



# William Blair 44<sup>th</sup> Annual Growth Stock Conference

June 5, 2024



# Forward Looking Statement

From time to time, we and our representatives may provide information, whether orally or in writing, which are deemed to be "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Litigation Reform Act"). These forward-looking statements and other information are based on our beliefs as well as assumptions made by us using information currently available.

The words "believe," "estimate," "project," "expect," "anticipate," "plan," "intend," "foresee," "should," "would," "could," and similar expressions, as they relate to us, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, or intended. We do not intend to update these forward-looking statements following the date of this presentation.

In accordance with the provisions of the Litigation Reform Act, we are making investors aware that such forward-looking statements, because they relate to future events, are by their very nature subject to many important factors that could cause actual results to differ materially from those contemplated by the forward-looking statements contained in this presentation and other public statements we make. Such factors include, but are not limited to: risks related to quality issues, disruptions, or inefficiencies in our supply chain and/or operations; loss of key suppliers; raw material and commodity costs due to inflation; labor strikes or work stoppages; multiemployer pension plans; labor shortages and increased competition for labor; success of our growth, reinvestment, and restructuring programs; our level of indebtedness and related obligations; disruptions in the financial markets; interest rates; changes in foreign currency exchange rates; customer concentration and consolidation; competition; our ability to execute on our business strategy; our ability to continue to make acquisitions and execute on divestitures or effectively manage the growth from acquisitions; impairment of goodwill or long lived assets; changes and developments affecting our industry, including customer preferences and the prevalence of weight loss drugs; the outcome of litigation and regulatory proceedings to which we may be a party; product recalls; changes in laws and regulations applicable to us; shareholder activism; disruptions in or failures of our information technology systems; geopolitical events; changes in weather conditions, climate changes, and natural disasters; and other risks that are set forth in the Risk Factors section, the Legal Proceedings section, the Management's Discussion and Analysis of Financial Condition and Results of Operations section, and other sections of our Annual Report on Form 10-K for the year ended December 31, 2023, and from time to time in our filings with the Securities and Exchange Commission ("SEC").



# Scott Tassani

EVP, Business President and Chief Commercial Officer



# Key Takeaways

- 1 Private Brands Snacking and Beverages is a fast-growing subsegment of the Food & Beverage Category
- 2 TreeHouse Foods has advantaged capabilities and depth to drive outsized growth within Private Brands Snacking & Beverages
- 3 Solid start to FY2024 and progress against sales pipeline and supply chain initiatives position Company well for balance of year and beyond
- 4 FY24 outlook of 0% - 2% Net Sales growth and Adjusted EBITDA of \$360 to \$390 million reflects opportunity to drive profitable volume growth in second half

# Snacking & Beverages Growing Faster Than Total Food & Beverage; Private Brands Outperforming Both



IRI Syndicated Point of Sales Data, Total US - Multi Outlet + Conv, 52 weeks ending 3/31/2024 and year ago data for snacking and beverage categories.

# Private Brands Growth is a Long-Term Fact in North America

## 2006-2023 Private Brands Dollar Share of Consumer-Packaged Goods



Source: IRI Market Reports Recession-Proof Your Business (Part 1 & Part 4); Private Label & National Brands: Paving the Path to Growth Together; Private Label: The Journey to Growth Along Roads Less Traveled; CPG Growth Leaders (2019-2021). MULO+C Outlet. Historical data was restated to include Aldi. Internal Analysis. Chart not drawn to scale.

# Grocery Retailers Continue to Invest in Private Brands

Private Brands is an Important Element within Grocery Retailers' Strategies



Launched largest food & beverage private brand in 20 years



~\$59B  
brand launched  
in 1995



+800  
stores to be added by  
end of 2028



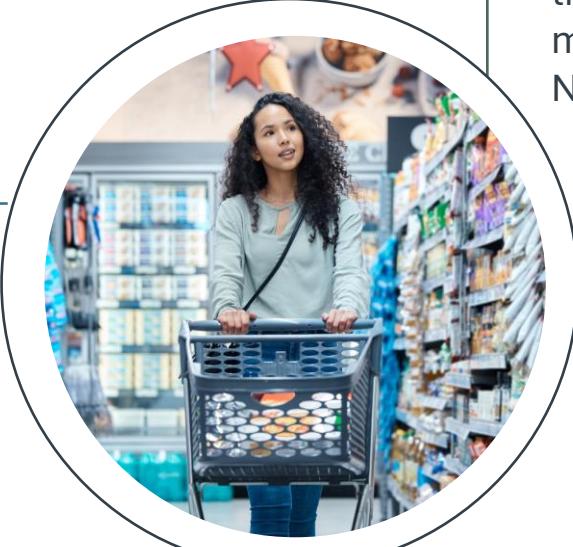
~\$3B+  
America's #1 organic and  
free-from brand

Sources: Walmart: Walmart Press Release dated April 30, 2024. Aldi: Aldi press release dated March 7, 2024; Kirkland: Ryan, T. (2022, February 15). Why has Kirkland Signature been so successful? RetailWire.; Simple Truth: Kroger Press Release dated 1/10/2023.



