

BUILDING MOMENTUM

Campbell to Acquire Sovos Brands

August 7, 2023

Campbell's



2023

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 Campbell Soup Company's ("Campbell" or "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 2022 Annual Report on 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 conditions to the completion of the Sovos Brands transaction, including obtaining Sovos Brands stockholder approval, may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected, on the anticipated schedule, or at all; long-term financing for the Sovos Brands transaction may not be obtained on the terms expected, on the anticipated schedule, or at all; long-term financing for the Sovos Brands transaction may not be obtained on favorable terms, or at all; closing of the Sovos Brands transaction may not occur or be delayed, either as a result of litigation related to the transaction or otherwise or result in significant costs of defense, indemnification and liability; the risk that the cost savings and any other synergies from the 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; completing the Sovos Brands transaction may distract our management from other important matters; the risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging and transportation; the company's ability to execute on and realize the expected benefits from its strategy, including growing sales in snacks and growing/maintaining its market share position in soup; the impact of strong competitive responses to the company's efforts to leverage its 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; the ability to realize projected cost savings and benefits from cost savings initiatives and the integration of recent acquisitions; disruptions in or inefficiencies to the company's or Sovos Brands' supply chain and/or operations, including reliance on key supplier relationships; the impacts of, and associated responses to, the COVID-19 pandemic on our business, suppliers, customers, consumers and employees; the risks related to the effectiveness of the company's hedging activities and the company's ability to respond to volatility in commodity prices; the company's ability to manage changes to its organizational structure and/or business processes, including selling, distribution, manufacturing and information management systems or processes; changes in consumer demand for the company's products and favorable perception of the company's brands; changing inventory management practices by certain of the company's or Sovos Brands' key customers; a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of the company's key customers maintain significance to the company's business; product quality and safety issues, including recalls and product liabilities; the possible disruption to the independent contractor distribution models used by certain of the company's businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification; the uncertainties of litigation and regulatory actions against the company or Sovos Brands; the costs, disruption and diversion of management's attention associated with activist investors; a disruption, failure or security breach of the company's or the company's vendors' information technology systems, including ransomware attacks; impairment to goodwill or other intangible assets; the company's and Sovos Brands' ability to protect its intellectual property rights; increased liabilities and costs related to the company's defined benefit pension plans; the company's and Sovos Brands' 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; unforeseen business disruptions or other impacts due to political instability, civil disobedience, terrorism, armed hostilities (including the ongoing conflict between Russia and Ukraine), extreme weather conditions, natural disasters, other pandemics or other calamities; and other factors described in the company's most recent Form 10-K and subsequent Securities and Exchange Commission filings.

The discussion of uncertainties is by no means exhaustive but is designed to highlight important factor that may impact our outlook. We disclaim any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this presentation.

Today's Presenters



Mark Clouse

President & Chief Executive Officer



Carrie Anderson

EVP & Chief Financial Officer



Todd Lachman

Founder, President
and Chief Executive Officer
Sovos Brands

Sovos Brands Joining the Campbell's Family

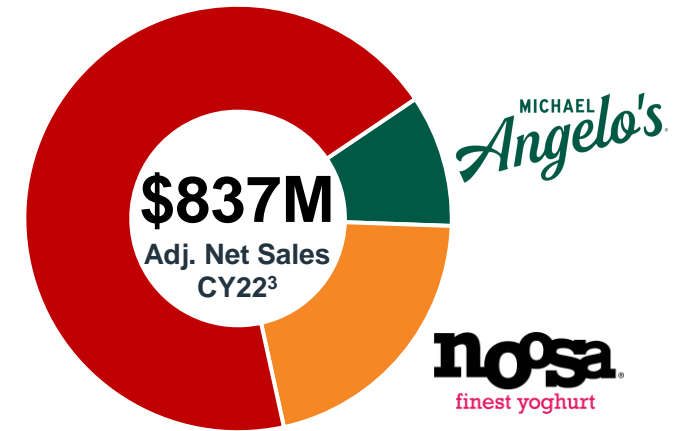
Strategic, Powerful, Growth Accretive Combination

- Strengthens and diversifies Meals & Beverages
- Adds fast-growing brands
- Substantial runway for adjacent categories
- Strong complement to our Snack's growth platform

