

Mars to Acquire Kellanova

Frequently Asked Questions

1. How does Kellanova fit into the Mars strategy?

- Kellanova and Mars have 100-year-plus storied histories and beloved brands.
- Both have stood the test of time and have gone from strength to strength.
- Both businesses are performing well, have outstanding brands, people-focused cultures, complementary portfolios, a commitment to sustainability, a true sense of purpose, and a deep history of success over decades.
- This combination allows both businesses to achieve their full potential, and together, we will have an exciting and unique opportunity to meet the needs of billions of consumers with trusted, loved, and innovative products and create further opportunity for both businesses to achieve their full potential.
- Mars has a bold ambition to grow the snacking category responsibly by expanding into more snacking occasions and more snacking categories. Kellanova will be a cornerstone of that strategic vision, into which Mars will place a strong focus and investment in the years ahead.
- Mars is excited to combine our respective strengths – our complementary portfolios, routes-to-market, and R&D capabilities – to unlock more opportunities for innovation that is both consumer-centric and sustainability-minded.

2. How will Kellanova be combined with Mars?

- After closing, the plan is to bring Kellanova fully into Mars Snacking and combine our businesses.
- Andrew Clarke, Global President of Mars Snacking, will lead the combined business.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business.

3. Will Mars keep all of the Kellanova brands?

- Kellanova's iconic brands and their strong legacies are part of what made Kellanova so attractive to Mars.
- Mars has no plans at this time to sunset any Kellanova brands.

4. What will happen to Kellanova's Battle Creek headquarters? Will the combined company maintain a presence in Battle Creek?

- After closing, Battle Creek, MI, will remain a core location for the combined organization.
- As a company with a long history and deep roots into the communities in which they operate, Mars understands and appreciates the special role Battle Creek plays in the Kellanova culture, as well as the highly complementary category expertise that Kellanova talent brings.
- This announcement is the first step toward uniting Kellanova and Mars – there are many specifics that we will determine as part of the integration, which will begin at closing. Until then, it is business as usual.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business.
- Mars's long-term goal is to grow all aspects of the business.

5. What will happen to Kellanova's Chicago headquarters? Will the combined company maintain a presence in Chicago?

- Mars Snacking remains headquartered in Chicago. The company has always had a large Chicagoland presence – Wrigley started in Chicago in 1891 and Mars has been in the city for almost 100 years.
- This announcement is the first step toward uniting Kellanova and Mars – there are many specifics that we will determine as part of the integration, which will begin at closing. Until then it is business as usual.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business.
- We will keep our teams updated as the integration progresses.

6. What are the next steps in the transaction process? When is the transaction expected to close?

- Kellanova and Mars currently anticipate that the merger will close within the first half of 2025.
- It remains business as usual for each company in all respects until the transaction closes.
- The transaction is subject to Kellanova shareowner approval and other customary closing conditions, including regulatory approvals. Accordingly, there can be no assurances that the merger will be completed within the first half of 2025 or at all.
- Only holders of record of outstanding shares of common stock as of the close of business on September 24, 2024, the record date for the special meeting of shareowners (the “Special Meeting”), will be entitled to notice of, and to virtually vote at, the Special Meeting and any adjournment or postponement of the Special Meeting unless a new record date is fixed in connection with any adjournment or postponement of the Special Meeting.
- The Special Meeting will take place on November 1, 2024.
- Kellanova and Mars will work to be in a position to complete the Merger as quickly as possible following receipt of regulatory approvals and shareowner approval.
- It remains business as usual for each company until the transaction closes.

7. Does Mars plan to close any Kellanova facilities?

- After the closing of the transaction, Battle Creek, MI, will remain a core location for the combined organization. Mars Snacking remains headquartered in Chicago.
- Beyond that, no decisions have been made at this time. As we work to combine these two great companies, Mars’ long-term goal is to grow all aspects of the business.
- This announcement is the first step in the process toward bringing Kellanova into Mars.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business.

8. What are the details that have been announced for the combination of Kellanova and Mars?

- On August 14, Mars and Kellanova announced that they entered into a definitive agreement under which Mars has agreed to acquire Kellanova.
- The transaction would unite two iconic businesses with complementary categories, markets and portfolios of differentiated and beloved brands.
- At closing, all Kellanova shareowners will receive \$83.50 per share for each share of Kellanova stock they own.
- Kellanova and Mars currently anticipate that the merger will close within the first half of 2025.
- The combination would bring together world-class talent with leading brand-building experience to further develop a sustainable snacking business that is fit for the future.
- The transaction is subject to Kellanova shareowner approval and other customary closing conditions, including regulatory approvals. Accordingly, there can be no assurances that the merger will be completed within the first half of 2025.
- It remains business as usual for each company until the transaction closes.