# Consumers View Private Brands Positively; Market Share Growing Among Gen Z & Millennial Shoppers

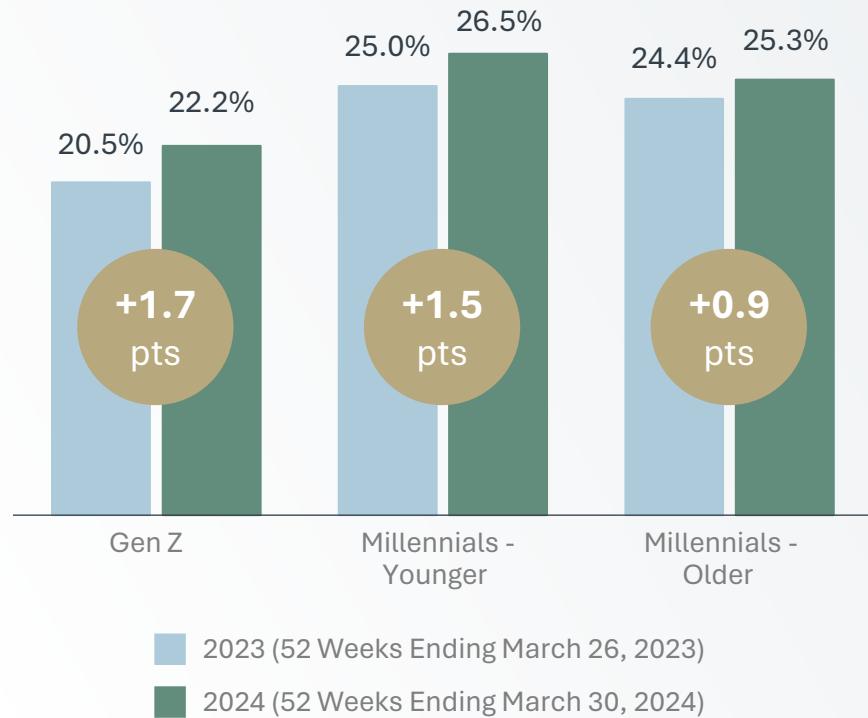
**94%** of consumers view Private Brands as just as good or better than National Brands in offering products that fit their lifestyles



**92%** of consumers trust Private Brands as much or more than National Brands

**85%** of consumers view Private Brands quality as equal or better than National Brands

## Private Brands Unit Market Share



Source: WISE Webinar dated April 4, 2024; Circana Panel, Multi-Outlet.