Transaction

- Campbell to acquire Sovos Brands for \$23.00 per share in cash; Total enterprise value of \$2.7B
- 14.6x adjusted EBITDA multiple including ~\$50M in planned synergies¹
- Expected to be accretive in Year 2
- Projected leverage at closing ~4x²; capital allocation priorities remain unchanged

sovos brands™



+28%

Organic Net Sales
CY2019-22 CAGR⁴

+16%

Organic Net Sales
Q2 FY23 vs. PY⁵

+9%

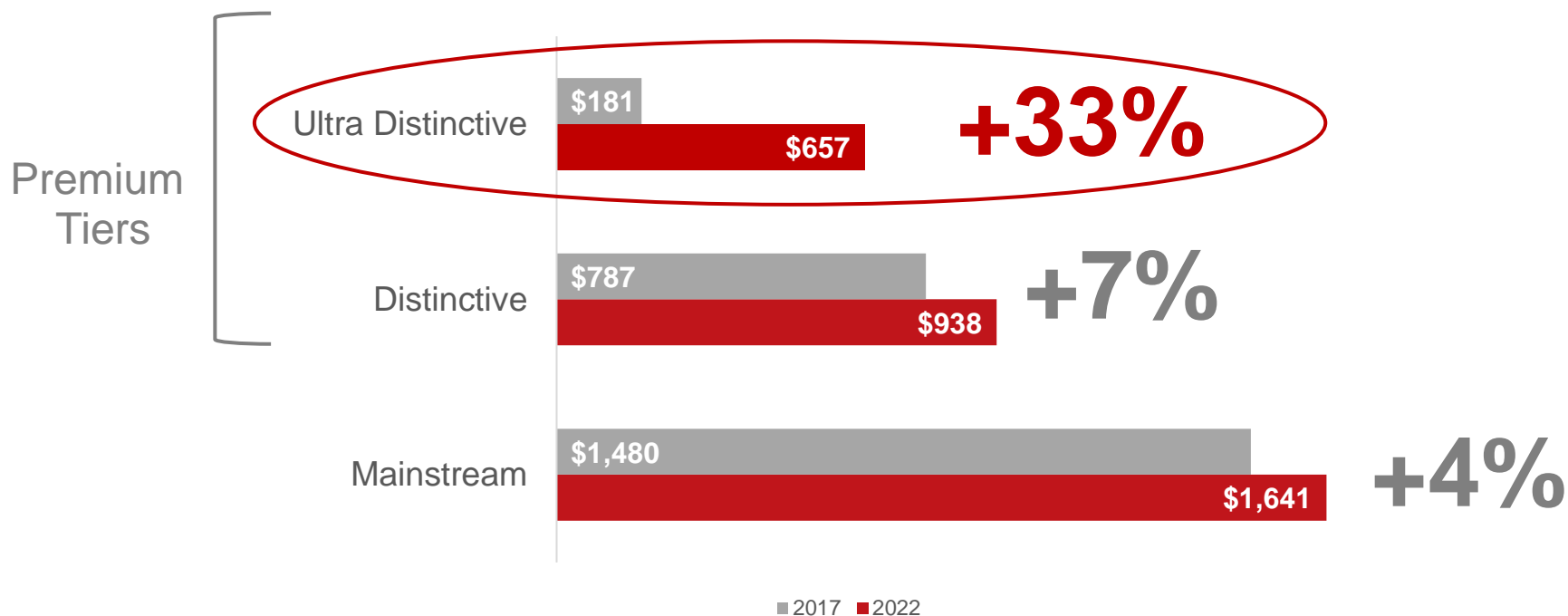
Volume
Q2 FY23 vs. PY⁶

¹ Total enterprise value divided by Sovos Brands adjusted EBITDA last twelve months ended July 1, 2023, including run rate synergies. Refer to non-GAAP reconciliation for LTM adjusted EBITDA.; ² Estimated projected net debt divided by projected adjusted EBITDA excluding run rate synergies; ³ Excludes \$41 million of net sales from divested business and includes 53rd week. Refer to non-GAAP reconciliation; ⁴ Excludes \$41 million of net sales from divested business and 53rd week. Refer to non-GAAP reconciliation; ⁵ Refer to Non-GAAP reconciliation; ⁶ Source: Sovos Brands Second Quarter Fiscal Year 2023 earnings release published on 08/07/23

Adds Fast Growing *Rao's* Brand to Our Portfolio

Rao's is the leader in Ultra Distinctive Italian Sauce

Italian Sauce Category
Retail Sales and 2017-2022 CAGR¹
(\$ millions)



