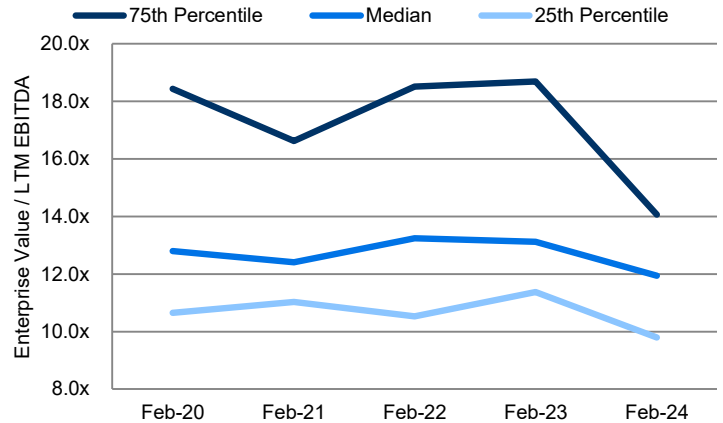


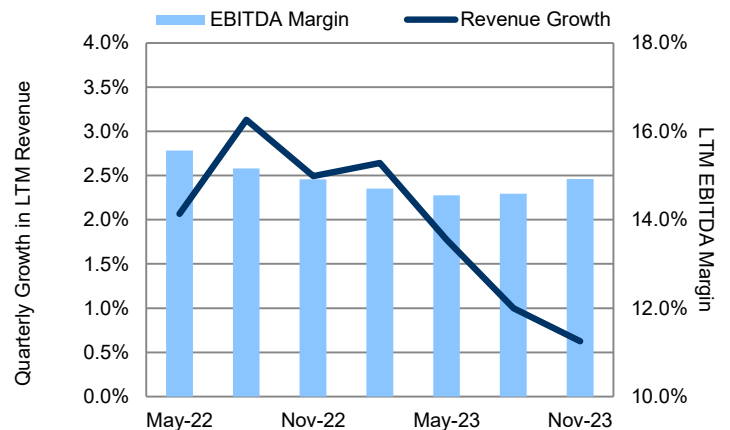
M&A Activity

- Putting 2023's slow second half in the rear-view, early indicators for 2024 deal activity are somewhat positive, particularly in the US market. Inflation is easing and rate cuts are expected, which offers some potential relief to the broader deal environment. M&A activity is expected to increase in 2024, broadly speaking, with motivating factors such as industry consolidation, digital transformation, AI, and private debt financing. Regulatory environments are seen as being the main obstacle, particularly in advanced economies, with antitrust figuring prominently as well as consideration for ESG compliance.
- The food and beverage industries have benefited to some degree from rising prices and relatively strong consumer spending. 2024 is expected to be a year for the industry to return to volume growth, possibly by venturing into emerging markets. Managing inflation, rising costs, shrinking margins, while catering to the evolving tastes and preferences of consumers could provide a number of challenges for even the strongest and most diversified portfolios.

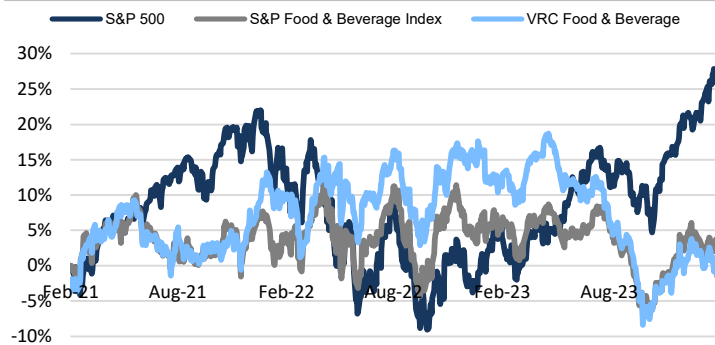
Trend in Industry EBITDA Multiples²



Trends in Revenue Growth and EBITDA Margins²



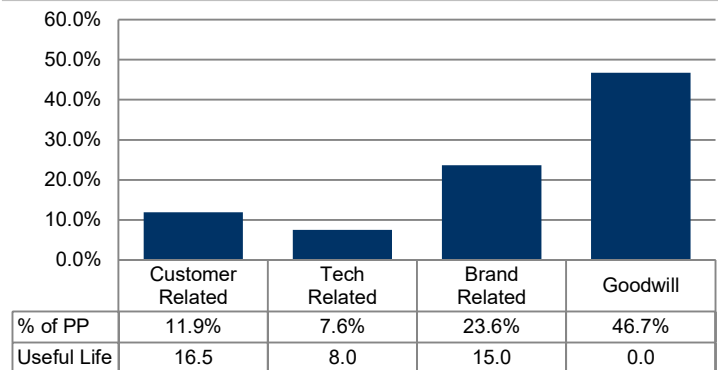
Relative Stock Price Returns¹



¹ The CPG Food & Beverage Industry is a custom, equal-weighted index constructed with the below listed companies.

² Calculated using aggregated data for KHC, MDLZ, GIS, K, HSY, TSN, CAG, HRL, PEP, CPB, SJM, MKC, INGR, PF, LW, PPC, POST, THS, SEB, BUFF, and FLO.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On December 18, 2023, ADM, a global leader in human and animal nutrition, announced it is adding to its flavors capabilities with an agreement to acquire Revela Foods, a Wisconsin-based developer and manufacturer of innovative dairy flavor ingredients and solutions.



On December 1, 2023, Post Holdings, Inc., a consumer-packaged goods holding company, completed the \$235 million acquisition of Perfection Pet Foods, LLC, a leading manufacturer and packager of private label and co-manufactured pet food and baked treat products. The acquisition includes two manufacturing facilities in Visalia, California.



On November 8, 2023, B&G Foods Inc. announced that it sold its Green Giant U.S. shelf-stable vegetable product line to Seneca Foods Corporation for approximately \$55.6 million. B&G Foods, which will retain ownership of the Green Giant trademarks, will license the Green Giant brand name to Seneca Foods. The sale does not include Green Giant frozen, Green Giant Canada, or the Le Sueur brand.