# TreeHouse FOODS

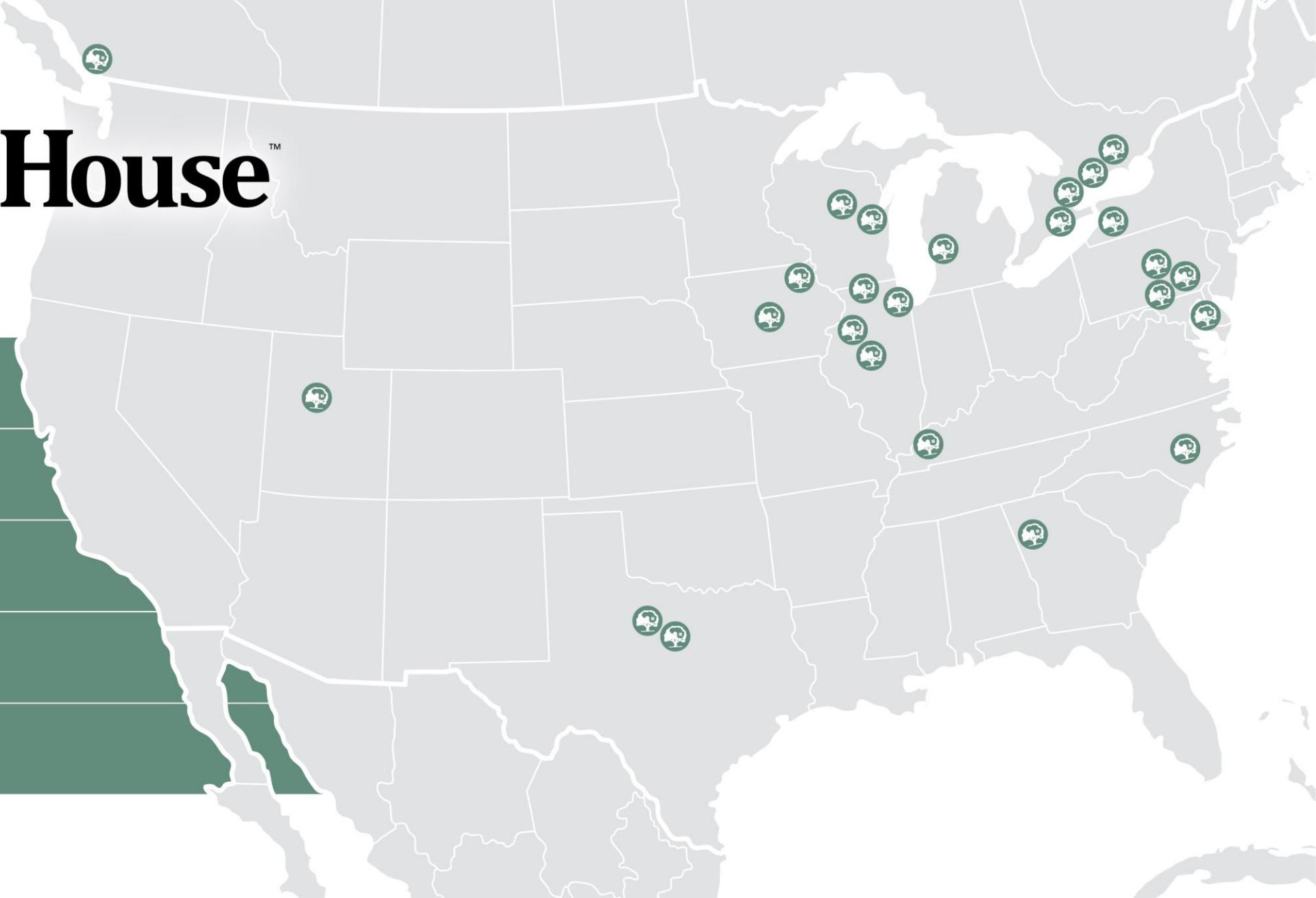
**\$3.43b** 2023  
REVENUE

**25** MANUFACTURING SITES  
ACROSS NORTH AMERICA

**16** SNACKING & BEVERAGE  
CATEGORIES

**7,400+** TEAM  
MEMBERS

**200+** CUSTOMERS

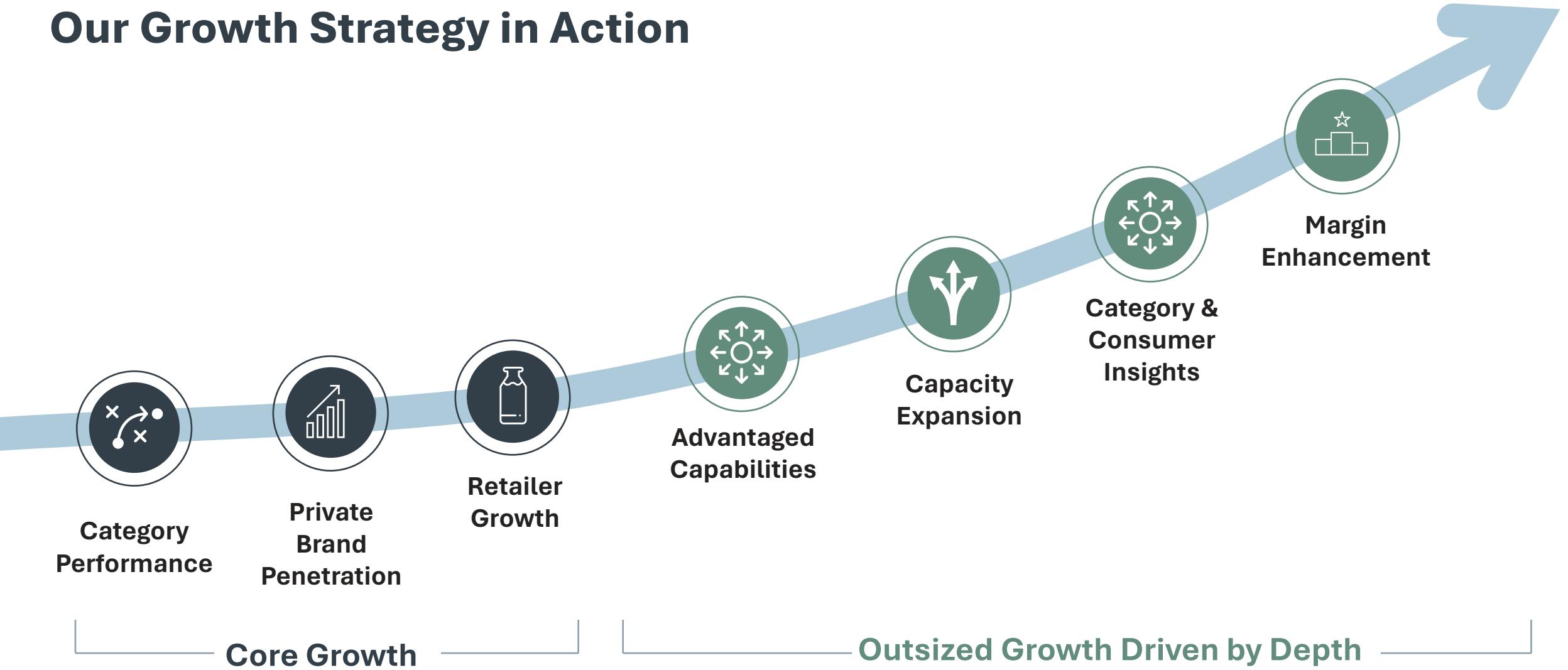


# Positioned in Growing Categories; Significant Private Brands Opportunity

GROWTH PLATFORMS					
	<b>Coffee &amp; RTD, Tea</b>		<b>Baked Snacking</b>		<b>Frozen &amp; Refrigerated</b>
	<b>Dry Blends</b>		<b>Aseptic Broth &amp; Beverages</b>		<b>Pickles</b>
<b>SIZEABLE MARKET</b> (Category TAM)	\$37B+	\$28B+	\$13B+	\$9B+	\$6B+
<b>PRIVATE BRANDS RETAIL GROWTH</b> (L52W Q1 2021- 2024 CAGR (\$))	+3%	+13%	+12%	+10%	+3%
<b>PRIVATE BRANDS RETAIL PENETRATION</b> (L52W 2024 Dollar Share)	11%	15%	37%	19%	24%
					22%

Source: Internal TreeHouse Analysis. Total addressable market (TAM) data includes estimates for the retail channel from Circana Panel data and estimates for the food-away-from-home channel from Westport Consulting Group, Inc. Retail growth 2021 – 2024 CAGRs represent latest 52 weeks ended March 28, 2021 through latest 52 weeks ended March 31, 2024 using Circana Syndicated Point of Sales data. Private Brands retail penetration represents Circana Syndicated Point of Sales data for latest 52 weeks ended March 31, 2024.