+39%

Retail Net Sales
CY2019-22 CAGR²

#1

Share in
Ultra Distinctive²

>10pt

Share Gain vs. 2019²

¹ Circana (MULO + C) calendar year data 2017 – 2022; ² Circana MULO calendar year data 2019 – 2022; Ultra-Distinctive = Ultra Premium pasta sauce; Note: "Pasta Sauce" is defined in Circana as "Spaghetti / Italian Sauce"; Sub-categories are based on price per ounce

Significant Runway for Growth in *Rao's* Italian Sauces

Significant additional
HHP opportunity

<14% HHP

vs ~20% HHP for
Premium peers¹

Strongest growth with
younger consumers²

+41%

Gen Z and Millennial
Retail Sales

With strong growth
>15% across all
consumer cohorts

Leading velocity for
pasta sauce category

>60%

Brand velocity
vs premium peer³
(\$/TPD)

White space
distribution opportunity

~20pt

Difference in top 5
Rao's SKUs ACV vs
next 5 *Rao's* SKUs⁴

~10

Avg items per store
gap vs key category
players⁵

¹ *Rao's*, Classico and Bertolli pasta sauce data shown, Source: HHP Circana Total US - all outlets L52 weeks ending 7/23/23; ² Circana Total US - All Outlets L52 Panel Data as of 7/23/23 and as compared to the comparable year-ago period, where applicable; ³ Classico reference point shown based on Circana MULO L52 as of 7/23/2023; ⁴ Based on *Rao's* (MULO) SKU ranking by highest \$ sales during L52 weeks ending 7/2/23; ⁵ Circana Mulo + C L52 weeks ending 7/23/23 Avg wkly items per store selling. Key category players include Prego and Ragu

Substantial Opportunity for Expansion to Adjacent Categories

Low penetration¹ across additional substantial categories with strong growth opportunities given recent momentum



Product	Category Size ¹	Rao's \$Consumption ² Growth vs. PY
Frozen ³ meals	Meals \$12.6B Pizza \$6.2B	+51%
Dry Pasta	\$2.6B	+52%
Ready to Serve Soup	\$2.0B	+26%

¹ Reflects L52 Circana (MULO) \$ consumption (category dollars) as of 5/21/23, Rao's share of each frozen meals, frozen pizza, dry pasta, and RTS soup <2% of respective categories; ² Source: Circana MULO L52 weeks ending 7/23/23; ³ Frozen includes frozen single and multi-serve entrees and frozen pizza

Michael Angelo's Adds Authentic Italian Frozen Meals and Additional Supply Chain Scale



MICHAEL
Angelo's

- Established frozen business with the #1 most preferred Italian frozen entree brand among families¹
- +3% \$ Consumption CY 2019 - 22 CAGR²
- High quality Italian aligned with at home eating trends focused on convenience
- Potential for further cost synergy opportunities as the business scales within our Supply Chain

¹ Third-party A&U Study from January 2021 ; ² Circana MULO CY2022 and comparable CY2019 \$ consumption as of reporting w/e 7/23/23

