

CONAGRA BRANDS INC.

Form S-4

July 25, 2018

**Table of Contents**

**As filed with the Securities and Exchange Commission on July 25, 2018**

**Registration No. 333-**

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM S-4**

**REGISTRATION STATEMENT**

***UNDER***

***THE SECURITIES ACT OF 1933***

**CONAGRA BRANDS, INC.**

**(Exact Name of Registrant as Specified in Its Charter)**

**Delaware**  
**(State or Other Jurisdiction of**  
  
**Incorporation or Organization)**

**2000**  
**(Primary Standard Industrial**  
  
**Classification Code Number)**

**47-0248710**  
**(I.R.S. Employer**  
  
**Identification Number)**

**222 Merchandise Mart Plaza, Suite 1300**

**Chicago, Illinois 60654**

**(312) 549-5000**

**(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)**

**Colleen R. Batcheler**

**Executive Vice President, General Counsel and Corporate Secretary**

**Conagra Brands, Inc.**

**222 Merchandise Mart Plaza, Suite 1300**

**Chicago, Illinois 60654**

**(312) 549-5000**

**(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)**

*Copies to:*

**Peter E. Izanec, Esq.**

**M. Kelley Maggs, Esq.**

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**Timothy P. FitzSimons, Esq.**

**Executive Vice President,**

**O. Keith Hallam, III, Esq.**

**Michael J. Solecki, Esq.**

**Secretary and General Counsel**

**Cravath, Swaine & Moore LLP**

**Bradley C. Brasser, Esq.**

**Pinnacle Foods Inc.**

**825 Eighth Avenue**

**Jones Day**

**399 Jefferson Road**

**New York, New York 10019**

**901 Lakeside Avenue**

**Parsippany, New Jersey 07054**

**(212) 474-1000**

**Cleveland, Ohio 44114**

**(973) 541-6620**

**(216) 586-3939**

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after this Registration Statement is declared effective and upon the satisfaction or waiver of all other conditions to the closing of the merger described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company
		Emerging growth company

If an emerging growth company, indicate by check mark if registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

## CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered <sup>(1)</sup>	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee <sup>(4)</sup>
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Shares of Common Stock, par value \$5.00 per share	77,318,975 <sup>(2)</sup>	N/A	\$2,646,752,129 <sup>(3)</sup>	\$329,521
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- (1) This registration statement relates to shares of common stock, par value \$5.00 per share, of the registrant issuable to holders of common stock, par value \$0.01 per share, of Pinnacle Foods Inc., a Delaware corporation ( Pinnacle ), pursuant to the Agreement and Plan of Merger, dated as of June 26, 2018, by and among the registrant, Pinnacle and Patriot Merger Sub Inc., a Delaware corporation and a direct wholly owned subsidiary of the registrant.
- (2) Represents the estimated maximum number of shares of common stock of the registrant to be issued in connection with the merger described herein. The number of shares of common stock of the registrant is based on the product of (i) 119,062,174, which represents the number of shares of Pinnacle common stock outstanding as of July 13, 2018 multiplied by (ii) 0.6494, which is the exchange ratio under the merger agreement.
- (3) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933 and computed pursuant to Rule 457(c) and 457(f) of the Securities Act of 1933. The proposed maximum offering price is equal to the product of (a) \$65.34, the average of the high and low prices per share of shares of Pinnacle common stock as reported on the New York Stock Exchange on July 24, 2018 and (b) the estimated number of shares of Pinnacle common stock that may be exchanged for the merger consideration, including shares reserved for issuance under equity awards that will be cashed out in the merger, *less* (b) the estimated aggregate amount of cash to be paid by the registrant as merger consideration.
- (4) Determined in accordance with Section 6(b) of the Securities Act of 1933 at a rate equal to \$124.50 per \$1,000,000 of the proposed maximum aggregate offering price.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**Table of Contents**