# Our Growth Strategy in Action



# Building Depth: Advantaged Capabilities

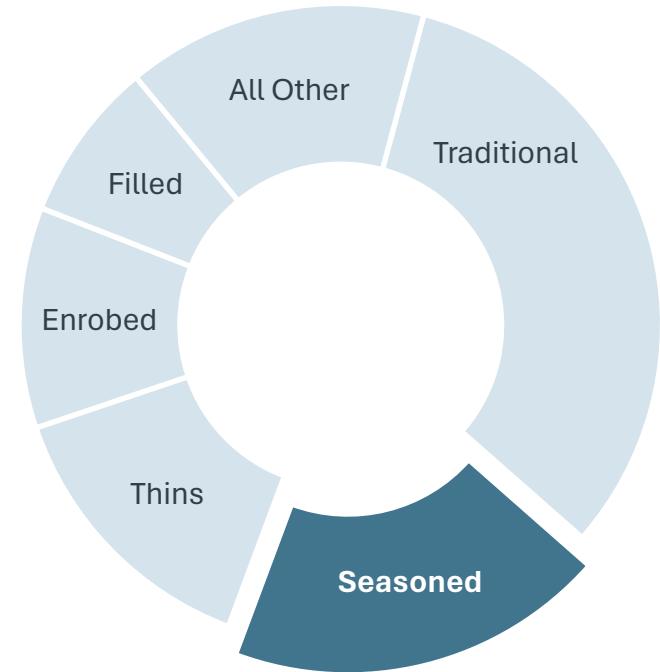
## Pretzels

Pretzel category has  
**\$3B+ TAM**

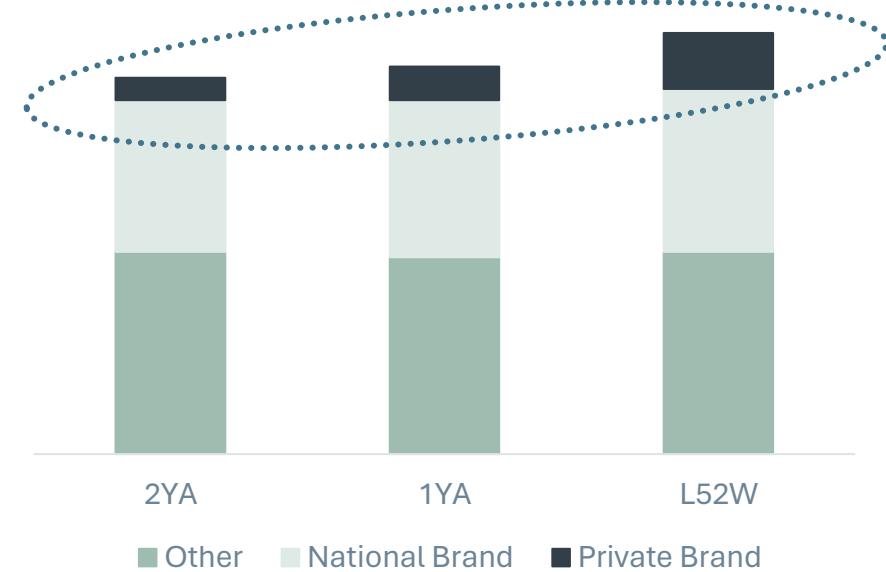
Seasoned pretzels growth is  
**more than 3x faster** than  
traditional pretzels

Strong private brands  
growth in retail (+18%)  
driven by **seasoned**  
**pretzels** sub-category

### **~\$400M Seasoned Pretzels Sub-Category at Retail**



### **Private Brand Share of <15% Represents Clear Opportunity**



Sources: Internal TreeHouse Analysis. Total addressable market (TAM) data includes estimates for the retail channel from Circana Syndicated Point of Sales and Panel data and estimates for the food-away-from-home channel from Westport Consulting Group, Inc. Categories for the U.S. Foodservice Industry. Retail category growth data represents estimated 3-year dollar sales CAGR for latest 52 week period ended Q1 2021 – Q1 2024 using Circana Syndicated Point of Sales data. Left Chart: Circana Syndicated Point of Sales Data, Total US Multi-Outlet for the 52 weeks ending 3/31/2024, all pretzel products. Right Chart: Circana Syndicated Point of Sales Data, Total US Multi-Outlet for the 52 weeks ending 3/31/2024, year ago and two years ago for Seasoned - Pretzel product.

# Building Depth: Category & Consumer Insights

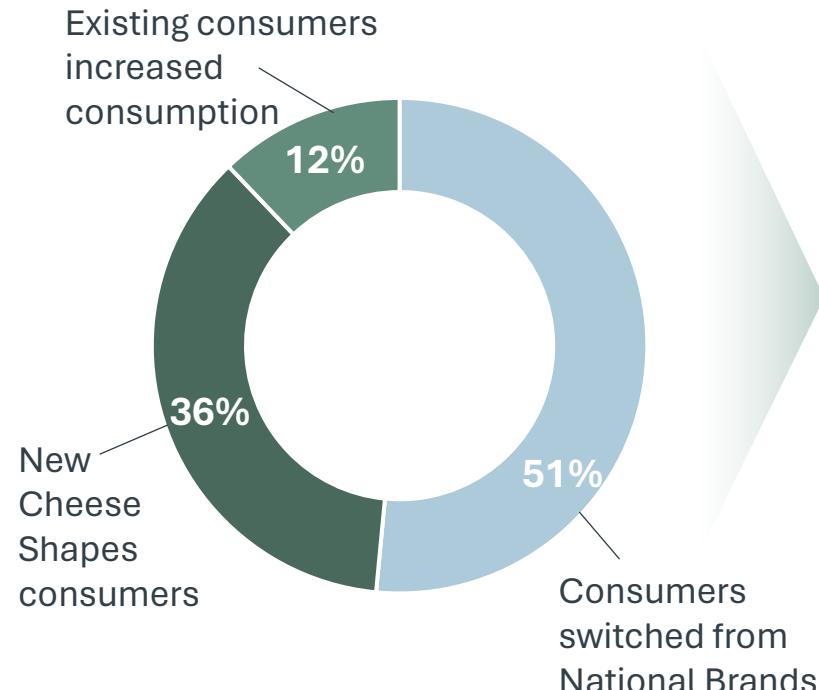
## Crackers – Retailer Case Study

Crackers category has  
**\$11B+ TAM**

Strong private brands  
growth in retail (+13%)  
driven by growing  
**snacking occasions**

