



THE J.M. SMUCKER Co

NEWS RELEASE

The J.M. Smucker Co. Announces Agreement to Divest Voortman® Brand as Part of Continued Portfolio Optimization

2024-10-22

ORRVILLE, Ohio, Oct. 22, 2024 /PRNewswire/ -- The J.M. Smucker Co. (NYSE: SJM) announced today it has entered into a definitive agreement to sell its Voortman® cookie brand to Second Nature Brands, a U.S.-based creator of premium snacks and treats controlled by CapVest Partners LLP. The all-cash transaction is valued at approximately \$305 million, subject to a working capital adjustment. The decision reflects the Company's continued commitment to optimize its portfolio and reallocate resources to its core growth brands.

The transaction includes all Voortman® trademarks and the Company's leased manufacturing facility in Burlington, Ontario, Canada. In addition, approximately 300 employees will transition with the business.

"This decision reflects our continued commitment to portfolio and resource optimization to focus on our largest growth opportunities as a Company," said Mark Smucker, Chair of the Board, President and Chief Executive Officer. "The divestiture of the Voortman® brand is an important step in our integration plans that will enable the execution of our Sweet Baked Snacks strategy through dedicated focus and ongoing investments in the Hostess® brand, advancing our leadership in the sweet baked goods category. I want to recognize and thank the many talented teams who have supported this brand."

The Company also confirmed continued progress on the integration of Hostess Brands, including the successful completion of systems integration earlier this month, and that it remains on track to achieve expected synergies of \$100

million from the acquisition by the end of fiscal year 2026.

The Voortman® brand generated net sales of approximately \$65 million for the Company's fiscal year ended April 30, 2024, which represents a partial year of net sales reported in its Sweet Baked Snacks segment results following its acquisition on November 7, 2023. For fiscal year 2025, the Company anticipates full-year net sales from the Voortman® brand to be approximately \$150 million.

The Company expects the divestiture to be dilutive to its adjusted earnings per share by approximately \$0.25 on a full-year basis, reflecting the foregone profit related to the Voortman® brand and before factoring in any benefits from the use of transaction proceeds. The Company anticipates using the net proceeds from the transaction to pay down debt, which will contribute an earnings per share benefit of approximately \$0.10 on a full-year basis. The Company will further discuss the transaction's impact on its fiscal year 2025 outlook when it releases its second quarter results.

The transaction is anticipated to close in the third quarter of the Company's current fiscal year ending April 30, 2025, subject to customary closing conditions including the receipt of required regulatory approvals. Goldman Sachs & Co., LLC is serving as the Company's financial advisor, and Blake, Cassels & Graydon LLP is serving as the Company's legal advisor in connection with the transaction.

The J.M. Smucker Co. Forward Looking Statements

This press release ("Release") includes certain forward-looking statements within the meaning of federal securities laws. The forward-looking statements may include statements concerning our current expectations, estimates, assumptions and beliefs concerning future events, conditions, plans and strategies that are not historical fact. Any statement that is not historical in nature is a forward-looking statement and may be identified by the use of words and phrases such as "expect," "anticipate," "believe," "intend," "will," "plan," "strive" and similar phrases. Federal securities laws provide a safe harbor for forward-looking statements to encourage companies to provide prospective information. We are providing this cautionary statement in connection with the safe harbor provisions. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made, when evaluating the information presented in this Release, as such statements are by nature subject to risks, uncertainties and other factors, many of which are outside of our control and could cause actual results to differ materially from such statements and from our historical results and experience. These risks and uncertainties include, but are not limited to, the following: uncertainties relating to the timing of the consummation of the sale of the Voortman® brand to Second Nature Brands (the "Transaction"); the possibility that any or all of the conditions to the consummation of the Transaction may not be satisfied or waived, including the failure to receive required regulatory approvals; the effect of the announcement or pendency of the Transaction on the Company's ability to retain key personnel and to maintain relationships with customers, suppliers and other business partners; risks relating to potential diversion of management's attention from the Company's ongoing business operations; and those described under "Risk Factors" in reports and statements filed by the Company with the U.S. Securities and Exchange

Commission. We do not undertake any obligation to update or revise these forward-looking statements to reflect new events or circumstances.

About The J.M. Smucker Co.

At The J.M. Smucker Co., it is our privilege to make food people and pets love by offering a diverse family of brands available across North America. We are proud to lead in the coffee, peanut butter, fruit spreads, frozen handheld, sweet baked goods, dog snacks, and cat food categories by offering brands consumers trust for themselves and their families each day, including Folgers[®], Dunkin'[®], Café Bustelo[®], Jif[®], Uncrustables[®], Smucker's[®], Hostess[®], Milk-Bone[®], and Meow Mix[®]. Through our unwavering commitment to producing quality products, operating responsibly and ethically and delivering on our Purpose, we will continue to grow our business while making a positive impact on society. For more information, please visit [jmsmucker.com](https://www.jmsmucker.com).

The J.M. Smucker Co. is the owner of all trademarks referenced herein, except for Dunkin'[®], which is a trademark of DD IP Holder LLC. The Dunkin'[®] brand is licensed to The J.M. Smucker Co. for packaged coffee products sold in retail channels such as grocery stores, mass merchandisers, club stores, e-commerce and drug stores, and in certain away from home channels. This information does not pertain to products for sale in Dunkin'[®] restaurants.

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