**The information in this proxy statement/prospectus is not complete and may be changed. Conagra may not sell the securities offered by this proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission, of which the proxy statement/prospectus is a part, is declared effective. This proxy statement/prospectus is not an offer to sell and is not soliciting an offer to buy any securities in any jurisdiction where the offer or sale is not permitted.**

**PRELIMINARY SUBJECT TO COMPLETION, DATED JULY 25, 2018**

**Pinnacle Foods Inc.**

**399 Jefferson Road**

**Parsippany, New Jersey 07054**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

[ ], 2018

Dear Fellow Stockholders:

On June 26, 2018, Pinnacle Foods Inc., a Delaware corporation ( "Pinnacle" ), entered into an Agreement and Plan of Merger (as it may be amended from time to time, the "merger agreement" ), with Conagra Brands, Inc., a Delaware corporation ( "Conagra" ), and Patriot Merger Sub Inc., a Delaware corporation and a direct wholly owned subsidiary of Conagra ( "Merger Sub" ).

The merger agreement provides for Merger Sub to be merged with and into Pinnacle (the "merger" ), after which Pinnacle will survive the merger as a wholly owned subsidiary of Conagra. If the merger is completed, for each share of Pinnacle common stock you own, you will receive (unless you seek appraisal and comply with all related statutory requirements of the General Corporation Law of the State of Delaware (the "DGCL" )) \$43.11 in cash without interest (the "cash consideration" ), and 0.6494 shares of Conagra common stock (the "stock consideration" ), and together with the cash consideration, the "merger consideration" ). Based on the volume weighted average price per share of Conagra common stock for the five consecutive trading days ending June 21, 2018 on the New York Stock Exchange ( "NYSE" ), the merger consideration represented approximately \$68.00 per share of Pinnacle common stock. This price represented a premium of approximately 23.2% to the closing price of Pinnacle common stock of \$55.20 on NYSE on April 19, 2018 (which was the last trading day prior to the announcement that Jana Partners LLC had made a substantial investment in Pinnacle, leading to speculation that Pinnacle would consider a potential sale transaction) and a premium of approximately 0.2% to the closing price of Pinnacle common stock of \$67.86 on NYSE on June 26, 2018, the last trading day before the public announcement of the merger agreement. Based on the closing price of \$[ ] per share of Conagra common stock on NYSE on [ ], 2018, the last practicable date before the date of this proxy statement/prospectus, the merger consideration represented approximately \$[ ] per share of Pinnacle common stock. Changes in the market price of shares of Conagra common stock prior to the closing of the merger will affect the value of the stock consideration. Accordingly, we urge you to obtain current market quotations for shares of Conagra common stock before deciding whether to vote **FOR** adoption of the merger agreement. Shares

of Pinnacle common stock are currently traded on NYSE under the symbol PF , and shares of Conagra common stock are currently traded on NYSE under the symbol CAG .

In connection with the merger, Pinnacle will hold a special meeting of its stockholders (the special meeting ) to adopt the merger agreement and to consider and vote on certain other matters. The affirmative vote of the holders of a majority of all outstanding shares of Pinnacle common stock entitled to vote on the merger proposal is required to adopt the merger agreement. Stockholders of record as of [ ], 2018 (the record date ) are entitled to vote to adopt the merger agreement and for the other proposals presented at the special meeting.

## **YOUR VOTE IS VERY IMPORTANT**

**Information about the special meeting, the merger and the other business to be considered by the Pinnacle stockholders at the special meeting is contained in the accompanying proxy statement/prospectus, which we urge you to read in its entirety. In particular, see the section titled Risk Factors beginning on page 40 of the accompanying proxy statement/prospectus.**

**The Pinnacle board of directors (the Pinnacle board ) has unanimously approved the merger agreement and declared in the best interest of the Pinnacle stockholders the acquisition of Pinnacle by Conagra by means of the merger and directed that the merger agreement be submitted to the Pinnacle stockholders for their adoption. The Pinnacle board recommends that the Pinnacle stockholders vote (1) FOR the proposal to adopt the merger agreement; (2) FOR the proposal to approve, on a nonbinding, advisory basis, the compensation that may be paid or may become payable to Pinnacle s named executive officers in connection with, or following, the closing of the merger (the merger-related compensation ); and (3) FOR any adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement.**