9. What was the sale price? What was the premium?

- Mars has agreed to acquire Kellanova for \$83.50 per share in cash, for a total consideration of \$35.9 billion.
- The transaction price represents a premium of approximately 44% to Kellanova's unaffected 30-trading day volume weighted average price and a premium of approximately 33% to Kellanova's unaffected 52 week high as of August 2, 2024.
- The total consideration represents an acquisition multiple of 16.4x LTM adjusted EBITDA as of June 30, 2024.

10. Why is Kellanova merging with Mars?

- Kellanova has been on a transformation journey to become the world's best snacked company, and this opportunity to join Mars enables us to accelerate the realization of our full potential and our vision.
- The transaction would unite two iconic businesses with complementary categories, markets, and portfolios of differentiated and beloved brands.
- The combination would bring together world-class talent with leading brand-building experience to further develop a sustainable business that is fit for the future.
- With compelling cultural and strategic fit, the combined company would provide Kellanova's brands with dedicated investment and resources that will help them grow for future generations.

- 11. As a shareowner, what happens to my current shares of Kellanova upon closing of this transaction?**
- At closing, all Kellanova shareowners will receive \$83.50 per share for each share of Kellanova stock they own.
- 12. How do the Mars and Kellanova geographic footprints compare?**
- Mars and Kellanova have largely complementary geographic operations.
 - Geographically, this deal will expand our combined presence in places like Africa and China, creating the #1 route-to-market in snacking, as well as leapfrog Mars to the #1 position with the acquisition of complementary products and with improved profitability in key Latin American markets.
- 13. What is the manufacturing overlap between Kellanova and Mars?**
- Kellanova and Mars have largely complementary manufacturing and operations, given Kellanova's geographic presence and expertise in snacking while Mars has a legacy and expertise in chocolate and confections, chewing gum, and food.
 - Geographically, this deal will expand our combined presence in places like Africa and China, creating the #1 route-to-market in snacking, as well as leapfrog Mars to the #1 position with the acquisition of complementary products and with improved profitability in key Latin American markets.
 - We look forward to leveraging best practices from both businesses upon closing.
- 14. Will any of Kellanova's products be changing as a result of this announcement?**
- Consumers will continue to enjoy the Kellanova brands they know and love, and those brands will build on their legacies to meet evolving snacking needs.
 - In addition, the companies remain independent until closing and it will be business as usual until then.
- 15. Will Mars keep Kellanova's brand names on products going forward (i.e., Kellogg's, Pringles, Cheez-It)?**
- Yes. Mars intends to honor the heritage and innovation behind Kellanova's incredible brands while combining our respective strengths to deliver more choice and innovation to consumers and customers.
 - Consumers will continue to enjoy the Kellanova brands they know and love, and those brands will build on their legacies to meet evolving snacking needs.
 - Mars has a strong track record of growing hugely successful global brands – with 15 brands each having surpassed \$1 billion in annual sales – and will provide Kellanova's brands with additional investment and resources that will help them grow for future generations.

16. How has Kellanova built a more growth-orientated portfolio?

- Kellanova has built a focused, growth-oriented, profitable business, with 80% of our net sales are in growth-advantaged categories (snacks) and markets (emerging markets).
- We have continually explored opportunities to capitalize on consumer and market trends to transform our portfolio and create a leader in global snacking, international cereal and noodles, and North American frozen foods. Strategic actions to achieve this have included:
 - The acquisitions of Pringles (2012) and RXBAR (2017);
 - The divestiture of the Keebler business (2019); and
 - The spin-off of the North American cereal business (2023).
- As a result of these strategic actions, Kellanova's profit margins are growing and continue to improve.
- We've also made tough decisions to effectively execute productivity initiatives, including:
 - Exiting the Direct Store Delivery migrated process to shared services;
 - Extracting stranded costs after our divestiture and spin-off;
 - Boosting automation and digitization of our supply chain; and
 - Commencing optimization of our manufacturing network.
- We've also invested in and advanced our capabilities in Revenue Growth Management, Kellogg Work Systems, Data & Analysis, and the digitization of supply chain and marketing.
- In addition, Mars and Kellanova are values-based and purpose-led organizations that have a similar culture of respect, integrity, and passion for our foods and brands, as well as strong reputations as leaders in the snacking industry.

