



Borden Financial Reorg – Exit Milk Supplier FAQs

SITUATION OVERVIEW

What is happening?

As part of our Chapter 11 exit strategy, Borden has been approved for sale to Capitol Peak Partners and KKR. The transaction is expected to close mid-July, following completion of a court-supervised sale process.

What does this mean for Borden?

Borden will have new owners, Capitol Peak and KKR. They are acquiring substantially all Borden assets, including all plants, branches, routes and the Borden brand. Following the transaction, Borden will be appropriately capitalized, and the business will remain intact, allowing Borden to be able to continue employment for our people and service for our customers. In addition, Capitol Peak and KKR will form a new Board of Directors.

How did Borden choose who to sell to?

We evaluated multiple bids from various investors to choose the path forward that is in the best interest of all Borden stakeholders. We believe that Capitol Peak and KKR will enable us to continue to build this iconic dairy Company and grow profitably. Following the transaction, Borden will be appropriately capitalized, and the business will remain intact, including all plants, branches, routes, and the Borden brand. Further, the newly reorganized Borden will be able to continue employment for our people and continue service for our customers.

Why did Capitol Peak and KKR choose to buy Borden?

Capitol Peak has deep expertise in the dairy industry, and KKR is an existing lender that has a long history with Borden. Both investment firms see Borden's potential and are eager to help continue growing the business profitably.

What is the timeline for this transaction to be complete?

On June 26, the bankruptcy court approved the sale of Borden to Capitol Peak and KKR. The transaction is expected to formally close in mid-July.

Will the Borden brand and Elsie still exist?

Yes, we will continue using the Borden brand and Elsie.

Why did Borden file for bankruptcy?

In order to continue to innovate with new products, modernize our facilities and equipment, and improve Borden's ability to compete in today's market, we had to restructure our balance sheet and reduce our debt. We took this step because we firmly believed that this process represented the best possible solution for Borden Dairy, our employees, customers and vendors.



COMPANY IMPACT

Can you guarantee that the Company will survive?

We are a heritage American brand that has been in business since 1857, and we are confident and optimistic about our continued success in the future. We are exiting bankruptcy in a great position to win in the marketplace.

Will the Company continue innovating and introducing new products?

The new ownership team is focused on getting up to speed on our business as quickly as possible before making any determinations about future business plans and strategies.

Will the Company continue advertising/marketing?

The new ownership team is focused on getting up to speed on our business as quickly as possible before making any determinations about future business plans and strategies.

Will Borden continue supplying the USDA Farmers to Families Food Box Program?

Yes, we will fulfill the government contract awarded to Borden and continue providing COVID-19 relief to nonprofit organizations.

Will this impact consumer pricing?

The new ownership team is focused on getting up to speed on our business as quickly as possible before making any determinations about future business plans and strategies.

SUPPLIER IMPACT

Will this process affect customer contracts with Borden?

No, we will continue serving our existing customers and pursuing new customer relationships.

How will this affect supply of Borden products?

It shouldn't. Our standard service and deliveries will continue.

Will Borden continue working with the same milk suppliers?

Yes, we appreciate the relationships we have built and will continue to work with the same suppliers. Borden is especially committed to working with small, independent dairy farmers wherever possible.

Will there be any impact to service, scheduled customer deliveries, etc.?

We don't anticipate any. Our standard service and deliveries will continue, as well as our dedication to responding swiftly to address any and all of our customers' needs.

How will this affect invoicing?

Invoices for goods and services should continue to be submitted through the typical channels, with payments processed in accordance with contract terms.

Will my Borden point of contact change?

No, your point of contact at Borden will remain the same.



NEXT STEPS

What happens now?

The deal is expected to close in mid-July. We will keep you updated on key milestones as we approach closing.

Where can I access more information/updates?

For additional information about the reorganization, please speak to your Borden point of contact or visit www.bordenfinancialreorg.com.