If you have any questions concerning the merger, the special meeting or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus or need help voting your shares of Pinnacle common stock, please contact Pinnacle s proxy solicitor:

1407 Broadway, 27th Floor

New York, NY 10018

pfproxy@mackenziepartners.com

(212) 929-5500 or toll-free (800) 322-2885

Sincerely,

Roger K. Deromedi

*Independent Chairman of the Board of Directors and Lead Director*

**Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger, the transactions contemplated by the merger agreement or the securities to be issued under the accompanying proxy statement/prospectus or determined if the accompanying proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

**The accompanying proxy statement/prospectus is dated [                      ] and is first being mailed to the Pinnacle  
stockholders on or about [                      ], 2018.**

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**Table of Contents**

**Notice of Special Meeting of Stockholders of Pinnacle**

**Pinnacle Foods Inc.**

**399 Jefferson Road**

**Parsippany, New Jersey 07054**

[ ], 2018

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

Dear Fellow Stockholders:

Notice is hereby given that a special meeting of stockholders (the special meeting ) of Pinnacle Foods Inc., a Delaware corporation ( Pinnacle ), will be held on [ ], 2018 at [ ] (Eastern [Daylight] Time). Only Pinnacle stockholders of record at the close of business on [ ], 2018, the record date, are entitled to receive this notice and to vote at the special meeting or any adjournment or postponement of that meeting. The special meeting has been called for the following purposes:

**1. Adoption of the Merger Agreement.** To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of June 26, 2018 (as it may be amended from time to time, the merger agreement ), by and among Pinnacle, Conagra Brands, Inc., a Delaware corporation ( Conagra ), and Patriot Merger Sub Inc., a Delaware corporation and a direct wholly owned subsidiary of Conagra ( Merger Sub ), pursuant to which, among other things, Merger Sub will be merged with and into Pinnacle, with Pinnacle surviving the merger as a subsidiary of Conagra (the merger );

**2. Advisory Vote Regarding Merger-Related Compensation.** To consider and vote on a nonbinding, advisory proposal to approve the compensation that may be paid or may become payable to Pinnacle's named executive officers in connection with, or following, the closing of the merger (the nonbinding, advisory proposal, which we refer to as the nonbinding compensation proposal ), relates only to contractual obligations of Pinnacle in existence prior to the closing of the merger that may result in a payment to Pinnacle's named executive officers in connection with, or following, the closing of the merger and does not relate to any new compensation or other arrangements between Pinnacle's named executive officers and Conagra or, following the merger, the surviving corporation and its subsidiaries); and

**3. Adjournment or Postponement of the Special Meeting.** To consider and vote upon any adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement (the adjournment ).

**The Pinnacle board of directors (the Pinnacle board ) has unanimously approved the merger agreement and declared in the best interest of the Pinnacle stockholders the acquisition of Pinnacle by Conagra by means of the merger and directed that the merger agreement be submitted to the Pinnacle stockholders for their adoption. The merger agreement will be adopted upon receiving the affirmative vote of the holders of a majority of all outstanding shares of Pinnacle common stock entitled to vote thereon at the special meeting.**



**Whether or not you plan to attend the special meeting, it is important that you submit your proxy with voting instructions as soon as possible.** To ensure your shares are voted, you may vote your shares over the Internet, by telephone or by requesting a paper proxy card to complete, sign and return by mail. Internet and telephone voting procedures are described in the section of the proxy statement/prospectus under the heading *Special Meeting of Pinnacle Stockholders Voting of Proxies* and on the proxy card.

**The Pinnacle board unanimously recommends that the Pinnacle stockholders vote FOR** the proposal to adopt the merger agreement; **FOR** the nonbinding compensation proposal; and **FOR** any adjournment.

