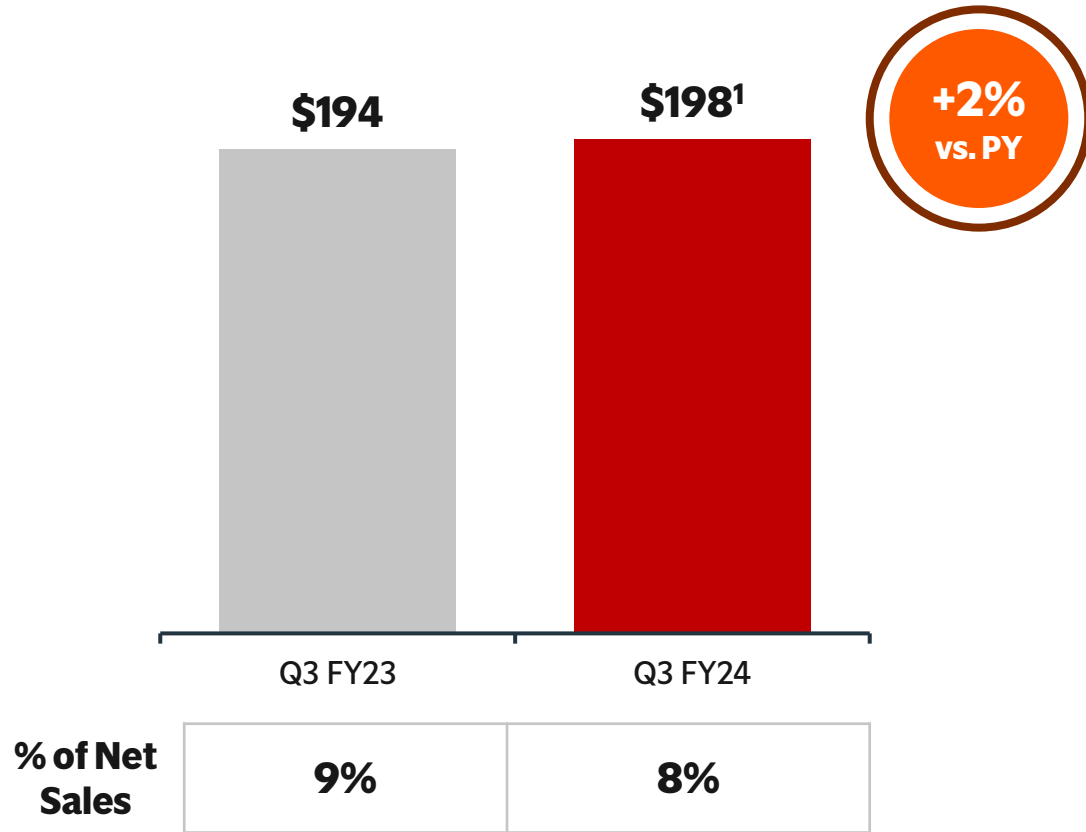
*See Non-GAAP reconciliation

¹ Volume / Mix includes the impact of operating leverage

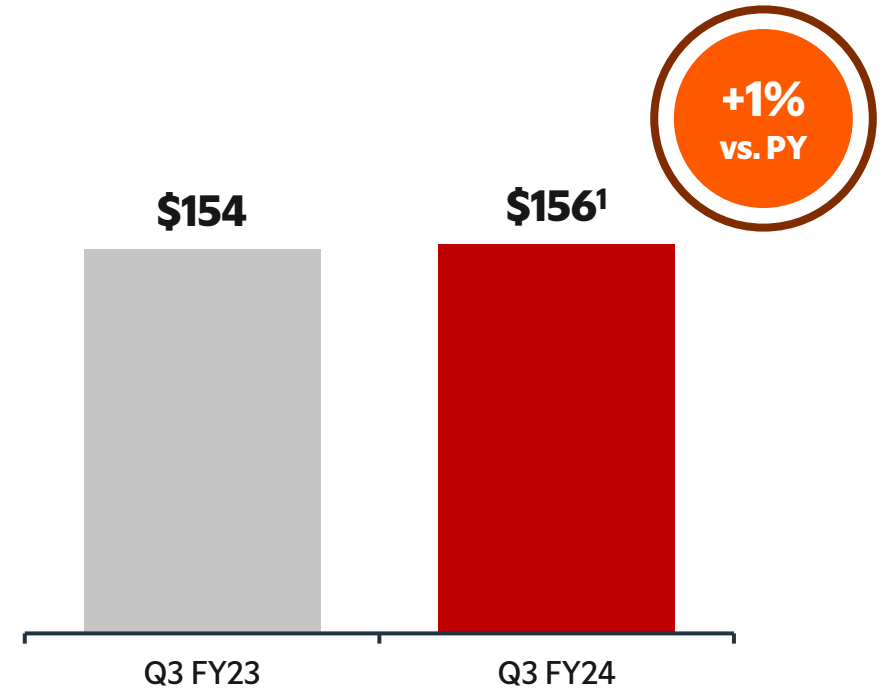
² Impact from the acquisition of Sovos Brands which was completed on March 12, 2024