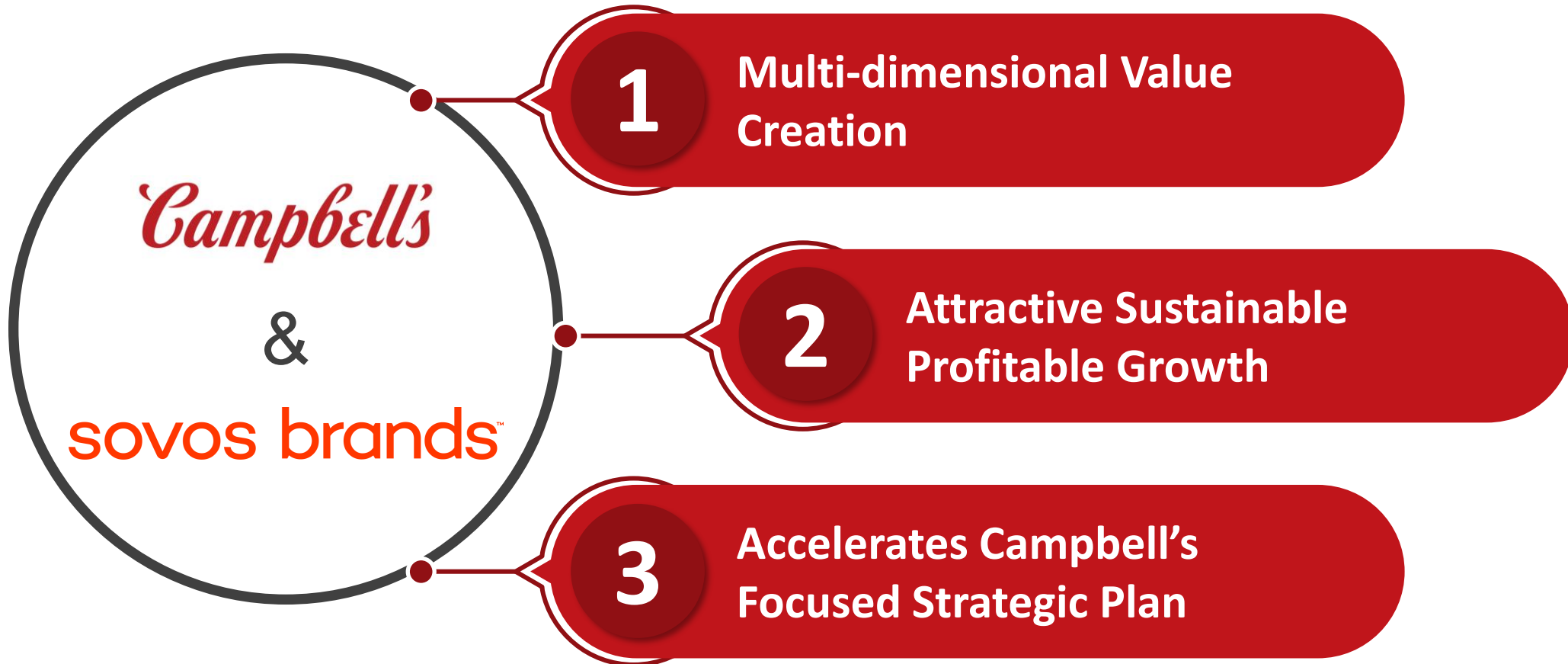
Great Tasting Products and a Track Record of Strong Performance Provides Optionality



- 5% \$ Consumption CY 2019 - 22 CAGR¹ with strong, sustainable profitability
- Strong leadership in place to operate as an attractive, easily separable business while Campbell's evaluates strategic options
- High-quality ingredients sourced from local Colorado farms
- One of the highest Net Promoter Scores in the yogurt category²
- <10% HHP demonstrates significant whitespace³
- Expanding into new categories through innovation

¹ Circana MULO CY2022 and comparable CY2019 \$ consumption as of reporting w/e 7/23/23; ² Source: Third party A&U Study from November 2022; ³ Circana Panel data, MULO L52W as of 7/2/2023

Compelling Strategic Rationale for Acquisition



1 Multi-dimensional Value Creation

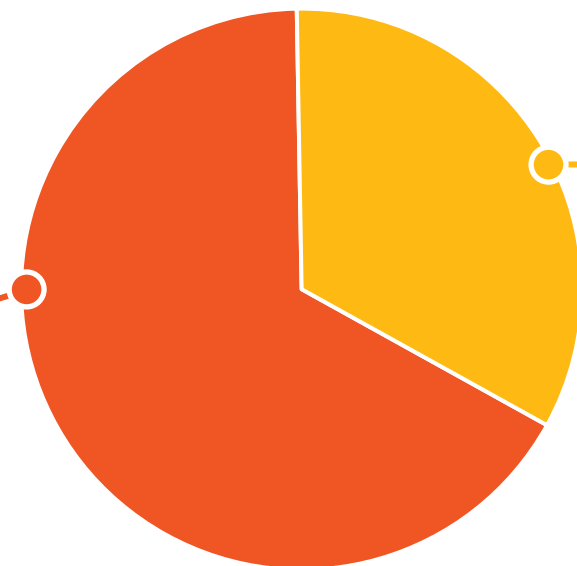
- **Unlocks** significant value through **strong and sustainable growth opportunities**
- **Expect fast, effective and efficient integration and synergy unlock** given familiarity with categories and Campbell's strong capabilities, processes and proven integration playbook
- Provides **substantial earnings growth contribution to the division** while unlocking additional value through **meaningful cost synergies**
- **Drives operating synergies** while **improving scale efficiency of our core operations** by leveraging Campbell's supply chain excellence and scale