**Cheese Shapes**, a large  
subcategory at \$1B+ retail  
sales, is underpenetrated  
by private brands

### Private Brands Cheese Shapes: Attracting New Buyers to the Category



### Insight Driven Retailer Actions

- Increased shelf space allocated to private brand cheese shapes
- Moved placement on shelf of private brand cheese shapes to eye-level
- Offered additional snack pack size
- Implemented private brand cheese shape strategy across additional stores

Sources: Internal TreeHouse Analysis. Total addressable market (TAM) data includes estimates for the retail channel from Circana Syndicated Point of Sales and Panel data and estimates for the food-away-from-home channel from Westport Consulting Group, Inc. Categories for the U.S. Foodservice Industry. Retail category growth data represents estimated 3-year dollar sales CAGR for latest 52 week period ended Q1 2021 – Q1 2024 using Circana Syndicated Point of Sales data. Retailer case study data sourced from Circana Panel data, latest 52 weeks ended March 31, 2024.

# Building Depth: Margin Enhancement Through Vertical Integration

## Coffee

Coffee category  
has **\$23B+ TAM**

Coffee is **#1 driver of retailer loyalty** in center of the store

Strong private brands growth in retail (+4%) driven by **Single Serve Beverages**

From Single-Cup Focused...To End-to-End Private Brand Coffee Leadership



Pack



Green  
Coffee



Formula



Roast



Grind



Flavor &  
Blend



Pack

- ✓ **Strengthens capability depth with end-to-end private brand coffee offerings**
- ✓ **Enables greater profit capture in the supply chain**
- ✓ **Enhanced profit profile improves competitive positioning**

Source: Internal TreeHouse Analysis. Total addressable market (TAM) data includes estimates for the retail channel from Circana Syndicated Point of Sales and Panel data and estimates for the food-away-from-home channel from Westport Consulting Group, Inc. Categories for the U.S. Foodservice Industry. Retail category growth data represents estimated 3-year dollar sales CAGR for latest 52 week period ended Q1 2021 – Q1 2024 using Circana Syndicated Point of Sales data. Survey of ~1,000 consumers conducted by TreeHouse Foods through Ask Suzy platform, August 2023.

# Our Strategy Will Lead to Differential Business Conversion



## Winning Key Commercial Business





# Pat O'Donnell

EVP, Chief Financial Officer



# Fiscal Year 2024 and Q2 2024 Outlook

	<b>FY 24 Guidance</b>	<b>Q2 24 Guidance</b>
Net Sales	\$3.43 to \$3.50 billion flat to 2% growth	\$770 to \$800 million approx. (4)% to flat
Adjusted EBITDA	\$360 to \$390 million	\$55 to \$65 million
Free Cash Flow	At least \$130 million	
Net Interest Expense	\$56 to \$62 million	
Capex	~\$145 million	

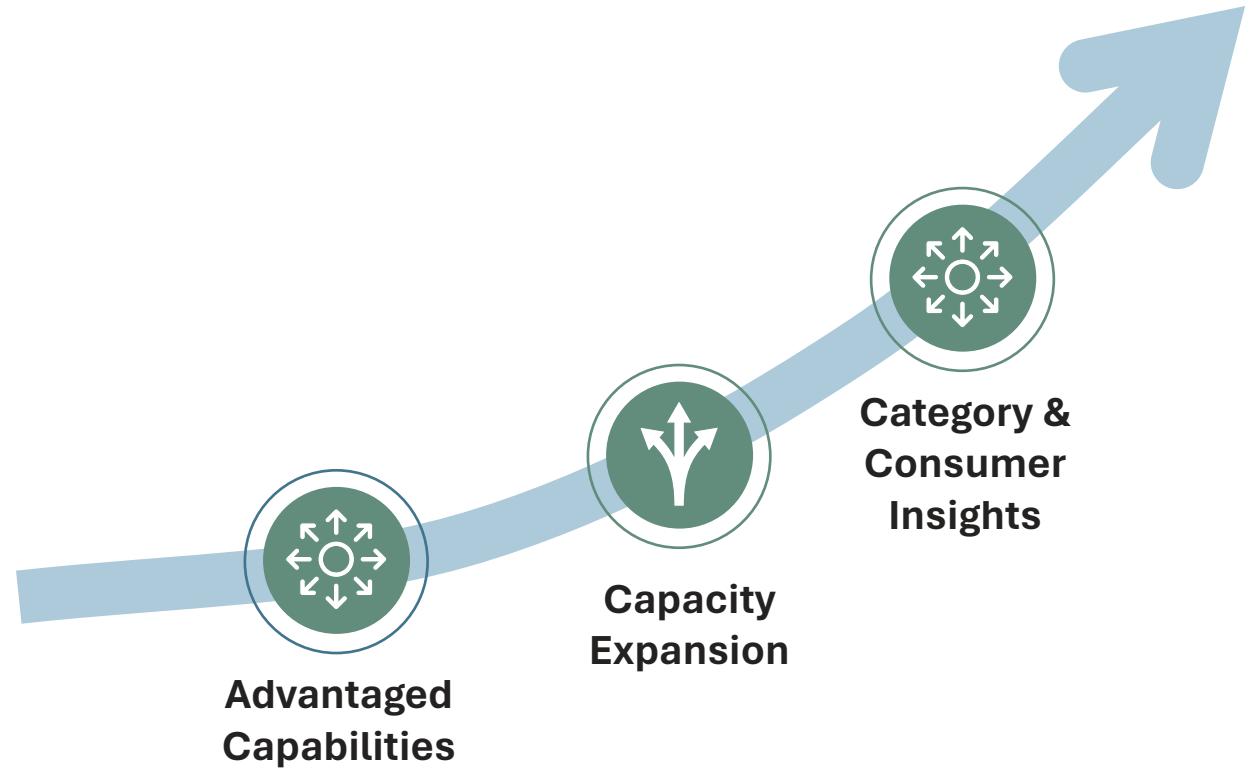
## Cadence Expectations for Balance of Year

