



# Q1 FISCAL 2022 EARNINGS

OCTOBER 7, 2021

- We continue to face, and successfully navigate, a dynamic external environment
- Q1 benefitted from ongoing, robust brand building investments and inflation-justified pricing actions
- Expect FY22 inflation to be higher than originally forecasted; however, we believe that continued strong consumer demand, along with incremental inflation-justified pricing and additional cost savings actions, will enable us to offset the impact of that inflation
- Updating our path to achieving our earnings guidance

## DELIVERED SOLID Q1 RESULTS IN DYNAMIC ENVIRONMENT

**+7.0%**

Organic Net Sales<sup>1</sup>  
2-Year CAGR<sup>2</sup>

**+7.8%**

Adj. EPS  
2-Year CAGR<sup>2</sup>



Weighted  
Dollar Share  
**+0.8 pts**  
vs. 2YA



E-Commerce  
Investments Have  
Driven Continued  
Outperformance vs.  
Industry

### UPDATED FY22 GUIDANCE<sup>3,4</sup>

### INNOVATION STRATEGY CONTINUED TO PAY DIVIDENDS

Increasing  
Organic Net Sales Growth  
(vs. FY21)<sup>1</sup> to

**~+1%**

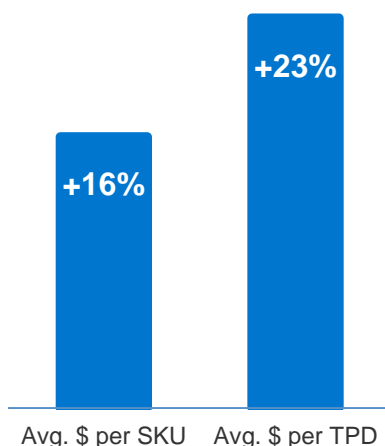
Reaffirming  
Adj. Operating Margin<sup>5</sup> of

**~16%**

Reaffirming  
Adj. EPS of

**~\$2.50**

### Innovation Performance (Q1 FY22 vs. YA)



### Q1 FY22 New Product Highlights

#1 New SKU  
in C-Store  
(Seeds/Snack  
Nuts/Trail Mixes)



Top 5 Selling  
New SKUs  
(Baking Mixes)



10 of Top 11  
Selling New SKUs  
(Frozen Vegetables)



Top 7 Selling  
New SKUs  
(Frozen Single-Serve Meals)



## EXPECT AT-HOME EATING TO REMAIN ELEVATED GOING FORWARD

### Existing Tailwind Pre-Pandemic



Family Formation  
Tailwinds Maximize  
Retail Spend



Shifting Workforce  
Dynamics Drive  
Lasting Impact to  
Meals and Snacks



Cooking Adoption  
Leads to New Habit  
Formation

1. Organic net sales excludes the impact of foreign exchange and divested businesses.

2. CAGR calculated as  $\left( \frac{1 + \text{current year period's growth rate}}{1 + \text{prior year period's growth rate}} \right)^{\frac{1}{\text{number of years}}} - 1$ .

3. The inability to predict the amount and timing of the impacts of future items makes a detailed reconciliation of these forward-looking financial measures impracticable.

4. "Adjusted" financial measures, free cash flow, and organic net sales are non-GAAP financial measures.

5. Adjusted operating margin excludes equity method investment earnings and pension and postretirement non-service expense (income).