Other Operating Items

Adjusted Marketing & Selling Expenses*



Adjusted Administrative Expenses*

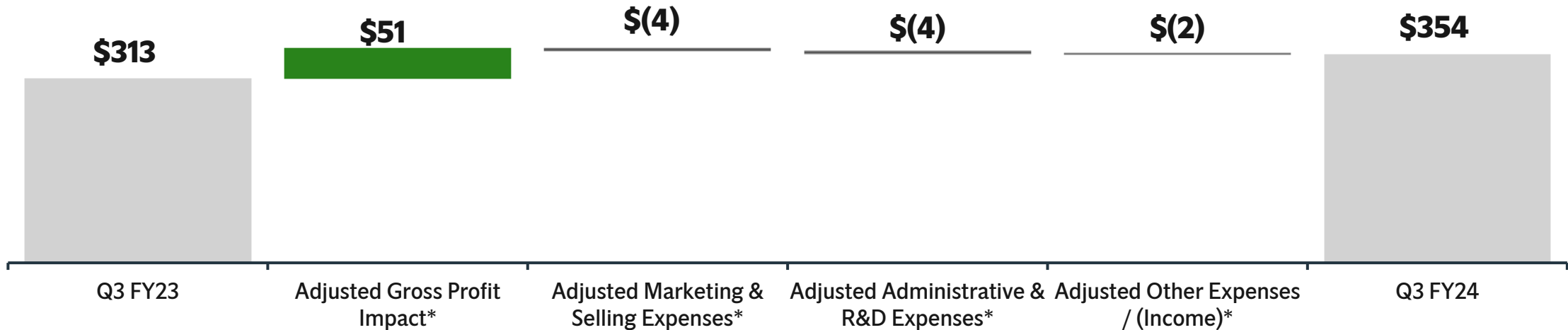
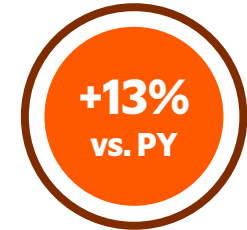


*See Non-GAAP reconciliation

¹ Q3 FY24 figures include Sovos Brands adjusted marketing & selling expenses and adjusted administrative expenses after the completion of the acquisition on March 12, 2024

Q3 FY24 Adjusted EBIT* Bridge

Double-digit adjusted EBIT growth driven by higher adjusted gross profit from the contribution of the acquisition and the base business, partially offset by higher adjusted expenses

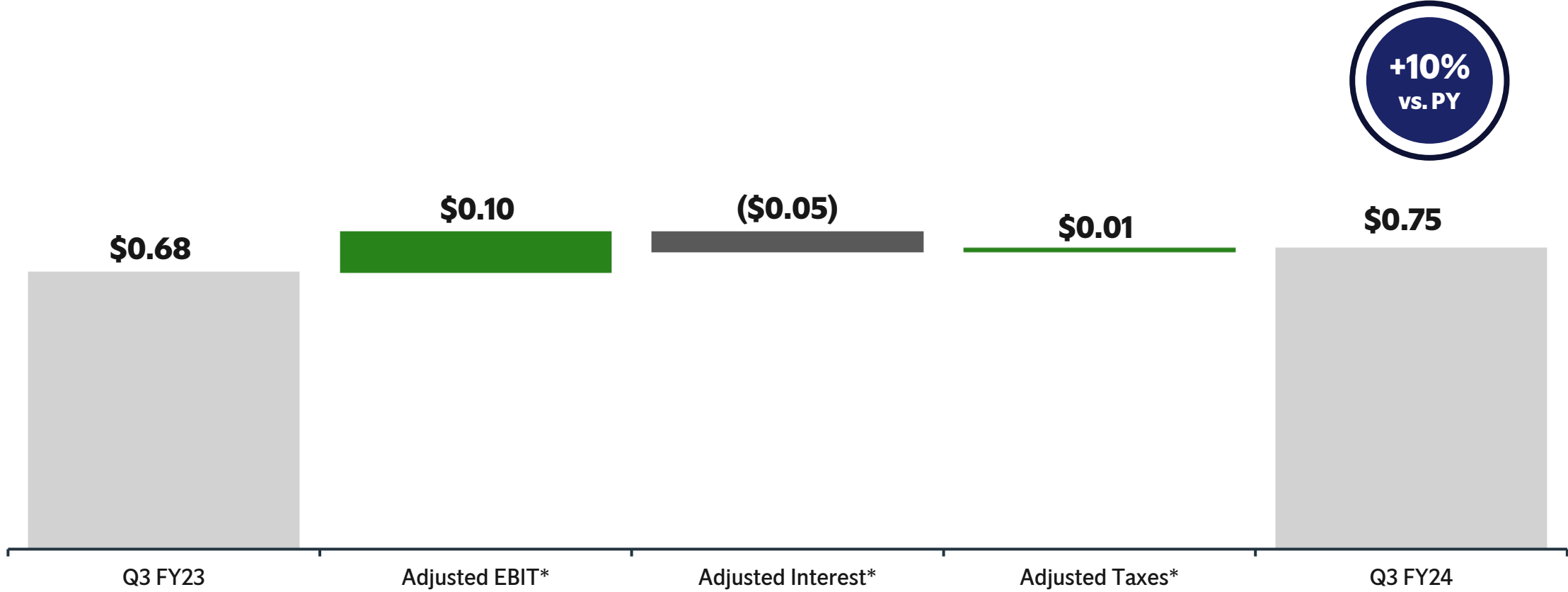


Adj. EBIT Margin*	14.0%	+30 bps	+30 bps	+30 bps	0 bps	14.9%
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*See Non-GAAP reconciliation