By Order of the Board of Directors,

M. Kelley Maggs

*Executive Vice President, Secretary and General Counsel*

**Table of Contents**

**ADDITIONAL INFORMATION**

The accompanying document is the proxy statement of Pinnacle for its special meeting of stockholders and the prospectus of Conagra relating to the offer and sale of its common stock to be issued to Pinnacle stockholders in the merger. The accompanying proxy statement/prospectus incorporates important business and financial information about Conagra and Pinnacle from documents that are not included in or delivered with the accompanying proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference into the accompanying proxy statement/prospectus by requesting them in writing, via email or by telephone, from Conagra or Pinnacle at the following addresses and telephone numbers:

Conagra Brands, Inc.  
222 Merchandise Mart Plaza, Suite 1300  
Chicago, Illinois 60654

Attention: Investor Relations

Email: [ir@conagra.com](mailto:ir@conagra.com)

Telephone: (312) 549-5000

Pinnacle Foods Inc.

399 Jefferson Road

Parsippany, New Jersey

Attention: Investor Relations

Email: [jennifer.halchak@pinnaclefoods.com](mailto:jennifer.halchak@pinnaclefoods.com)

Telephone: (973) 541-6620

In addition, if you have questions about the merger or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus or need to obtain a proxy card or other information related to the proxy solicitation, please contact MacKenzie Partners, Inc., Pinnacle's proxy solicitor, toll-free at (800) 322-2885 or (212) 929-5500 or by email: [pfproxy@mackenziepartners.com](mailto:pfproxy@mackenziepartners.com). You will not be charged for any of these documents that you request.

**If you would like to request any documents, please do so at least one week before the date of the special meeting to give us time to get them to you before the special meeting.**

See the section titled *Where You Can Find More Information* beginning on page 159 of the accompanying proxy statement/prospectus for further information.

**Table of Contents**

**ABOUT THIS PROXY STATEMENT/PROSPECTUS**

This proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission (the "SEC") by Conagra, constitutes a prospectus of Conagra under Section 5 of the Securities Act of 1933, as amended (the "Securities Act"), with respect to shares of Conagra common stock to be issued to Pinnacle stockholders under the merger agreement. This proxy statement/prospectus also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). It also constitutes a notice of meeting with respect to the special meeting of Pinnacle stockholders, at which meeting Pinnacle stockholders will be asked to vote upon a proposal to adopt the merger agreement, among other things.

You should rely only on the information contained in or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated as of [ ], 2018. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this proxy statement/prospectus is accurate as of any date other than the date of such incorporated document. Neither the mailing of this proxy statement/prospectus to Pinnacle stockholders nor the issuance by Conagra of its shares of common stock in connection with the merger will create any implication to the contrary.

**This proxy statement/prospectus is neither an offer to sell, nor a solicitation of an offer to buy any securities, the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the merger or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. Information contained in this proxy statement/prospectus regarding Pinnacle has been provided by Pinnacle and information contained in this proxy statement/prospectus regarding Conagra has been provided by Conagra.**