- Net Sales ~45% in H1 vs ~55% in H2
- Adjusted EBITDA ~30% H1 vs ~70% H2
  - Sequential improvement of \$45 to \$50 million from the Q2 guidance mid-point to Q3
  - Sequential improvement of similar magnitude from Q3 to Q4
- Improvement in second half profit driven by:
  - Net sales improvement due to new distribution wins
  - Gross cost savings initiatives of roughly \$50M provide greatest impact beginning in the third and fourth quarters of FY2024
  - Return to improved service levels in Broth business
  - Incremental pricing actions to recover recent commodity inflation related to cocoa

Adjusted EBITDA and free cash flow are non-GAAP financial measures. See “Comparison of Adjusted Information to GAAP Information” in the Appendix for the definitions of the non-GAAP measures and information concerning certain items affecting comparability. The Company is not able to reconcile prospective adjusted EBITDA and free cash flow to the most comparable GAAP financial measures without unreasonable effort due to the inherent uncertainty and difficulty of predicting the occurrence, financial impact, and timing of certain items impacting GAAP results.

# Converting Net Sales Pipeline to Organic Growth in H2 2024 & Beyond

- Strongest net sales pipeline in the Company's recent history
- Commercial teams are executing well; closing on planned 2024 net sales opportunities
- Recent wins in categories where we've invested capital and deepened our capabilities



# Supply Chain Initiatives Driving Efficiencies for Improved Profitability

**Expected to Drive Roughly \$50 Million of Gross Cost Savings in H2 2024**



## TMOS

Improved overall equipment effectiveness (OEE) in Q1 24 vs internal target

Maintaining higher service levels and consistency of execution where TMOS initiatives have been implemented

## Procurement

Secured significant year 1 savings to ramp in second quarter and beyond

Launching new spend analytics tool to identify additional savings opportunities

## Logistics & Distribution Network

Distribution network consolidation plans are underway to drive second half savings

Logistics utilization and efficiency initiatives are in place and delivering savings