Q3 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 adjusted interest expense



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

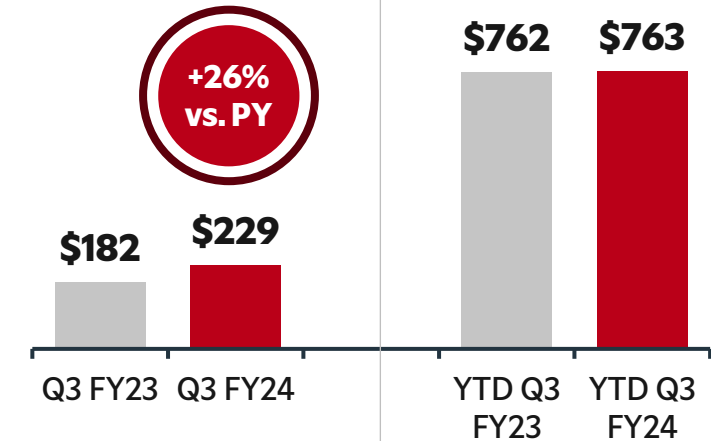
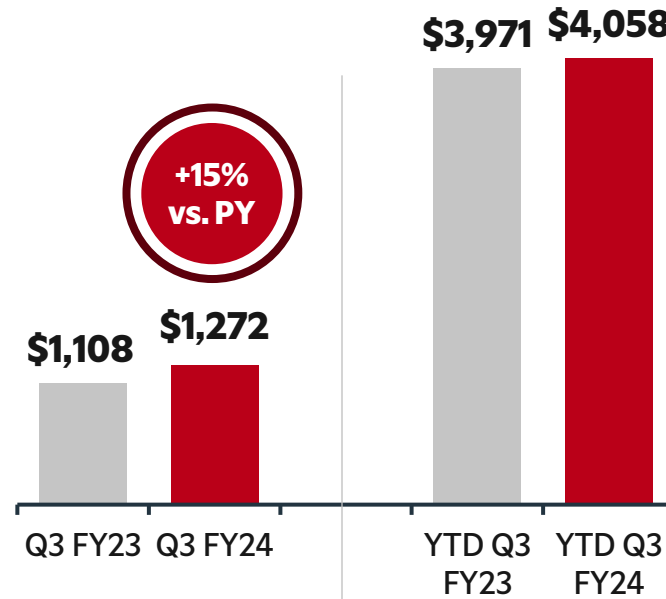


Q3 FY24 Meals & Beverages Results



Net Sales

Operating Earnings



Organic Net Sales*
2-year CAGR (1)%

	Q3 FY23	Q3 FY24	YTD Q3 FY23	YTD Q3 FY24
Vol / Mix	(11)%	1%	(5)%	(3)%
Net Price Realization	9%	(1)%	14%	1%
Organic Net Sales* vs. PY	(1)%	0%	9%	(2)%

	Q3 FY23	Q3 FY24	YTD Q3 FY23	YTD Q3 FY24
Operating Margin	16.4%	18.0%	19.2%	18.8%

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

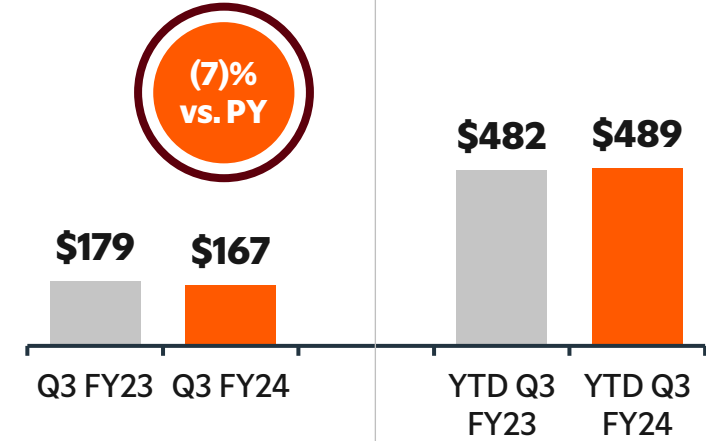
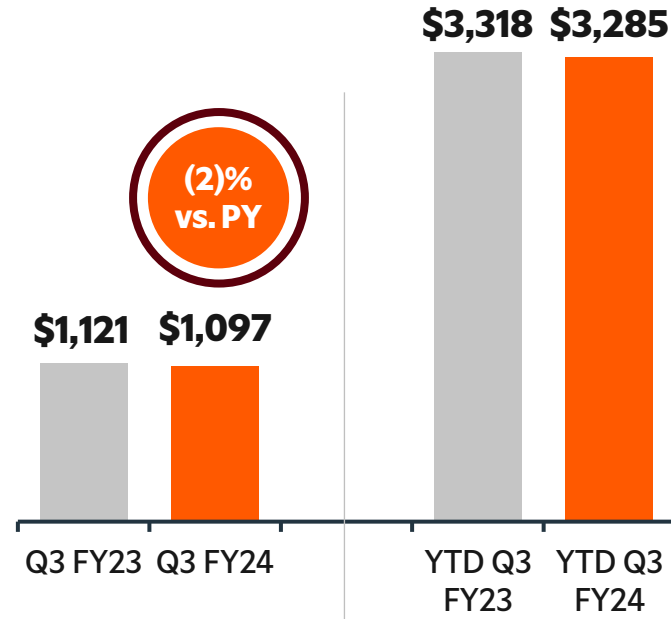