1 Multi-dimensional Value Creation

Expected ~\$50 million Annualized Savings

2/3rd

from targeted selling,
general & administrative
expenses through
harmonizing the combined
corporate organizations



1/3rd

from greater scale in
sourcing and procurement
and efficiency gains and
cost savings in our supply
chain network

2 Attractive Sustainable, Profitable Growth

- **Significant whitespace opportunity** for *Rao's* and *Michael Angelo's* to reach best-in-class distribution, growing items per store and increasing household penetration
- **Campbell's expertise in retail execution will enhance shelf productivity, geographic footprint, and sub-category penetration**
- **Enhances and strengthens Campbell's capabilities with Sovos' expertise** in innovation, category expansion and the marketing of premium, high-growth brands

3 Accelerates Campbell's focused Strategic Plan










- **Further advances the company's focused roadmap**
- **Adds 1 full point of net sales growth** to Meals & Beverages; Solidifies its role as steady contributor and complements the existing stable, core business
- **Delivers \$1 billion sauces strategic objective** by entering ultra-distinctive sauces market
- **Extends Campbell's presence** into the fast growing, on-trend, premium frozen meals segment, while **adding meaningful scale** to existing Pepperidge Farm's frozen portfolio

3

Strengthens M&B with highly relevant and fast-growing Premium segments in core categories

Mainstream

Premium

	Mainstream		Premium	
Soup	  	<p>Leading Mainstream Soup, +3.1% 4-yr CAGR</p>	<p>Organic Leadership</p> 	<p>Fast Growing Jarred Super-Premium</p> 
Sauces		<p>Leading Mainstream Pasta Sauce, +7.4% 4-yr CAGR</p>		<p>Leading Ultra-Distinctive Italian Sauce, +37% 4-yr CAGR</p>
Salsa / Picante		<p>Strong Mainstream Salsa / Picante, +4.5% 4-yr CAGR</p>		<p>New FY24 Launch</p>

High Confidence in Integration Capabilities and Proven Playbook



- +10% \$ Consumption 4-yr CAGR¹
- Developed brand into a premium growth engine, driving incremental consumers to our portfolio
- Balanced integration; preserved consumer and customer dedicated resources
- Increased household penetration with younger consumers
- Successful launch of Ready-to-Serve canned soup



- +9% \$ Consumption 4-yr CAGR¹
- Successfully integrated and combined SAP system across the company
- Utilized existing sales, cross-selling capabilities to grow Snacks franchise including several premium brands
- Deliver on focused portfolio by executing strategic alternatives for non-core brands (e.g., *Emerald*)

¹ Total Circana US MULO \$ Consumption Q3FY23: 13 weeks ending 04/30/23, Q3FY19: 13 weeks ending 04/28/19

sovos brands™



Todd Lachman

Founder, President
and Chief Executive Officer



Transaction Financial Summary

Transaction Metrics	<ul style="list-style-type: none"> • All cash purchase price of \$23.00 per share • Total enterprise value of \$2.7B <ul style="list-style-type: none"> • Represents adjusted EBITDA multiple of 14.6x including run-rate synergies¹ • Represents adjusted EBITDA multiple of 19.8x excluding run-rate synergies¹
Cost Synergies and One-Time Costs	<ul style="list-style-type: none"> • Expected annualized cost synergies reaching ~\$50M over the next two years • Approximately \$90M in one-time integration costs and costs to achieve synergies over two years² • Accretive to adjusted diluted EPS by Year 2, excluding one-time expenses
Capital Structure	<ul style="list-style-type: none"> • Financing expected through issuance of new debt • Projected leverage ~4x³ at close, reducing to target leverage of ~3x by end of Year 3 • Near-term capital allocation focus on investment in the business, maintaining a competitive dividend, reducing debt to targeted leverage ratio, and continuing anti-dilutive share repurchases • Expect to maintain investment grade
Timing	<ul style="list-style-type: none"> • Expected close by end of December 2023 • Subject to Sovos Brands stockholder approval and customary closing conditions, including regulatory approvals
Approvals	<ul style="list-style-type: none"> • Transaction has been approved by both Boards of Directors and has the support of key Sovos Brands stockholder, Advent International Corp. and Sovos Brands director stockholders

¹ Total enterprise value divided by Sovos Brands adjusted EBITDA last twelve months ended July 1, 2023, including and excluding run rate synergies. Refer to non-GAAP reconciliation for LTM adjusted EBITDA; ² Mix of operating expense and capital; ³ Estimated projected net debt divided by projected adjusted EBITDA excluding run rate synergies

