



Introduction

On February 11, 2026, TreeHouse Foods, Inc. was acquired and became a privately held company. As part of the transaction, each share of Company stock was converted into \$22.50 in cash plus one Contingent Value Right (CVR), which represents a potential future payment tied to certain coffee-related litigation proceeds. Unvested RSUs and PSUs vested immediately prior to closing and are being paid out no later than next week on the same basis. For tax purposes, both the cash payment and the assigned value of the CVRs (\$1.93 per share) were treated as taxable wages (i.e., compensation), and applicable taxes were withheld at the time of payment. The information below provides an overview of the related tax considerations.

Questions and Answers for Holders of Company Equity Awards

February 13, 2026

On February 11, 2026, pursuant to the Agreement and Plan of Merger, dated as of November 10, 2025 (the “**Merger Agreement**”), by and among Industrial F&B Investments II, Inc., a Delaware corporation (“**Parent**”), Industrial F&B Investments III, Inc., a Delaware corporation and a wholly owned subsidiary of Parent (“**Merger Sub**”) and TreeHouse Foods, Inc., a Delaware corporation (the “**Company**”), Merger Sub merged with and into the Company, with the Company surviving as a wholly owned subsidiary of Parent (the “**Merger**”).

The following questions and answers are intended to address the high-level tax considerations relevant to holders (“**Holders**”) of restricted stock units (“**Company RSUs**”) and performance share units (“**Company PSUs**” that were unvested immediately prior to the Merger (collectively, the “**Company Equity Awards**”).

These questions and answers are not a complete discussion of all relevant tax considerations. They are limited to certain federal income and withholding tax considerations and do not address other tax considerations, such as state, local or non-U.S. tax considerations. Nothing in this document is intended to be, or should be construed as, tax advice. The tax treatment of payments or other consideration received in respect of Company Equity Awards may depend on your particular circumstances (including your employment status, the nature of your award and your tax residence). You should consult your tax advisor regarding the federal, provincial, state and local, and non-U.S. tax consequences to you of consideration received in respect of your Company Equity Awards and the application of any withholding and information reporting rules to your situation.

1. What happens to the common stock of the Company and the Company Equity Awards as a result of the Merger?

Generally, as of the Effective Time, each share of common stock, par value \$0.01 per share, of the Company (“**Company Common Stock**”) issued and outstanding immediately prior to the Effective Time was canceled and automatically converted into the right to receive (i) \$22.50 in cash, without interest and subject to any applicable withholding taxes (the “**Per Share Amount**”), and (ii) one



contractual contingent value right (a “**CVR**”, and together with the Per Share Amount, the “**Merger Consideration**”), which represents the right to receive a portion of the net proceeds, if any, resulting from certain litigation relating to part of the Company’s coffee business.

Pursuant to the Merger Agreement, each Company Equity Award that was outstanding immediately prior to the Effective Time, to the extent unvested, vested effective immediately prior to the Effective Time. As of the Effective Time, Each Company RSU and Company PSU that was outstanding immediately prior to the Effective Time was canceled and converted into the right to receive (i) a cash payment equal to the Per Share Amount and (ii) one CVR, in each case, for each share of Company Common Stock underlying the vested portion of such Company RSU or Company PSU. As such, this is treated as compensation for tax purposes.

Amounts payable in respect of Company Equity Awards will be paid through Fidelity, as the Company’s stock administrator, and all proceeds will be reduced by all applicable federal, provincial, state, local and non-U.S. taxes required to be withheld under applicable law. Such payments are expected to be reported on Form W-2 (or the applicable state or local equivalent) to the extent treated as wages for tax purposes.

2. How will the Company treat the receipt of CVRs for federal income tax purposes?

The Company intends to treat the receipt of the Merger Consideration as a closed transaction. The Company’s determination to apply “closed transaction” treatment is based on several factors, including that the fair market value of the CVRs can be reasonably ascertained from the share price of the Company Common Stock immediately prior to the Effective Time (as discussed in more detail below).

3. How will the Company’s treatment of the CVRs affect its determination of wage withholding and payroll taxes?

The Company will compute all withholding and payroll taxes on amounts payable to Holders by including the value of the CVRs at the Effective Time. For example, assume Employee X has 1,000 Company RSUs. U.S. Federal income withholding taxes on amounts paid to Employee X in respect of Employee X’s Company RSUs would be computed as follows:

Gross cash amount (\$22.50 per share)	\$22,500.00
Value of CVRs (\$1.93 per share)	\$1,930.00
Total wage income	\$24,430.00
Federal withholding tax rate	22%
Federal withholding tax deduction	(\$5,374.60)
Payment net of federal withholding tax deduction	\$17,125.40



In this example¹, deductions from the amount payable to Employee X will also be made for payroll taxes and state and local withholding taxes, to the extent required by applicable law. Such deductions will be computed by including the value of the CVRs.

4. Why will the Company deduct withholding and payroll taxes on account of the value of the CVRs, if I may never receive payment pursuant to the CVRs?

The Company's determination to apply "closed transaction" treatment is based on several factors, including that the fair market value of the CVRs can be reasonably ascertained from the share price of the Company Common Stock immediately prior to the Effective Time. The Company must comply with applicable withholding laws, including as a result of this determination.

5. I also hold shares of Company Common Stock for investment purposes (e.g., in a brokerage account). How will CVRs received in respect of such shares be taxed?

If you hold shares through a brokerage account, you may receive a Form 1099-B from your broker reporting the cash proceeds of the Merger Consideration. Generally, brokers are required to report only the cash proceeds of transactions like the Merger and not the value of noncash consideration, such as the CVRs. You should consult your tax advisor regarding the tax consequences of receiving Merger Consideration in respect of shares of Company Common Stock held in a brokerage account or otherwise for investment purposes.