Q3 FY24 Snacks Results



Net Sales

Operating Earnings



Organic Net Sales*
2-year CAGR +6%

	Q3 FY23	Q3 FY24	YTD Q3 FY23	YTD Q3 FY24
Vol / Mix	(3)%	(1)%	(1)%	(2)%
Net Price Realization	15%	-	15%	3%
Organic Net Sales* vs. PY	12%	(1)%	14%	0%

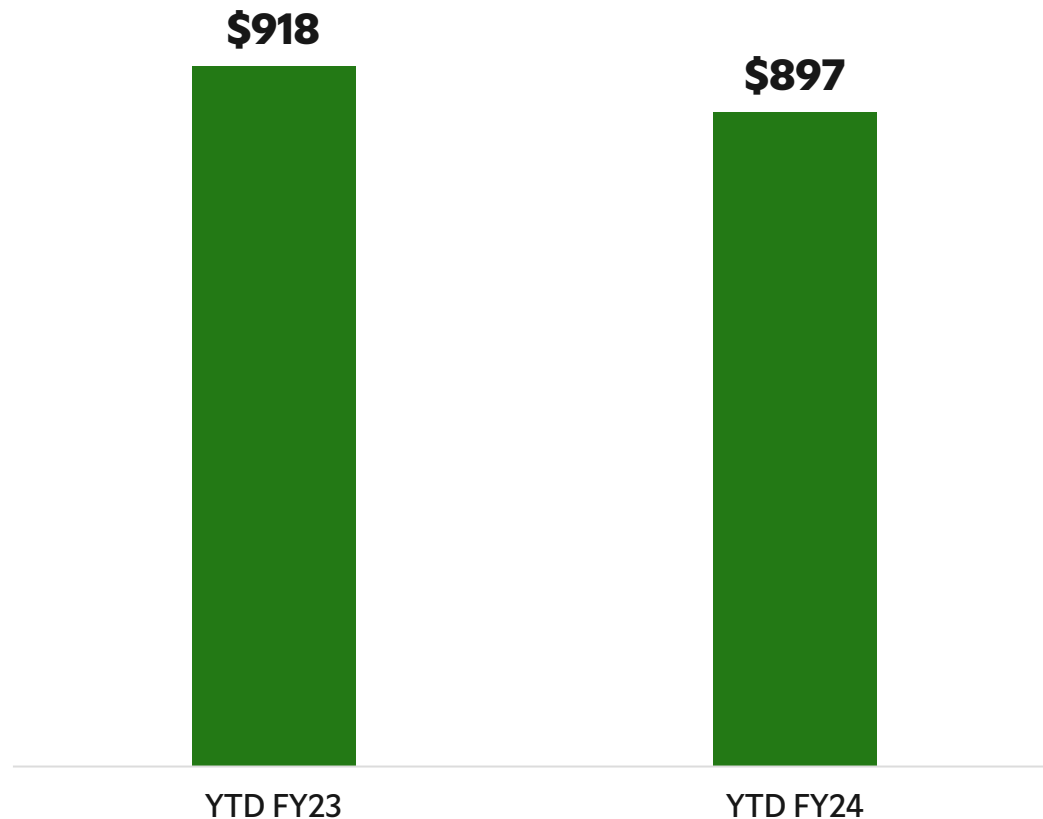
	Q3 FY23	Q3 FY24	YTD Q3 FY23	YTD Q3 FY24
Operating Margin	16.0%	15.2%	14.5%	14.9%

*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



	YTD FY23	YTD FY24
Invest for Growth		
Capital Expenditures	\$257	\$376
Return Cash to Shareholders		
Dividends	\$336	\$334
Share Repurchases	<u>\$141</u>	<u>\$46</u>
	\$477	\$380
Balance Sheet		
Leverage Ratio*	2.6x	3.9x