**Table of Contents**

**TABLE OF CONTENTS**

<b><u>QUESTIONS AND ANSWERS</u></b>	<b>Page</b>
<b><u>SUMMARY</u></b>	1
<b><u>The Companies</u></b>	14
<b><u>The Merger and the Merger Agreement</u></b>	14
<b><u>Merger Consideration</u></b>	15
<b><u>Financing of the Merger and Indebtedness Following the Merger</u></b>	15
<b><u>Treatment of Pinnacle Equity Awards</u></b>	16
<b><u>Risk Factors</u></b>	16
<b><u>Special Meeting of Pinnacle Stockholders</u></b>	18
<b><u>Vote Required for Adoption of Merger Agreement</u></b>	18
<b><u>Recommendation of the Pinnacle Board and its Reasons for the Merger</u></b>	19
<b><u>Opinions of Pinnacle's Financial Advisors</u></b>	20
<b><u>Interests of the Pinnacle Board and Executive Officers in the Merger</u></b>	20
<b><u>NYSE Listing of Shares of Conagra Common Stock and Deregistration of Shares of Pinnacle Common Stock</u></b>	21
<b><u>Regulatory Approvals Required for the Merger</u></b>	21
<b><u>Appraisal Rights</u></b>	22
<b><u>No Solicitation: Board Recommendation</u></b>	22
<b><u>Conditions to the Closing of the Merger</u></b>	23
<b><u>Termination of the Merger Agreement</u></b>	25
<b><u>Termination Fee; Liability for Breach</u></b>	26
<b><u>Fees Payable by Pinnacle and Conagra</u></b>	27
<b><u>Effect on Pinnacle if Merger Is Not Completed</u></b>	27
<b><u>Material U.S. Federal Income Tax Consequences</u></b>	28
<b><u>Withholding Taxes</u></b>	28
<b><u>Comparative Rights of Stockholders</u></b>	29
<b><u>Advisory Vote on Specified Compensation</u></b>	29
<b><u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF CONAGRA</u></b>	30
<b><u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF PINNACLE</u></b>	31
<b><u>COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA</u></b>	33
<b><u>COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION</u></b>	35
<b><u>CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS</u></b>	38
<b><u>RISK FACTORS</u></b>	40
<b><u>Risk Factors Relating to the Merger</u></b>	40
<b><u>Risk Factors Relating to Conagra Following the Merger</u></b>	47
<b><u>Other Risk Factors Relating to Conagra and Pinnacle Stockholders</u></b>	51
<b><u>PINNACLE PROPOSALS</u></b>	52
<b><u>Pinnacle Proposal 1: Merger Agreement Proposal</u></b>	52
<b><u>Pinnacle Proposal 2: Nonbinding Compensation Proposal</u></b>	52
<b><u>Pinnacle Proposal 3: Adjournment Proposal</u></b>	52
<b><u>THE COMPANIES</u></b>	54
<b><u>Conagra Brands, Inc.</u></b>	54
<b><u>Pinnacle Foods Inc.</u></b>	54
<b><u>Patriot Merger Sub Inc.</u></b>	55

<u>SPECIAL MEETING OF PINNACLE STOCKHOLDERS</u>	56
<u>Date and Time of the Special Meeting</u>	56
<u>Purpose of the Special Meeting</u>	56
<u>Record Date; Shares Entitled to Vote; Quorum</u>	56
<u>Vote Required; Abstentions and Broker Non-Votes</u>	57