17. Post close, how does Mars intend to run the combined business – as a separate entity? As part of the Mars Snacking business unit? What will our operating model be?

- After closing, the plan is to bring Kellanova fully into Mars Snacking and combine our businesses.
- Andrew Clarke, Global President of Mars Snacking, will lead the combined business.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business.
- Steve Cahillane and the Kellanova Executive Committee will be part of this integration team.
- The Kellanova Integration Management Office (IMO) leadership team comprises a deep bench of leaders known for their functional expertise. The IMO will follow industry best practice, mirroring the Mars set-up, with the teams working side-by-side during the integration planning.
- All integration planning will take place within the IMO, and it remains business as usual for each company in all respects.

18. Post close, where will the Mars Kellanova business be run from?

- Mars Snacking remains headquartered in Chicago. The company has always had a large Chicagoland presence – Wrigley started in Chicago in 1891 and Mars has been in the city for almost 100 years.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business.

19. Post close, what will happen to the Kellanova name?

- After closing, all of Kellanova will be fully combined with Mars Snacking and will no longer be known as Kellanova.

20. Will Mars honor Kellanova's union contracts?

- Yes. All of the collective bargaining agreements covering the union-represented facilities will remain in place and there will be no change to those bargaining relationships in connection with the transaction.
- Mars fully respects employees' rights to be represented by labor organizations and looks forward to developing productive relationships with each of the organizations representing Kellanova's employees.

21. What will happen to Kellanova's Better Days Promise between signing and close? Once the transaction closes?

- Kellanova has been a leader in advancing sustainable and equitable access to food globally, already achieving Better Days for 3 billion people towards our goal of creating Better Days for 4 billion people by the end of 2030.
- Between signing and closing, Kellanova will continue to make progress against our goals to advance sustainable and equitable access to food by addressing the intersection of wellbeing, hunger, sustainability and equity, diversity and inclusion.
- Upon close, Kellanova would become part of the Mars Net Zero commitment and align with the Mars Responsible Marketing code.

22. How will this affect Kellanova's community commitments in all communities where it operates?

- We see this as a positive for all stakeholders.
- Mars and Kellanova share a strong focus on delivering sustainable growth that benefits their people, communities, customers, and suppliers.
- After closing, the combined company will continue to play an active role in the communities in which it operates.
- This announcement is the first step toward uniting Kellanova and Mars – there are many specifics that we will determine as part of the integration process, which will begin at closing.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business. We will keep our teams updated as the integration progresses.

23. How will this affect Kellanova's customer / supplier / partner relationships?

- We see this as a positive for all stakeholders.
- This announcement is the first step toward uniting Kellanova and Mars – there are many specifics that we will determine as part of the integration process, which will begin at closing.
- A joint integration team of leaders from both Mars and Kellanova has been assembled to assess how best to combine Kellanova with the Mars Snacking business. We will keep our customers, suppliers, partners, and other stakeholders updated as the integration progresses.
- It remains business as usual for each company in all respects until the transaction closes.

Forward-Looking Statements

This communication includes statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, each as amended, including statements regarding the proposed acquisition (the “Merger”) of Kellanova (the “Company”) by Mars, stockholder and regulatory approvals, the expected timetable for completing the Merger, the expected benefits of the Merger, and any other statements regarding the Company’s future expectations, beliefs, plans, objectives, financial conditions, assumptions or future events or performance that are not historical facts. This information may involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: failure to obtain the required vote of the Company’s stockholders in connection with the Merger; the timing to consummate the Merger and the risk that the Merger may not be completed at all or the occurrence of any event, change, or other circumstances that could give rise to the termination of the merger agreement, including circumstances requiring a party to pay the other party a termination fee pursuant to the merger agreement; the risk that the conditions to closing of the Merger may not be satisfied or waived; the risk that a governmental or regulatory approval that may be required for the Merger is not obtained or is obtained subject to conditions that are not anticipated; potential litigation relating to, or other unexpected costs resulting from, the Merger; legislative, regulatory, and economic developments; risks that the Merger disrupts the Company’s current plans and operations; the risk that certain restrictions during the pendency of the Merger may impact the Company’s ability to pursue certain business opportunities or strategic transactions; the diversion of management’s time on transaction-related issues; continued availability of capital and financing and rating agency actions; the risk that any announcements relating to the Merger could have adverse effects on the market price of the Company’s common stock, credit ratings or operating results; and the risk that the proposed transaction and its announcement could have an adverse effect on the ability to retain and hire key personnel, to retain customers and to maintain relationships with business partners, suppliers and customers. The Company can give no assurance that the conditions to the Merger will be satisfied, or that it will close within the anticipated time period.