## Long-Term Growth Algorithm

**3-5%**

Revenue

**8-10%**

Adjusted EBITDA

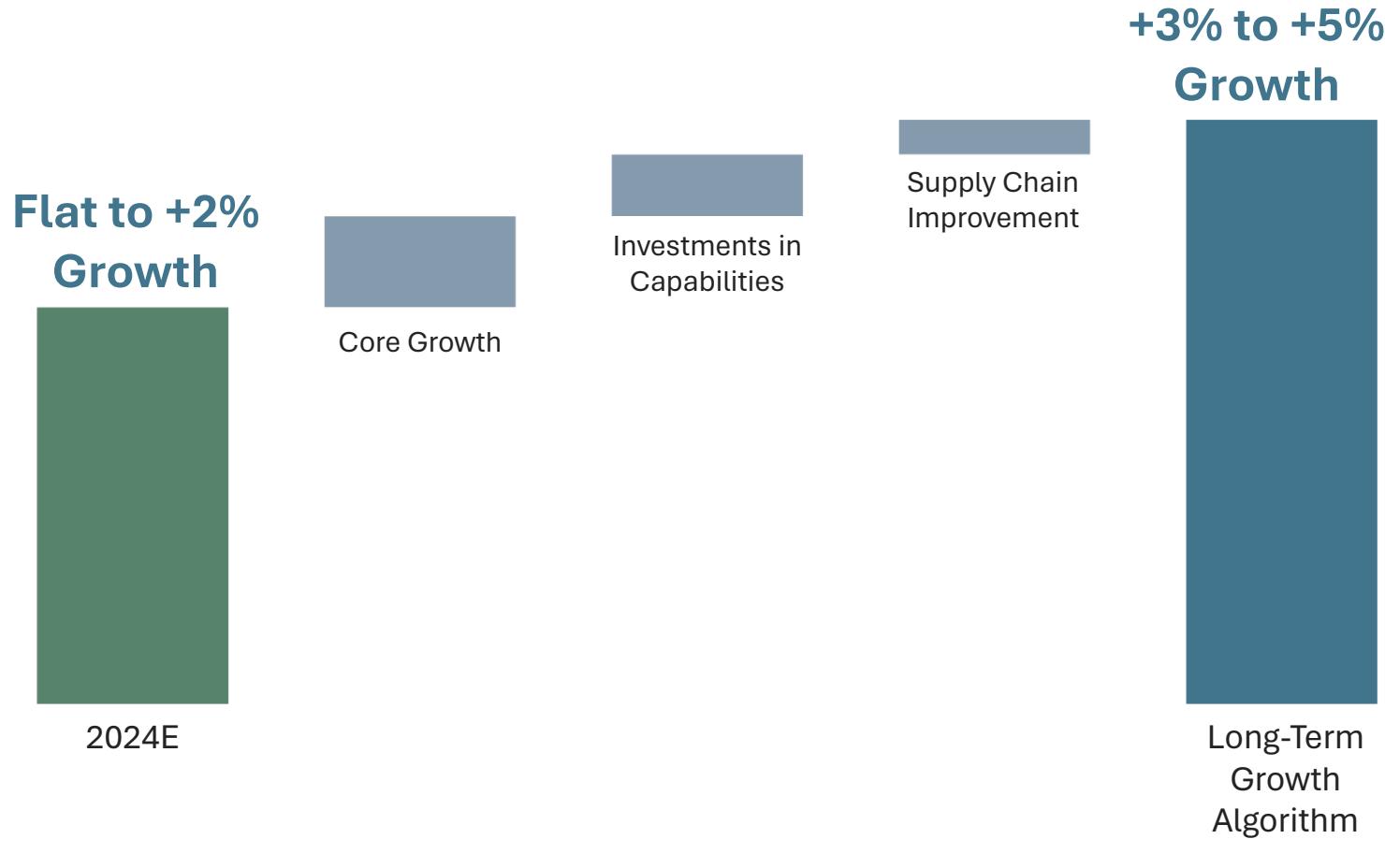
At Least

**\$200m**

Free Cash Flow

The Company is not able to reconcile prospective adjusted EBITDA or free cash flow, which are Non-GAAP financial measures, to the most comparable GAAP financial measures without unreasonable effort due to the inherent uncertainty and difficulty of predicting the occurrence, financial impact, and timing of certain items impacting GAAP results.

# Bridging 2024 to Long-Term Algorithm: Revenue Growth



## Core Growth

- Distribution gains at growing retail customers
- Improvement in overall category performance
- Continued increase in private brands penetration

## Investments in Capabilities

- Leverage assets and invest in capabilities to expand runway for growth (coffee, seasoned pretzels, refrigerated dough, etc.)

## Supply Chain Improvement

- Restart of Broth facility
- Improved productivity through TMOS and continuous improvement initiatives

Chart not drawn to scale.

# Bridging 2024 to Long-Term Algorithm: Adjusted EBITDA Growth



## Volume/Mix

- Focus on activating profitable growth
- Restart of Broth facility

## Supply Chain Initiatives

- Targeting gross savings:
  - TMOS/continuous improvement
  - Procurement initiatives
  - Customer-centric DC network optimization

Chart not drawn to scale. Adjusted EBITDA is a non-GAAP financial measure. See “Comparison of Adjusted Information to GAAP Information” in the Appendix for the definition of the non-GAAP measure and information concerning certain items affecting comparability. The Company is not able to reconcile prospective adjusted EBITDA to the most comparable GAAP financial measure without unreasonable effort due to the inherent uncertainty and difficulty of predicting the occurrence, financial impact, and timing of certain items impacting GAAP results.

# Disciplined Capital Allocation Approach

2024



## Investment in the Business

Targeted investments to enhance depth and capabilities in growing categories



## Debt Service

Maintain balance sheet strength



## Share Repurchase

Opportunistically repurchase shares;

- Repurchased ~\$44 million of Company stock in Q1 2024
- Repurchased \$100 million of Company stock in 2023





# Key Takeaways

- 1 Private Brands Snacking and Beverages is a fast-growing subsegment of the Food & Beverage Category
- 2 TreeHouse Foods has advantaged capabilities and depth to drive outsized growth within Private Brands Snacking & Beverages
- 3 Solid start to FY2024 and progress against sales pipeline and supply chain initiatives position Company well for balance of year and beyond
- 4 FY24 outlook of 0% - 2% Net Sales growth and Adjusted EBITDA of \$360 to \$390 million reflects opportunity to drive profitable volume growth in second half