- i -

**Table of Contents**

	<b>Page</b>
<u>Shares Held by Pinnacle's Directors and Executive Officers</u>	57
<u>Voting of Proxies</u>	58
<u>Revocability of Proxies</u>	59
<u>Recommendation of the Pinnacle Board</u>	59
<u>Adjournments and Postponements</u>	59
<u>Solicitation of Proxies</u>	59
<u>Questions and Additional Information</u>	60
<u>THE MERGER AGREEMENT PROPOSAL</u>	61
<u>General</u>	61
<u>Effect of the Merger</u>	61
<u>Effect on Pinnacle if the Merger is Not Completed</u>	61
<u>Merger Consideration</u>	62
<u>Background of the Merger</u>	63
<u>Recommendation of the Pinnacle Board and its Reasons for the Merger</u>	74
<u>Opinions of Pinnacle's Financial Advisors</u>	78
<u>Certain Pinnacle Unaudited Management Financial Forecasts</u>	94
<u>Treatment of Pinnacle Equity Awards</u>	96
<u>Interests of Pinnacle's Directors and Executive Officers in the Merger</u>	98
<u>Financing of the Merger and Indebtedness Following the Merger</u>	103
<u>Closing and Effective Time of the Merger</u>	104
<u>Accounting Treatment of the Merger</u>	104
<u>Regulatory Approvals Required for the Merger</u>	105
<u>NYSE Listing of Shares of Conagra Common Stock; Delisting and Deregistration of Shares of Pinnacle Common Stock</u>	105
<u>THE MERGER AGREEMENT</u>	106
<u>Explanatory Note Regarding the Merger Agreement</u>	106
<u>Form and Effects of the Merger; Organizational Documents of the Surviving Corporation; Directors and Officers</u>	106
<u>Closing and Effective Time of the Merger</u>	107
<u>Merger Consideration</u>	107
<u>Payment of the Merger Consideration</u>	108
<u>Treatment of Pinnacle Equity Awards</u>	109
<u>Representations and Warranties</u>	110
<u>Conduct of Business Pending the Merger</u>	112
<u>No Solicitation; Board Recommendation</u>	116
<u>Efforts to Obtain Pinnacle Stockholder Approval</u>	120
<u>Efforts to Complete the Merger</u>	121
<u>Fees Payable by Pinnacle and Conagra</u>	122
<u>Indemnification and Directors' and Officers' Insurance</u>	122
<u>Financing</u>	123
<u>Certain Additional Covenants</u>	123
<u>Conditions to the Closing of the Merger</u>	124
<u>Termination of the Merger Agreement</u>	125
<u>Termination Fee; Liability for Breach</u>	125
<u>Employee Matters</u>	126
<u>Withholding Taxes</u>	126
<u>Amendments and Waivers</u>	127

<u>Governing Law</u>	127
<u>Specific Enforcement</u>	127
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	128
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	134

- ii -

---

**Table of Contents**

	<b>Page</b>
<u>COMPARISON OF STOCKHOLDERS' RIGHTS</u>	143
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	149
<u>APPRAISAL RIGHTS</u>	151
<u>LEGAL MATTERS</u>	156
<u>EXPERTS</u>	156
<u>SUBMISSION OF PINNACLE STOCKHOLDER PROPOSALS</u>	157
<u>HOUSEHOLDING</u>	158
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	159

**ANNEXES**

Annex A: Merger Agreement

Annex B: Opinion of Evercore Group L.L.C.

Annex C: Opinion of Credit Suisse Securities (USA) LLC

Annex D: DGCL Section 262

- iii -



**Table of Contents**

**QUESTIONS AND ANSWERS**

*The following questions and answers are intended to address briefly some commonly asked questions regarding the merger, the merger agreement, certain voting procedures and other matters with respect to the special meeting. These questions and answers may not address all questions that may be important to Pinnacle stockholders. To better understand these matters, and for a more complete description of the terms of the merger agreement, the merger and the other transactions contemplated thereby, including certain risks relating to the merger and Conagra following the merger, and the other matters to be voted on and the proceedings to be conducted at the special meeting, you should carefully read this entire proxy statement/prospectus, including each of the attached annexes, as well as the documents that have been incorporated by reference into this proxy statement/prospectus. See the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.*

**Q: Why am I receiving these materials?**

A: On June 26, 2018, Pinnacle, Conagra and Merger Sub entered into the merger agreement, which provides for the merger of Merger Sub, a direct wholly owned subsidiary of Conagra, with and into Pinnacle, with Pinnacle surviving the merger as a direct wholly owned subsidiary of Conagra (the surviving corporation). In order to complete the merger, Pinnacle stockholders must vote to adopt the merger agreement. This document is being delivered to you as both a proxy statement of Pinnacle and a prospectus of Conagra in connection with the merger. It is the proxy statement by which the Pinnacle board is soliciting proxies from you to vote in favor of the proposal to adopt the merger agreement at the special meeting or at any adjournment or postponement of the special meeting. This document is also the prospectus for the offering by Conagra of shares of Conagra common stock to pay for the stock portion of the merger consideration, as described below.