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

FY24 Guidance

FY24 Assumptions

\$ Millions, Except Per Share	FY23 Results	Previous FY24 Guidance ¹	Updated FY24 Guidance including Sovos Brands ¹
Net Sales	\$9,357	(0.5)% to +1.5%	+3% to +4%
Organic Net Sales²	\$9,306*	0% to +2%	(1)% to 0%
Adjusted EBIT³	\$1,367*	+3% to +5%	+6.5% to +7%
Adjusted EPS³	\$3.00*	+3% to +5% \$3.09 to \$3.15	+2% to +3% \$3.07 to \$3.10

- Midpoint of updated organic net sales guidance represents about half a point lower than the bottom end of the 0% to 2% organic net sales growth range indicated on the company's second quarter earnings call
- Sovos Brands acquisition expected to have a ~4pt impact on Net Sales and \$0.01 to \$0.02 per share dilutive impact for full year fiscal 24
- Emerald nuts business divestiture expected to have a ~0.5% impact on Net Sales and \$0.01 per share dilutive impact for full year fiscal 24
- Core inflation of low-single digits
- ~3% productivity improvements; ~\$55 to \$60 million of cost savings
- Marketing & Selling % of Net Sales at the low end of ~9% to 10% range
- Estimated pre-tax headwind of ~\$13 million, or ~\$0.03 per share, in FY24 related to lower pension and postretirement benefit income
- Adjusted net interest expense of ~\$245 million, reflecting new acquisition-related debt
- Adjusted effective tax rate of ~24%
- Capital expenditures expected to be ~\$500 million for the full year

*See non-GAAP reconciliation

¹A non-GAAP reconciliation is not provided for fiscal 2024 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; ²Growth rate adjusted for the Emerald nuts business, which was divested on May 30, 2023 and Sovos Brands, which was acquired on March 12, 2024; ³Adjusted EBIT in fiscal 2023 included approximately \$14 million and adjusted EPS included approximately \$0.04 of litigation expenses related to the Plum baby food and snacks business, which was divested on May 3, 2021. We are excluding these expenses from our fiscal 2024 adjusted EBIT and adjusted EPS and thereafter as we do not believe that these expenses reflect our underlying operating performance.

Delivered on Our Commitments with Q3 Results; Full-Year Guidance Updated



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)

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)

Third Quarter

	<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>
April 30, 2023					
Meals & Beverages	\$ 1,108	\$ 8	\$ 1,116	(2)%	(1)%
Snacks	1,121	(1)	1,120	12%	12%
Total Net Sales	\$ 2,229	\$ 7	\$ 2,236	5%	5%
May 1, 2022					
Meals & Beverages	\$ 1,131				
Snacks	999				
Total Net Sales	\$ 2,130				

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

				<u>% Change</u>	
	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>	<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
<u>May 1, 2022</u>					
Meals & Beverages	\$ 1,131	\$ 1	\$ 1,132	6%	9%
Snacks	999	-	999	8%	8%
Total Net Sales	\$ 2,130	\$ 1	\$ 2,131	7%	9%
	<u>Net Sales, As Reported</u>	<u>Impact of Divestitures</u>	<u>Organic Net Sales</u>		
<u>May 2, 2021</u>					
Meals & Beverages	\$ 1,062	\$ (22)	\$ 1,040		
Snacks	922	-	922		
Total Net Sales	\$ 1,984	\$ (22)	\$ 1,962		

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

					% Change		Two Year CAGR	
	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	Net Sales, As Reported	Organic Net Sales	Net Sales, As Reported	Organic Net Sales
April 28, 2024								
Meals & Beverages	\$ 1,272	\$ 8	\$ (166)	\$ 1,114	12%	(2)%	6%	(1)%
Snacks	1,097	(1)	-	1,096	10%	12%	5%	6%
Total Net Sales	\$ 2,369	\$ 7	\$ (166)	\$ 2,210	11%	5%	5%	2%
May 1, 2022								
Meals & Beverages	\$ 1,131		\$ -	\$ 1,131				
Snacks	999		(17)	982				
Total Net Sales	\$ 2,130		\$ (17)	\$ 2,113				

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

	<u>Net Sales</u>
Total Net Sales 2024	\$ 2,369
Deduct: Impact of Currency	(1)
Add: Sovos Brands, Inc. January 29, 2024 – March 11, 2024	141
Pro Forma Combined	<u>\$ 2,509</u>
Total Net Sales 2023	\$ 2,229
Deduct: Impact of Divestiture	(16)
Add: Sovos Brands, Inc. January 30, 2023 – April 30, 2023	243
Pro Forma Combined	<u>\$ 2,456</u>
% Change	2%

Third Quarter

	<u>Net Sales</u>
Meals & Beverages Net Sales 2024	\$ 1,272
Add: Sovos Brands, Inc. January 29, 2024 – March 11, 2024	141
Pro Forma Combined	<u>\$ 1,413</u>
Meals & Beverages Net Sales 2023	\$ 1,108
Add: Sovos Brands, Inc. January 30, 2023 – April 30, 2023	243
Pro Forma Combined	<u>\$ 1,351</u>
% Change	5%