## Note on Forward-looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Readers of this document should understand that these statements are not guarantees of performance or results. Many factors could affect our actual financial results and cause them to vary materially from the expectations contained in the forward-looking statements, including those set forth in this document. These risks, uncertainties, and factors include, among other things: the risk that the cost savings and any other synergies from the acquisition of Pinnacle Foods Inc. (the Pinnacle acquisition) may not be fully realized or may take longer to realize than expected; the risk that the Pinnacle acquisition may not be accretive within the expected timeframe or to the extent anticipated; the risks that the Pinnacle acquisition and related integration will create disruption to the Company and its management and impede the achievement of business plans; risks related to our ability to achieve the intended benefits of other recent acquisitions and divestitures; risks associated with general economic and industry conditions; risks associated with our ability to successfully execute our long-term value creation strategies; risks related to our ability to deleverage on currently anticipated timelines, and to continue to access capital on acceptable terms or at all; risks related to our ability to execute operating and restructuring plans and achieve targeted operating efficiencies from cost-saving initiatives, and to benefit from trade optimization programs; risks related to the effectiveness of our hedging activities and ability to respond to volatility in commodities; risks related to the Company's competitive environment and related market conditions; risks related to our ability to respond to changing consumer preferences and the success of our innovation and marketing investments; risks related to the ultimate impact of any product recalls and litigation, including litigation related to the lead paint and pigment matters, as well as any securities litigation, including securities class action lawsuits; risk associated with actions of governments and regulatory bodies that affect our businesses, including the ultimate impact of new or revised regulations or interpretations; risks related to the impact of the COVID-19 pandemic on our business, suppliers, consumers, customers and employees; risks related to our forecasts of consumer eat-at-home habits as the impacts of the COVID-19 pandemic abate; risks related to the availability and prices of supply chain resources, including raw materials, packaging, and transportation including any negative effects caused by changes in inflation rates, weather conditions, or health pandemics; disruptions or inefficiencies in our supply chain and/or operations, including from the COVID-19 pandemic; risks associated with actions by our customers, including changes in distribution and purchasing terms; risks and uncertainties associated with intangible assets, including any future goodwill or intangible assets impairment charges; risks related to a material failure in or breach of our or our vendors' information technology systems; the amount and timing of future dividends, which remain subject to Board approval and depend on market and other conditions; and other risks described in our reports filed from time to time with the Securities and Exchange Commission. We caution readers not to place undue reliance on any forward-looking statements included in this document, which speak only as of the date of this document. We undertake no responsibility to update these statements, except as required by law.

## Organic Net Sales

	Grocery & Snacks		Refrigerated & Frozen		International		Foodservice		Total Conagra Brands
<b>Q1 FY22</b>									
Net Sales	\$	1,075.1	\$	1,101.8	\$	236.6	\$	239.8	\$ 2,653.3
Impact of foreign exchange		—		—		(14.1)		—	(14.1)
Organic Net Sales	\$	1,075.1	\$	1,101.8	\$	222.5	\$	239.8	\$ 2,639.2
<b>Q1 FY21</b>									
Net Sales	\$	1,131.0	\$	1,130.6	\$	219.0	\$	198.3	\$ 2,678.9
Net sales from divested businesses		(18.7)		(9.2)		(0.9)		(1.3)	(30.1)
Organic Net Sales	\$	1,112.3	\$	1,121.4	\$	218.1	\$	197.0	\$ 2,648.8
<b>Q1 FY20</b>									
Net Sales	\$	973.4	\$	959.1	\$	204.4	\$	253.8	\$ 2,390.7
Net sales from divested businesses		(37.8)		(9.1)		—		(4.7)	(51.6)
Organic Net Sales	\$	935.6	\$	950.0	\$	204.4	\$	249.1	\$ 2,339.1
2-year compound growth <sup>1</sup>		5.1%		7.2%		7.6%		(2.8)%	5.3%
<b>Organic 2-year compound growth<sup>1</sup></b>		<b>8.1%</b>		<b>8.2%</b>		<b>7.4%</b>		<b>(1.6)%</b>	<b>7.0%</b>

## Adjusted EPS Reconciliation

	Q1 FY22	Q1 FY21	Q1 FY20	2-Year Compound Growth <sup>1</sup>
<b>Reported</b>	<b>\$0.49</b>	<b>\$0.67</b>	<b>\$0.36</b>	<b>16.6%</b>
Restructuring plans	0.02	0.04	0.08	
Corporate hedging derivative losses (gains)	(0.01)	—	0.01	
Gain on Ardent JV asset sale	—	—	(0.01)	
Impairment of a business held for sale	—	—	0.06	
Brand impairment charges	—	—	0.03	
Unusual tax items	(0.01)	(0.02)	(0.10)	
Rounding	0.01	0.01	—	
<b>Adjusted</b>	<b>\$0.50</b>	<b>\$0.70</b>	<b>\$0.43</b>	<b>7.8%</b>

1. CAGR calculated as  $\left(\frac{1 + \text{current year period's growth rate}}{1 + \text{prior year period's growth rate}}\right)^{0.5} - 1$ .