**Q: What is the proposed transaction?**

A: The proposed transaction is the acquisition of Pinnacle by Conagra by means of the merger of Merger Sub, which is a wholly owned subsidiary of Conagra, with and into Pinnacle pursuant to the merger agreement. Following the effective time of the merger, Pinnacle will be a direct wholly owned subsidiary of Conagra. Conagra will issue approximately [ ] shares of Conagra common stock to Pinnacle stockholders in the merger (including shares of Conagra common stock to be issued in connection with outstanding Pinnacle equity awards). As a result of these issuances, current Conagra stockholders and Pinnacle stockholders are expected to hold approximately [ ]% and [ ]%, respectively, of Conagra's outstanding shares of common stock immediately following the closing of the merger.

**Q: What is the amount of cash and the number of shares of Conagra common stock that I will be entitled to receive for my shares of Pinnacle common stock?**

A: If the merger agreement is adopted by the Pinnacle stockholders and the merger is subsequently completed, each issued and outstanding share of Pinnacle common stock (other than appraisal shares (as defined below) and shares of Pinnacle common stock owned by Pinnacle, Conagra, Merger Sub or any direct or indirect wholly

owned subsidiary of Pinnacle or Conagra, and in each case, not held on behalf of third parties) will be converted into the right to receive (i) \$43.11 in cash without interest and (ii) 0.6494 shares of Conagra common stock (together, the merger consideration ).

Conagra will not issue any fractional shares of Conagra common stock in the merger and a Pinnacle stockholder who otherwise would have received a fraction of a share of Conagra common stock will receive a cash payment in lieu thereof, without interest, rounded down to the nearest whole cent, equal to the fraction of a share of Conagra common stock (after taking into account all shares of Conagra common stock

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**Table of Contents**

held by such holder at the effective time of the merger and rounded to the nearest one-thousandth when expressed in decimal form to which such holder would otherwise be entitled) multiplied by the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs. See the section titled *The Merger Agreement Merger Consideration* contained in this proxy statement/prospectus.

**Q: What will happen to outstanding Pinnacle equity awards in the merger?**

A: At the effective time of the merger, subject to all required withholding taxes:

**Pinnacle options**

Each outstanding option to purchase shares of Pinnacle common stock (a Pinnacle option ) that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled stock appreciation right relating to a number of shares of Conagra common stock (rounded down to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested Pinnacle option immediately prior to the effective time of the merger multiplied by (ii) the equity award exchange ratio (described below), at a base price per share (rounded up to the nearest whole cent) equal to (x) the exercise price of such Pinnacle option divided by (y) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle option immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below). The equity award exchange ratio is the sum of (A) the exchange ratio of 0.6494 plus (B) the quotient of (1) the cash consideration divided by (2) the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs;

Each outstanding Pinnacle option that is vested immediately prior to the effective time of the merger will automatically be canceled in exchange for the right to receive an amount, solely in cash, equal to the number of shares of Pinnacle common stock subject to such Pinnacle option immediately prior to the effective time of the merger multiplied by the excess, if any, of the equity award cash-out consideration (described below) over the exercise price per share of such Pinnacle option. The equity award cash-out consideration is the sum of (i) the cash consideration and (ii) the product of (A) the exchange ratio multiplied by (B) the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs;

**Pinnacle RSUs**

Each outstanding restricted stock unit of Pinnacle subject only to time-based vesting requirements (a Pinnacle RSU ) that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled restricted stock unit relating to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested

Pinnacle RSU immediately prior to the effective time of the merger multiplied by (ii) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle RSU immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle RSU that is vested immediately prior to the effective time of the merger, will be canceled and converted into the right to receive an amount in cash equal to the equity award cash-out consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents;