A more detailed discussion of U.S. federal income tax considerations generally applicable to shares of Company Common Stock held for investment purposes can be found in the Company's Definitive Proxy Statement on Schedule 14A as filed with the Securities and Exchange Commission on December 29, 2025, under the heading "U.S. Federal Income Tax Consequences of the Merger." This can be found at www.treehousefoods.com/investors/financials/sec-filings/default.aspx.

6. What if I disagree with the Company's determination to apply "closed transaction" treatment?

The Company intends to treat the receipt of the Merger Consideration as a closed transaction and will calculate wage withholding taxes and payroll taxes on such basis. The Company is not obligated to "gross up" payments made in respect of the Equity Award Amounts. Any amounts withheld and remitted to the applicable taxing authority are treated for purposes of the Merger Agreement as having been paid to the Person in respect of which such deduction or withholding was made.

¹ The federal income tax withholding illustrated in this example is calculated at a flat rate of 22% applicable to "supplemental wages" for payments up to \$1 million in calendar year. Depending on a Holder's circumstances, the Company may apply a different withholding rate to payments received in respect of Company Equity Awards.



If the amount withheld from your proceeds exceeds your actual U.S. federal income tax liability, you may generally claim a refund of the excess or a credit against your U.S. federal income tax by timely filing the appropriate U.S. income tax return or a claim for refund with the IRS and providing any required information.

Your remedy for any alleged overwithholding is to seek a credit or refund from the Internal Revenue Service (or the relevant taxing authority) by filing the required return or refund claim and providing supporting documentation. You should consult your tax advisor regarding the possibility of refunds of amounts withheld on account of the value of the CVRs.

7. What happens if I receive a payment on the CVR, or if I don't receive any payment on the CVRs and the CVRs expire?

The Contingent Value Rights Agreement, dated as of February 11, 2026 among TreeHouse, Parent, certain initial Committee Members, Computershare Inc., and Computershare Trust Company, N.A. (the “**CVR Agreement**”), provides that the CVR Agreement, and any resulting right pursuant to the CVR Agreement to receive a payout on the CVRs, will terminate no later than the seventh (7th) anniversary of the date of the Merger (subject to a one-time extension of six (6) months). Payments made in connection with CVRs issued in connection with accelerated Company Equity Awards may be subject to a 5-year termination period as set forth 4.03 of the CVR Agreement. A copy of the CVR Agreement was filed as Exhibit 10.1 to Form 8-K filed February 11, 2026: [EDGAR Filing Documents for 0001320695-26-000006](#).

The income tax treatment of receiving future payments on the CVRs is not clear. There is no authority directly addressing the treatment of contingent payment rights similar to those under CVR. A portion of any CVR payments may be treated as imputed interest. To the extent not treated as imputed interest under Section 483 of the Code, CVR payments may be treated under one of a number of alternative approaches. Under one approach, any such payments may be treated as a nontaxable return of capital and reduce your tax basis in its CVRs until such basis has been reduced to zero, and any future payments would be taxable in full. Generally, a Holder’s tax basis in the CVRs will equal the fair market value of the CVRs as of the Effective Time. Alternatively, it is possible that a portion of each such payment might be considered taxable income, with the remaining portion reducing your tax basis in your CVRs until such basis has been reduced to zero, after which any future payments would be taxable in full. It is not clear whether the taxable payments (if any) described in this paragraph would be characterized as capital gain or ordinary income.

You would generally be entitled to a loss if, at the time it is determined that there will be no more CVR payments, you have any remaining tax basis in the CVRs. It is likely that any loss would be a capital loss and subject to limitation.

The treatment of CVR payments described above will not apply if you adopt “open transaction” treatment. You should consult your tax advisor regarding the taxation of CVR payments if you choose to adopt “open transaction” treatment.



The Company does not expect to deduct wage withholding or payroll taxes on CVR payments (if any) made to you.

8. Can I abandon my CVRs instead? If so, will that reduce the taxes withheld by the Company from payment in respect of the Company Equity Awards?

Under the CVR Agreement, a holder of a CVR may at any time, at such holder's option, renounce its rights under the CVR Agreement and abandon all of such holder's remaining rights in such CVR by transferring such CVR to the Company without consideration therefor. You should consult your tax advisor regarding the effects of abandoning CVRs.

The Company will compute all withholding and payroll taxes on amounts payable to you by including the value of the CVRs at the Effective Time, even if you abandon your CVRs pursuant to the procedure under the CVR Agreement described above. The Company intends to treat the receipt of the Merger Consideration as a closed transaction, and the abandonment of CVRs by a Holder would constitute a separate transaction.

9. I own shares of Company Common Stock the basis of which exceeds the value of the Merger Consideration received (i.e., I hold at a loss). How do I report the loss for U.S. federal income tax purposes?

Assuming "closed transaction" treatment, you may claim the loss on your U.S. federal income tax return for the taxable year that includes the date of the Merger (generally, the 2026 taxable year). The ability of an individual to claim losses is subject to limitation. You should consult your tax advisor regarding the recognition and reporting of losses as a result of the receipt of the Merger Consideration.

10. What is the Company's determination of the value of the CVRs?

The Company has determined the value of the CVRs to be \$1.93 per CVR. This is based on the final trading price of the Company Common Stock, as follows:

Final trading price	\$24.43
Cash amount per share	(\$22.50)
Implied CVR value	\$1.93

11. What is the likelihood that the CVRs will pay out in the next 7 years?

No guarantee can be given that the CVRs will pay out in the next 7 years. It is possible that you will not receive any payment on the CVRs.