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Third Quarter

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2024 – As Reported	\$ 248	10.5%	\$ 133	\$ 0.44
Add: Costs associated with cost savings and optimization initiatives	20		15	0.05
Deduct: Commodity mark-to-market adjustments	(13)		(10)	(0.03)
Add: Accelerated amortization	6		5	0.02
Add: Costs associated with acquisition	93		81	0.27
2024 – Adjusted	<u>\$ 354</u>	<u>14.9%</u>	<u>\$ 224</u>	<u>\$ 0.75</u>
2023 – As Reported	\$ 254	11.4%	\$ 160	\$ 0.53
Add: Costs associated with cost savings and optimization initiatives	33		24	0.08
Add: Pension actuarial losses	17		13	0.04
Add: Commodity mark-to-market adjustments	9		7	0.02
2023 – Adjusted	<u>\$ 313</u>	<u>14.0%</u>	<u>\$ 204</u>	<u>\$ 0.68</u>
\$ Change - Adjusted	\$ 41		\$ 20	\$ 0.07
% Change - Adjusted	13%	+90 bps	10%	10%

*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)

Third Quarter

	EBIT	EBIT Margin %	Earnings	Diluted EPS
2023 – Adjusted	\$ 313	14.0%	\$ 204	\$ 0.68
2022 – As Reported	\$ 294	13.8%	\$ 188	\$ 0.62
Add: Costs associated with cost savings and optimization initiatives	6		5	0.02
Add: Pension actuarial losses	16		12	0.04
Add: Commodity mark-to-market adjustments	5		4	0.01
Add: Loss on extinguishment of debt	-		3	0.01
2022 – Adjusted	\$ 321	15.1%	\$ 212	\$ 0.70
\$ Change - Adjusted	\$ (8)		\$ (8)	\$ (0.02)
% Change - Adjusted	(2)%	(110) bps	(4)%	(3)%

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions, except per share amounts)

Third Quarter

	EBIT	EBIT Margin %	Earnings	Diluted EPS
2022 - Adjusted	\$ 321	15.1%	\$ 212	\$ 0.70
2021 - As Reported	\$ 272	13.7%	\$ 166	\$ 0.54
Add: Costs associated with cost savings and optimization initiatives	15		11	0.04
Deduct: Pension actuarial gains	(4)		(3)	(0.01)
Deduct: Commodity mark-to-market adjustments	(22)		(17)	(0.06)
2021 - Adjusted	\$ 261	13.2%	\$ 157	\$ 0.51
\$ Change - Adjusted	\$ 60		\$ 55	\$ 0.19
% Change - Adjusted	23%	+190 bps	35%	37%

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Nine Months

	EBIT	EBIT Margin %	Earnings	Diluted EPS*
2024 – As Reported	\$ 923	12.6%	\$ 570	\$ 1.91
Add: Costs associated with cost savings and optimization initiatives	69		52	0.17
Deduct: Commodity mark-to-market adjustments	(5)		(4)	(0.01)
Add: Accelerated amortization	20		15	0.05
Add: Costs associated with acquisition	112		98	0.33
Add: Cybersecurity incident costs	3		2	0.01
Add: Plum litigation expenses	3		3	0.01
2024 – Adjusted	<u>\$ 1,125</u>	<u>15.3%</u>	<u>\$ 736</u>	<u>\$ 2.46</u>
2023 – As Reported	\$ 1,040	14.3%	\$ 689	\$ 2.29
Add: Costs associated with cost savings and optimization initiatives	50		37	0.12
Add: Pension actuarial losses	26		20	0.07
Add: Commodity mark-to-market adjustments	9		7	0.02
2023 – Adjusted	<u>\$ 1,125</u>	<u>15.4%</u>	<u>\$ 753</u>	<u>\$ 2.50</u>
\$ Change - Adjusted	\$ 0		\$ (17)	\$ (0.04)
% Change - Adjusted	0%	(10) bps	(2)%	(2)%

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

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Nine Months

	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Impact of Acquisition</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>
April 28, 2024						
Meals & Beverages	\$ 4,058	\$ 3	\$ (166)	\$ 3,895	2%	(2)%
Snacks	3,285	(2)	-	3,283	(1)%	0%
Total Net Sales	\$ 7,343	\$ 1	\$ (166)	\$ 7,178	1%	(1)%
April 30, 2023						
Meals & Beverages	\$ 3,971		\$ -	\$ 3,971		
Snacks	3,318		(46)	3,272		
Total Net Sales	\$ 7,289		\$ (46)	\$ 7,243		

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Nine Months

April 30, 2023

Meals & Beverages

<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>
\$ 3,971	\$ 23	\$ 3,994

% Change

<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
8%	9%

Snacks

3,318	(1)	3,317
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14%	14%
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Total Net Sales

<u>\$ 7,289</u>	<u>\$ 22</u>	<u>\$ 7,311</u>
-----------------	--------------	-----------------

<u>11%</u>	<u>11%</u>
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May 1, 2022