**TreeHouse**<sup>TM</sup>  
FOODS

# Questions?



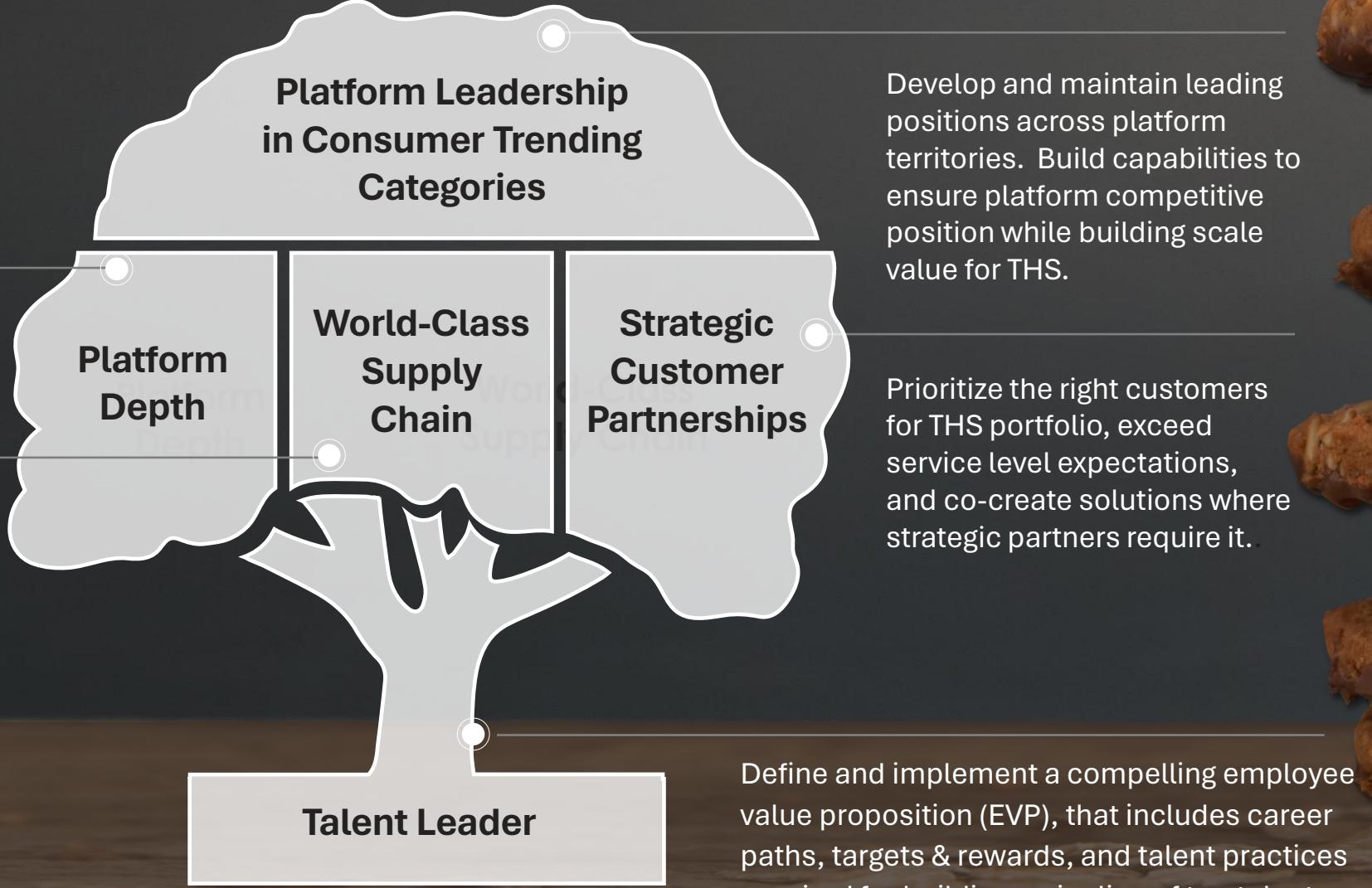
# Appendix



# TreeHouse Strategy

Invest to be a top 3 player in scale, growth and platform relevant capabilities.

Create an end-to-end supply chain that seamlessly integrates plan, source, make, and deliver to execute against platform objectives while maintaining superior service, quality and cost effectiveness.



# Robust Portfolio Across Snacking & Beverage Categories

## GROWTH PLATFORMS



### Baked Snacking

~30%  
of Net Revenue



### Coffee & RTD, Tea

~10%  
of Net Revenue



### Aseptic Broth & Beverages

~10%  
of Net Revenue



### Dry Blends

~30%  
of Net Revenue



### Pickles



### Frozen & Refrigerated

~20%  
of Net Revenue

Crackers

Coffee  
& RTD

Broth

Non-dairy  
creamer

Pickles

Refrigerated  
dough

Pretzels

Tea

Liquid  
beverages

Powdered  
beverages

Griddle

Cookies

Cheese  
& Pudding

Hot cereal

In-store bakery

Candy

# Comparison of Adjusted Information to GAAP Information

The Company has included in this presentation measures of financial performance that are not defined by GAAP ("Non-GAAP"). A Non-GAAP financial measure is a numerical measure of financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the Company's Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Operations, Condensed Consolidated Statements of Comprehensive (Loss) Income, Condensed Consolidated Statements of Stockholders' Equity, and the Condensed Consolidated Statements of Cash Flows. The Company believes these measures provide useful information to the users of the financial statements as we also have included these measures in other communications and publications.

For each of these Non-GAAP financial measures, the Company provides a reconciliation between the most directly comparable GAAP measure and the Non-GAAP measure, an explanation of why management believes the Non-GAAP measure provides useful information to financial statement users, and any additional purposes for which management uses the Non-GAAP measure. This Non-GAAP financial information is provided as additional information for the financial statement users and is not in accordance with, or an alternative to, GAAP. These Non-GAAP measures may be different from similar measures used by other companies. Given the inherent uncertainty regarding adjusted items in any future period, a reconciliation of forward-looking financial measures to the most directly comparable GAAP measure is not feasible.

*EBITDA from Continuing Operations, EBITDA from Continuing Operations Margin, Adjusted EBITDA from Continuing Operations, and Adjusted EBITDA from Continuing Operations Margin, Adjusting for Certain Items Affecting Comparability*

EBITDA from continuing operations margin, and adjusted EBITDA from continuing operations margin are defined as net (loss) income from continuing operations, EBITDA from continuing operations, and adjusted EBITDA from continuing operations as a percentage of net sales. EBITDA from continuing operations represents net (loss) income from continuing operations before interest expense, interest income, income tax (benefit) expense, and depreciation and amortization expense. Adjusted EBITDA from continuing operations reflects adjustments to EBITDA from continuing operations to identify items that, in management's judgment, significantly affect the assessment of earnings results between periods. This information is provided in order to allow investors to make meaningful comparisons of the Company's earnings performance between periods and to view the Company's business from the same perspective as Company management. As the Company cannot predict the timing and amount of charges that include, but are not limited to, items such as facility restoration and product recall costs, growth, reinvestment, and restructuring programs, acquisition, integration, divestiture, and related costs, foreign currency exchange impact on the re-measurement of intercompany notes, mark-to-market adjustments on derivative contracts, and other items that may arise from time to time that would impact comparability, management does not consider these costs when evaluating the Company's performance, when making decisions regarding the allocation of resources, in determining incentive compensation, or in determining earnings estimates. EBITDA from continuing operations, and adjusted EBITDA from continuing operations are performance measures commonly used by management to assess operating performance and incentive compensation, and the Company believes they are commonly reported and widely used by investors and other interested parties as a measure of a company's operating performance between periods and as a component of our debt covenant calculations.

## *Free Cash Flow from Continuing Operations*

In addition to measuring the Company's cash flow generation and usage based upon the operating, investing, and financing classifications included in the Condensed Consolidated Statements of Cash Flows, we also measure free cash flow from continuing operations, which represents net cash used in operating activities from continuing operations less capital expenditures. The Company believes free cash flow is an important measure of liquidity because it provides management and investors a measure of cash generated from operations that is available for mandatory payment obligations and investment opportunities such as funding acquisitions, repaying debt, repurchasing public debt, and repurchasing common stock.