All statements, other than statements of historical fact, should be considered forward-looking statements made in good faith by the Company, as applicable, and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this communication, or any other documents, words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “objective,” “plan,” “project,” “seek,” “strategy,” “target,” “will” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the beliefs and assumptions of management at the time that these statements were prepared and are inherently uncertain. Such forward-looking statements are subject to risks and uncertainties that could cause the Company’s actual results to differ materially from those expressed or implied in the forward-looking statements. These risks and uncertainties, as well as other risks and uncertainties that could cause the actual results to differ materially from those expressed in the forward-looking statements, are described in greater detail under the heading “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 30, 2023 filed with the United States Securities and Exchange Commission (the “SEC”) and in any other SEC filings made by the Company. The Company cautions that these risks and factors are not exclusive. Management cautions against putting undue reliance on forward-looking statements or projecting any future results based on such statements or present or prior earnings levels. Forward-looking statements speak only as of the

date of this communication, and, except as required by applicable law, the Company does not undertake any obligation to update or supplement any forward-looking statements to reflect actual results, new information, future events, changes in its expectations or other circumstances that exist after the date as of which the forward-looking statements were made.

Additional Information about the Proposed Merger and Where to Find It

The Company has filed a definitive proxy statement and a form of proxy card with the SEC in connection with the solicitation of proxies for the special meeting of the Company's stockholders (the "Definitive Proxy Statement").

Any vote in respect of resolutions to be proposed at the Company's stockholder meeting to approve the Merger or other responses in relation to the Merger should be made only on the basis of the information contained in the Definitive Proxy Statement. Beginning on September 26, 2024, stockholders were mailed the Definitive Proxy Statement. Investors may obtain free copies of the Definitive Proxy Statement and other documents filed by the Company with the SEC at <http://www.sec.gov>, the SEC's website, from the Company's website (<https://investor.Kellanova.com>), or by directing a request to Investor Relations at <https://investor.Kellanova.com>.

THE COMPANY URGES INVESTORS TO READ THE DEFINITIVE PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER MATERIALS FILED WITH THE SEC OR INCORPORATED BY REFERENCE INTO THE DEFINITIVE PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE COMPANY AND THE MERGER.

No Offer or Solicitation

This communication is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the proposed transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

The Company, its directors and certain of its officers and employees, may be deemed to be participants in the solicitation of proxies from Company stockholders in connection with the Merger. Information about the Company's directors and executive officers is set forth under the captions "Proposal 1—The Merger—Interests of Kellanova's Directors and Officers" and "Certain Beneficial Owners of Common Stock—Officer and Director Stock Ownership" sections of the Definitive Proxy Statement filed with the SEC on [September 26, 2024](#), under the captions "Proposal 1—Election of Directors," "Corporate Governance," "Board and Committee Membership," "2023 Director Compensation and Benefits," "Directors' Compensation Table," "Compensation and Talent Management Committee Report—Compensation Discussion and Analysis," "Executive Compensation," "Retirement and Non-Qualified Defined Contribution and Deferred Compensation Plans," "Potential Post-Employment Payments," "Pay

versus Performance," "CEO Pay Ratio" and "Stock Ownership—Officer and Director Stock Ownership" sections of the definitive proxy statement for the Company's 2024 annual meeting of shareowners, filed with the SEC on [March 4, 2024](#), under the caption "Executive Officers" of Item 1 of the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 2023, filed with the SEC on [February 20, 2024](#), in the Company's Current Reports on Form 8-K filed with the SEC on [January 12, 2024](#), [February 22, 2024](#), and [May 1, 2024](#) and in the Company's January 12, 2024 press release found on its Investor Relations page at <https://investor.Kellanova.com>, relating to the appointment of President Kellanova North America and President, Kellanova Latin America. Additional information regarding ownership of the Company's securities by its directors and executive officers is included in such persons' SEC filings on Forms 3 and 4. These documents may be obtained free of charge at the SEC's web site at www.sec.gov and on the Investor Relations page of the Company's website located at <https://investor.Kellanova.com>. Additional information regarding the interests of participants in the solicitation of proxies in connection with the Merger will be included in the proxy statement that the Company expects to file in connection with the Merger and other relevant materials the Company may file with the SEC.