Meals & Beverages

<u>Net Sales, As Reported</u>
\$ 3,672

Snacks

2,903

Total Net Sales

<u>\$ 6,575</u>

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Nine Months

					% Change		Two Year CAGR	
	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	Net Sales, As Reported	Organic Net Sales	Net Sales, As Reported	Organic Net Sales
April 28, 2024								
Meals & Beverages	\$ 4,058	\$ 28	\$ (166)	\$ 3,920	11%	7%	5%	3%
Snacks	3,285	(3)	-	3,282	13%	15%	6%	7%
Total Net Sales	\$ 7,343	\$ 25	\$ (166)	\$ 7,202	12%	10%	6%	5%
May 1, 2022								
Meals & Beverages	\$ 3,672		\$ -	\$ 3,672				
Snacks	2,903		(49)	2,854				
Total Net Sales	\$ 6,575		\$ (49)	\$ 6,526				

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

	<u>Gross Profit</u>	<u>GP %</u>	<u>Net Interest Expense</u>	<u>EBT</u>	<u>Tax</u>	<u>Tax Rate</u>
2024 – As Reported	\$ 732	30.9%	\$ 66	\$ 182	\$ 49	26.9%
Add: Costs associated with cost savings and optimization initiatives	3		-	20	5	
Deduct: Commodity mark-to-market adjustments	(13)		-	(13)	(3)	
Add: Accelerated amortization	-		-	6	1	
Add (Deduct): Costs associated with acquisition	18		(2)	95	14	
2024 – Adjusted	<u>\$ 740</u>	<u>31.2%</u>	<u>\$ 64</u>	<u>\$ 290</u>	<u>\$ 66</u>	<u>22.8%</u>
2023 – As Reported	\$ 668	30.0%	\$ 46	\$ 208	\$ 48	23.1%
Add: Costs associated with cost savings and optimization initiatives	12		-	33	9	
Add: Pension actuarial losses	-		-	17	4	
Add: Commodity mark-to-market adjustments	9		-	9	2	
2023 – Adjusted	<u>\$ 689</u>	<u>30.9%</u>	<u>\$ 46</u>	<u>\$ 267</u>	<u>\$ 63</u>	<u>23.6%</u>
\$ Change – Adjusted	\$ 51		\$ 18	\$ 23	\$ 3	
% Change – Adjusted	7%	+30 bps	39%	9%	5%	(80) bps

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

	<u>Administrative Expenses</u>	<u>R&D Expenses</u>	<u>Total</u>
2024 – As Reported	\$ 208	\$ 27	\$ 235
Deduct: Costs associated with cost savings and optimization initiatives	(13)	(1)	(14)
Deduct: Costs associated with acquisition	(39)	(2)	(41)
2024 – Adjusted	\$ 156	\$ 24	\$ 180
% of Net Sales – Adjusted	6.6%	1.0%	7.6%
2023 – As Reported	\$ 167	\$ 24	\$ 191
Deduct: Costs associated with cost savings and optimization initiatives	(13)	(2)	(15)
2023 – Adjusted	\$ 154	\$ 22	\$ 176
% of Net Sales – Adjusted	6.9%	1.0%	7.9%
% of Net Sales Change - Adjusted	(30) bps	- bps	(30) bps
\$ Change – Adjusted	\$ 2	\$ 2	\$ 4
% Change - Adjusted	1%	9%	2%

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Third Quarter

	<u>Marketing & Selling Expenses</u>	<u>Other Expenses / (Income)</u>
2024 – As Reported	\$ 206	\$ 30
Deduct: Costs associated with cost savings and optimization initiatives	(6)	-
Deduct: Accelerated amortization	-	(6)
Deduct: Costs associated with acquisition	(2)	(16)
2024 – Adjusted	\$ 198	\$ 8
% of Net Sales – Adjusted	8.4%	0.3%
2023 – As Reported	\$ 194	\$ 23
Deduct: Pension actuarial losses	-	(17)
2023 – Adjusted	\$ 194	\$ 6
% of Net Sales – Adjusted	8.7%	0.3%
% of Net Sales Change – Adjusted	(30) bps	- bps
\$ Change – Adjusted	\$ 4	\$ 2
% Change - Adjusted	2%	n/m

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Third Quarter – Adjusted Diluted EPS Impact from Adjusted EBIT

	<u>EBIT</u>
2024 – Adjusted	\$ 354
2023 – Adjusted	313
\$ Change	\$ 41
Deduct: 2023 Adjusted tax rate impact on EBIT	(10)
Impact to Net Earnings	<u>\$ 31</u>
Third Quarter 2023 Diluted Shares	301
Adjusted Diluted EPS Impact	\$ 0.10

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Third Quarter – Adjusted Diluted EPS Impact from Adjusted Net Interest Expense

	<u>Net Interest Expense</u>
2024 – Adjusted	\$ 64
2023 – Adjusted	46
\$ Change	<u>\$ (18)</u>
Deduct: 2023 Adjusted tax rate impact on Net Interest Expense	<u>4</u>
Impact to Net Earnings	<u>\$ (14)</u>
Third Quarter 2023 Diluted Shares	301
Adjusted Diluted EPS Impact	\$ (0.05)

