Memorandum

To: TriOak Foods Employees

From: Randy Pflum

Date: December 2, 2022

Re: Company Announcement – Agreement to sell to JBS

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The owners of TriOak want to inform everyone that we are signing an agreement to sell TriOak to JBS. The sale will be completed on December 2nd, 2022.

This has been a tough and emotional decision for the owners of TriOak, especially as we think about all the great people who have made TriOak successful over the years. Thanks to all of you for your commitment. Because of those relationships, it was very important to us that any transaction we made would cause as little disruption as possible to the business. JBS was the obvious choice if they were to have interest in buying TriOak. Fortunately, they were interested, and the transaction is now upon us. TriOak and JBS have the best synergy when considering physical assets, locations, people, current marketing, and culture. The combining of the two organizations will result in a much stronger and more competitive live pork business. JBS is a competitive world-class business that will be able to provide the best future for TriOak employees, contractors, and other stakeholders.

Both JBS and current TriOak owners are committed to working diligently to ensure a smooth transition. The business operations will not change the day after the purchase; JBS will be keeping all TriOak employees, and everyone should perform their jobs as usual after the close. TriOak and JBS have talked at length about the people and how key they are to a successful transition. We recognize it is the efforts of all the employees that has made TriOak great over the years. We express deep gratitude for that. We have had another good financial year which ends today due to the transaction. This week, TriOak is paying our normal 2022 year end profit bonus to all employees ahead of the transaction closing. In addition to the profit bonus, every employee will be getting a second bonus as our way of saying thank you for your years of service. Both of these bonuses will be done as direct deposit and will be reflected by Dec 2, 2022, in the payroll system.

Remember that TriOak is in a strong financial position, and it was our decision to sell at this time. With the new owner of TriOak being JBS, it provides the opportunity for the smoothest transition and best future to all the people who have made TriOak what it is today. Over time, JBS will be looking to find the best synergies to meld the two live pork businesses together. Change will occur but remember that change occurs over time even without a transition in ownership. The old adage still applies: 10% of life is what happens to you, and 90% is how you choose to respond. We really hope that you can embrace the opportunities this transaction can bring to your future and the future of the JBS/TriOak live production business.

Over the next couple of weeks, multiple meetings will be scheduled to meet with JBS personnel. Communication will be coming with details on times and locations. Thank you again for all the loyalty to TriOak and your patience as JBS works through introductions.

Regards,

Randall Pflum

**Facts for Employees:**

1. JBS will retain all employees
2. The transition will not cause any employees to be without health insurance or other benefits
3. TriOak will pay out a final 2022 all-company profit bonus to employees
4. TriOak will also pay second bonus as a thank you based on years of service
5. PTO rolls to JBS

**Why is TriOak selling:**

1. The age of ownership at TriOak and the difficulties in transitioning that ownership going forward
2. New production requirements are taking large amounts of money invested to stay compliant
3. TriOak is in a very strong financial position, which makes selling much easier than if we were not financially strong

**Why sell to JBS:**

1. We sell 100% of our market hogs to JBS, which means only minimal change in daily operations
2. JBS provides the best opportunity to maintain and grow a world class pork business
3. There is good geographic synergy with mills and finishing barns.
4. We are impressed with how JBS treats their employees

**FAQ:**

1. Do I still have a job? Yes, all employees will be retained.
2. What will be different about my job tomorrow? No changes immediately; continue as normal.
3. Is my pay changing and who is my check coming from? No change in pay; check will still say

TriOak.

1. Will there be changes to my benefits/open enrollment and PTO? No, continue with the current open enrollment on benefits for 2023. PTO will continue on.
2. What role do Bob, Dennis, and Randy play? Bob will continue to support a smooth transition as needed. Randy and Dennis will remain in place for 6-8 weeks to help with the financial and operational transition. By late January Dennis will retire but like Bob will support a smooth transition. Randy will remain involved longer to help with questions and the transition.
3. Who is in charge of ‘TriOak’ now? Dr. Matthew Turner is over all of JBS live production.

1. Will the TriOak name be kept? Yes, for awhile and maybe long term.
2. Who do we contact with questions? You should contact your supervisor who will help you or get you to who can answer the question.