Campbell & Sovos Brands Combine to Create Long-term Value

1

Multi-dimensional Value Creation

- Strong sustainable growth opportunities
 - Faster integration & synergy unlock given familiar categories and proven playbook
-

2

Attractive, Sustainable Profitable Growth

- Significant whitespace opportunity for existing Sovos Brands
 - Ample runway for adjacent segment expansion
-

3

Accelerates Campbell's Strategic Plan

- Further advances the company's focused 1 geography, 2 division roadmap
- Solidifies role Meals & Beverages as a sustainable, dependable contributor to enterprise
- Delivers \$1B sauces strategic objective by entering ultra-distinctive sauces market
- Extends presence into fast growing, on-trend, premium frozen meals segment, while adding meaningful scale to existing Pepperidge Farms frozen portfolio

Questions & Answers



Mark Clouse

President & Chief Executive Officer



Carrie Anderson

EVP & Chief Financial Officer



Mick Beekhuizen

EVP & President,
Meals & Beverages Division

BUILDING MOMENTUM

Appendix

Campbell's



2023
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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 Adjusted EBITDA and organic net sales, which are non-GAAP measures, in this presentation. For each of these non-GAAP financial measures, we have included below a reconciliation of the differences between the non-GAAP measure and the most comparable GAAP measure. These non-GAAP measures should be viewed in addition to, and not in lieu of, the comparable GAAP measure.

Campbell discusses projected leverage in this presentation only in relation to management’s expectations of the future effect of the Sovos Brands transaction and has not provided a reconciliation of these forward-looking projected leverage expectations to the mostly directly comparable GAAP measure due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for actuarial gains or losses on pension and postretirement plans because these impacts are dependent on future changes in market conditions, transaction and integration costs and other charges reflected in Campbell’s reconciliations of historical numbers, the amounts of which, based on historical experience, could be significant.

Reconciliation of GAAP and Non-GAAP Financial Measures*

Sovos Brands – Trailing Twelve Months Ended July 1, 2023

(\$ thousands)	Trailing Twelve Months Ended July 1, 2023
Net loss	\$ (13,988)
Interest expense	33,495
Income tax expense	1,381
Depreciation and amortization	36,521
EBITDA	\$ 57,409
Non-cash equity-based compensation ⁽¹⁾	21,731
Non-recurring costs ⁽²⁾	3,684
Gain on foreign currency contracts ⁽³⁾	(266)
Supply chain optimization ⁽⁴⁾	1,238
Transaction and integration costs ⁽⁵⁾	53,840
Adjusted EBITDA	\$ 137,636

(1) Consists of non-cash equity-based compensation expense associated with the grant of equity-based compensation provided to non-employee officers, directors and employees.

(2) Consists of costs for professional fees related to organizational optimization and capital markets activities

(3) Consists of unrealized gain on foreign currency contracts.

(4) Consist of write-downs associated with packaging optimization and a strategic initiative to move co-packaging production from an international supplier to a domestic supplier.

(5) Consists of costs associated with the divestiture of the *Birch Benders* brand and certain related assets and costs associated with potential transactions, including the pending Merger.

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

Reconciliation of GAAP and Non-GAAP Financial Measures*

Sovos Brands - Reconciliation of 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 ⁽¹⁾	(41.2)	-
Adjusted Net Sales	\$ 837.2	\$ 388.0
53 rd Week ⁽²⁾	(18.3)	-
Organic Net Sales ⁽³⁾	\$ 818.9	\$ 388.0
3-Year Compounded Annual Organic Net Sales Growth Rate ⁽³⁾	28%	

(1) Reflects Net Sales for the *Birch Benders* brand generated in the 53 weeks ended December 31, 2022.

(2) Reflects Net Sales generated in the 53rd week by the *Rao's*, *Michael Angelo's* and *noosa* brands.

(3) 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 53rd week of shipments, acquisitions and divestitures.

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

Reconciliation of GAAP and Non-GAAP Financial Measures*

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 ⁽¹⁾	—	(10,347)
Organic Net Sales ⁽²⁾	\$ 217,635	\$ 187,086
Organic Net Sales Growth ⁽²⁾	16%	

(1) Reflects Net Sales for the Birch Benders brand generated in the 13 weeks ended June 25, 2022.

(2) 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 53rd 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 53rd week in the prior year.

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