



CAMPBELL SOUP COMPANY | NYSE: CPB

## Acquisition of Sovos Brands

August 7, 2023

### Strategic, Powerful, Growth Accretive Combination

#### 1 Multi-dimensional Value Creation

#### 2 Attractive Sustainable Profitable Growth

#### 3 Accelerates Focused Strategic Plan

- Adds the best growth story in food while maintaining one geography, two division model in very focused portfolio categories
- Overdelivers our stated strategic goal of building a \$1 billion sauces business with new entry into the ultra-distinctive category
- Strengthens M&B with highly relevant and fast-growing premium segments in core categories
- Significant whitespace opportunity for *Rao's* and *Michael Angelo's* through increased distribution

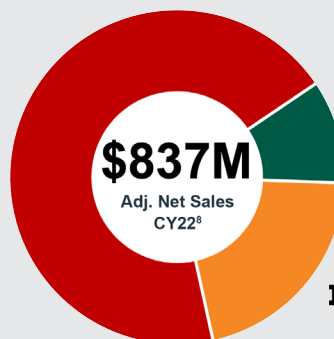
#### Sovos Brands (Nasdaq: SOVO) Financial Highlights

- Organic Net Sales CAGR CY 2019-22 +28%<sup>1</sup>
- Q2 FY23 Organic Net Sales +16% vs. PY<sup>2</sup>
- Q2 FY23 Volume +9% vs. PY<sup>3</sup>

#### Rao's Highlights

- Organic Net Sales growth FY22 34.9%<sup>4</sup>
- Comprises 69% of Total Sovos Brands CY22 Net Sales<sup>5</sup>
- <14% Household Penetration<sup>6</sup>
- #1 player in ultra distinctive pasta sauce category<sup>7</sup>
- Significant runway for continued growth

sovos brands



Michael Angelo's

nosa  
finest yoghurt



**Mark Clouse**  
President & CEO



We're thrilled to add the most compelling growth story in the food industry. The Sovos Brands portfolio strengthens and diversifies our Meals & Beverages division and paired with our faster-growing and differentiated Snacks division, makes us one of the most dependable, growth-oriented names in food.



<sup>1</sup> Excludes \$41 million of net sales from divested business and 53<sup>rd</sup> week. Refer to non-GAAP reconciliation <sup>2</sup> Refer to Non-GAAP reconciliation <sup>3</sup> Source: Sovos Brands Second Quarter Fiscal Year 2023 earnings release published on 08/07/23 <sup>4</sup> Represents Rao's net sales adjusted for the 53<sup>rd</sup> week as presented in Sovos Brands fiscal year 2022 earnings press release. Refer to non-GAAP reconciliation <sup>5</sup> Rao's reported net sales fiscal year 2022 divided by total Sovos Brands adjusted net sales fiscal year 2022 <sup>6</sup> Source: HHP Circana Total US - all outlets L52 weeks ending 7/23/23 <sup>7</sup> Circana MULO calendar year data 2019 - 2022; Ultra-Distinctive = Ultra Premium pasta sauce <sup>8</sup> Excludes \$41 million of net sales from divested business and includes 53<sup>rd</sup> week. Refer to non-GAAP reconciliation



## Non-GAAP Financial Measures

This presentation includes measures that are not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Campbell uses Sovos Brands organic net sales, which is a non-GAAP measure, in this presentation. For this non-GAAP financial measure, we have included below a reconciliation of the differences between the non-GAAP measure and the most comparable GAAP measure. This non-GAAP measure should be viewed in addition to, and not in lieu of, the comparable GAAP measure.

## Reconciliation of GAAP and Non-GAAP Financial Measures

### Reconciliation of Sovos Brands Reported Net Sales to Adjusted Net Sales and Organic Net Sales: 2019 & 2022\*

(\$ millions)

	Fiscal Year Ended	
	December 31, 2022	December 28, 2019
Reported Net Sales	\$878.4	\$388.0
Divestiture <sup>1</sup>	(41.2)	-
Adjusted Net Sales	\$837.2	\$388.0
53 <sup>rd</sup> Week <sup>2</sup>	(18.3)	-
Organic Net Sales <sup>3</sup>	\$818.9	\$388.0
3-Year Compounded Annual Organic Net Sales Growth Rate	28%	

<sup>1</sup> Reflects Net Sales for the *Birch Benders* brand generated in the 53 weeks ended December 31, 2022.

<sup>2</sup> Reflects Net Sales generated in the 53<sup>rd</sup> week by the *Rao's*, *Michael Angelo's* and *noosa* brands.

<sup>3</sup> Sovos Brands Organic Net Sales and Organic Net Sales growth are defined as Reported Net Sales or Reported Net Sales growth excluding, when they occur, the impact of a 53<sup>rd</sup> week of shipments, acquisitions and divestitures.

### Sovos Brands Reconciliation of Reported Net Sales to Organic Net Sales: Q2 2022 & Q2 2023\*

(\$ thousands)

	13 weeks ended	
	July 1, 2023	June 25, 2022
Reported Net Sales	\$217,635	\$197,433
Divestiture <sup>1</sup>	-	(10,347)
Organic Net Sales <sup>2</sup>	\$217,635	\$187,086
Organic Net Sales Growth <sup>2</sup>	16%	

<sup>1</sup> Reflects Net Sales for the *Birch Benders* brand generated in the 13 weeks ended June 25, 2022.

<sup>2</sup> Sovos Brands Organic Net Sales and Organic Net Sales growth are defined as Reported Net Sales or Reported Net Sales growth excluding, when they occur, the impact of a 53<sup>rd</sup> week of shipments, acquisitions and divestitures. For discussions of fiscal 2023 results, Organic Net Sales growth excludes the impact of the *Birch Benders* divestiture and the 53<sup>rd</sup> week in the prior year.

### Rao's Brand Reconciliation of Reported Net Sales to Organic Net Sales: 2021 & 2022

#### Rao's brand – Fiscal Year Ended December 31, 2022

(\$ thousands)

	Fiscal Year Ended	
	December 31, 2022	December 25, 2021
Reported Net Sales	\$580,088	\$419,966
53 <sup>rd</sup> Week <sup>1</sup>	(13,743)	-
Organic Net Sales	\$566,345	\$419,966
Organic Net Sales Growth	34.9%	

<sup>1</sup> Reflects Net Sales generated in the 53<sup>rd</sup> week of Fiscal Year 2022 by *Rao's*

\* Based on Sovos Brands' July 1, 2023 financial information.