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Adjusted Diluted EPS Impact from Change in Adjusted Tax Rate

	<u>Third Quarter</u>
2024 – Adjusted EBT	\$ 290
Decrease (Increase) in Adjusted Tax Rate	0.8%
Adjusted EBT multiplied by the Change in Adjusted Tax Rate	<u>\$ 2</u>
Third Quarter 2023 Diluted Shares	301
Adjusted Diluted EPS Impact	\$ 0.01

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Net Debt

	<u>April 30, 2023</u>	<u>April 28, 2024</u>
Short-Term Borrowings	\$ 263	\$ 1,427
Long-Term Debt	4,496	5,752
Total Debt	\$ 4,759	\$ 7,179
Less: Cash and Cash Equivalents	(223)	(107)
Net Debt	\$ 4,536	\$ 7,072

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)	(a)	(b)	(c)	=(a)+(b)+(c)
	Three Months Ended July 30, 2023	Nine Months Ended April 28, 2024	Sovos May 2023 – March 11, 2024	Combined Trailing Twelve Months Ended (TTM) April 28, 2024
Net Earnings	\$ 169	\$ 570	\$ 27	\$ 766
Add: Taxes	56	193	14	263
Add: Interest, net	47	160	29	236
Earnings before interest and taxes	\$ 272	\$ 923	\$ 70	\$ 1,265
Add: Costs associated with cost savings and optimization initiatives	16	69	-	85
Deduct: Pension and postretirement actuarial gains	(41)	-	-	(41)
Add (Deduct): Commodity mark-to-market adjustments	(30)	(5)	-	(35)
Add: Charges associated with divestiture	13	-	-	13
Add: Accelerated amortization	7	20	-	27
Add: Costs associated with acquisition	5	112	20	137
Add: Cybersecurity incident costs	-	3	-	3
Add: Plum litigation expenses	-	3	-	3
Adjusted Earnings before interest and taxes	\$ 242	\$ 1,125	\$ 90	\$ 1,457
Depreciation and amortization	\$ 103	\$ 298	\$ 30	\$ 431
Deduct: Costs associated with cost savings and optimization initiatives	(7)	(18)	-	(25)
Deduct: Accelerated amortization	(7)	(20)	-	(27)
Adjusted Depreciation and amortization	\$ 89	\$ 260	\$ 30	\$ 379
Adjusted Earnings before interest, taxes, depreciation and amortization	\$ 331	\$ 1,385	\$ 120	\$ 1,836
Net Debt				\$ 7,072
Net Debt to TTM Adjusted EBITDA				3.9

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)	(a) Three Months Ended July 31, 2022	(b) Nine Months Ended April 30, 2023	= (a)+(b) Trailing Twelve Months Ended (TTM) April 30, 2023
Net Earnings, as reported	\$ 96	\$ 689	\$ 785
Add: Taxes	29	214	243
Add: Interest, net	45	137	182
Earnings before interest and taxes, as reported	\$ 170	\$ 1,040	\$ 1,210
Add: Costs associated with cost savings and optimization initiatives	16	50	66
Add: Pension and postretirement actuarial losses	32	26	58
Add: Commodity mark-to-market adjustments	51	9	60
Adjusted Earnings before interest and taxes	\$ 269	\$ 1,125	\$ 1,394
Depreciation and amortization, as reported	\$ 86	\$ 284	\$ 370
Deduct: Costs associated with cost savings and optimization initiatives	-	(17)	(17)
Adjusted Depreciation and amortization	\$ 86	\$ 267	\$ 353
Adjusted Earnings before interest, taxes, depreciation and amortization	\$ 355	\$ 1,392	\$ 1,747
Net Debt			\$ 4,536
Net Debt to Adjusted EBITDA			2.6

Reconciliation of GAAP and Non-GAAP Financial Measures

Fiscal 2023 Organic Sales Base for Fiscal 2024 Guidance

(\$ millions)

Full Year

<u>July 30, 2023</u>	<u>Net Sales, As Reported</u>	<u>Impact of Divestiture</u>	<u>Organic Net Sales Base for FY2024 Guidance</u>
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, except per share amounts)

Full Year

	<u>EBIT</u>	<u>Earnings</u>	<u>Diluted EPS</u>
2023 – As Reported	\$ 1,312	\$ 858	\$ 2.85
Add: Costs associated with cost savings and optimization initiatives	66	50	0.17
Deduct: Pension and postretirement actuarial gains	(15)	(11)	(0.04)
Deduct: Commodity mark-to-market adjustments	(21)	(16)	(0.05)
Add: Charges associated with divestiture	13	13	0.04
Add: Accelerated amortization	7	5	0.02
Add: Costs associated with acquisition	5	4	0.01
2023 – Adjusted	<u>\$ 1,367</u>	<u>\$ 903</u>	<u>\$ 3.00</u>