- 2 -

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**Table of Contents**

**Pinnacle PSUs**

Each outstanding restricted stock unit of Pinnacle subject to performance-based vesting requirements (a Pinnacle PSU ) that is unvested immediately prior to the effective time of the merger will be canceled and converted into a time-based cash-settled restricted stock unit related to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested Pinnacle PSU immediately prior to the effective time of the merger, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, multiplied by (ii) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle PSU immediately prior to the effective time of the merger (other than performance-based vesting conditions and subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle PSU that is vested immediately prior to the effective time of the merger will be canceled and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of Pinnacle common stock underlying such Pinnacle PSU, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger and (ii) the equity award cash-out consideration plus an amount in cash equal to any accumulated and unpaid dividend equivalents with respect to such vested Pinnacle PSU;

**Pinnacle PSAs**

Each outstanding unvested Pinnacle performance-based restricted share award will be deemed to be two separate awards, the issued restricted share portion (a Pinnacle PSA ), which will become vested based on actual performance as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, and the performance share unit portion of which will be treated as an unvested Pinnacle PSU as set forth above; and

Each vested Pinnacle PSA (including the portion that vests in accordance with the foregoing) will be canceled and converted into the right to receive the merger consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents.

See the section titled *The Merger Agreement Treatment of Pinnacle Equity Awards* contained in this proxy statement/prospectus.

**Q: Do any of Pinnacle's directors or executive officers have any interests in the merger that are different from, or in addition to, my interests as a stockholder?**

A: In considering the proposals to be voted on at the special meeting, you should be aware that Pinnacle's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of

Pinnacle stockholders generally. These interests include, among others, the treatment of outstanding equity awards pursuant to the merger agreement, potential severance benefits and other payments and rights to ongoing indemnification and insurance coverage. The members of the Pinnacle board were aware of and considered these interests in reaching the determination to approve the merger agreement and recommend that the holders of Pinnacle common stock vote their shares to adopt the merger agreement. For more information, please see the section titled *The Merger Agreement Proposal Interests of Pinnacle's Directors and Executive Officers in the Merger* contained in this proxy statement/prospectus.

**Q: How does the merger consideration compare to the market price of Pinnacle common stock?**

A: Based on the volume weighted average price per share of Conagra common stock for the five consecutive trading days ending June 21, 2018 on NYSE, the merger consideration represented approximately \$68.00

- 3 -

## **Table of Contents**

per share of Pinnacle common stock. This price represented a premium of approximately 23.2% to the closing price of Pinnacle common stock of \$55.20 on NYSE on April 19, 2018 (which was the last trading day prior to the announcement that Jana Partners LLC had made a substantial investment in Pinnacle, leading to speculation that Pinnacle would consider a potential sale transaction) and a premium of approximately 0.2% to the closing price of Pinnacle common stock of \$67.86 on NYSE on June 26, 2018, the last trading day before the public announcement of the merger agreement. Based on the closing price of \$[ ] per share of Conagra common stock on NYSE on [ ], 2018, the last practicable date before the date of this proxy statement/prospectus, the merger consideration represented approximately \$[ ] per share of Pinnacle common stock.

Changes in the market price of shares of Conagra common stock prior to the closing of the merger will affect the value of the stock consideration. Accordingly, we urge you to obtain the latest market quotations for shares of Conagra common stock prior to submitting your vote or attending the special meeting. Shares of Pinnacle common stock are currently traded on NYSE under the symbol PF , and shares of Conagra common stock are currently traded on NYSE under the symbol CAG .

### **Q: What am I being asked to consider and vote on?**

A: Pinnacle stockholders are being asked to consider and vote on the following proposals:

- (1) to adopt the merger agreement;
- (2) to approve the nonbinding compensation proposal; and
- (3) to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement.

### **Q: How does the Pinnacle board recommend that I vote on the matters to be considered at the special meeting?**

A: The Pinnacle board unanimously recommends that Pinnacle stockholders vote:

**FOR** the proposal to adopt the merger agreement;

**FOR** the nonbinding compensation proposal; and

**FOR** the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement.

See the section titled *The Merger Agreement Proposal Recommendation of the Pinnacle Board and its Reasons for the Merger* contained in this proxy statement/prospectus.

In considering the recommendation of the Pinnacle board with respect to the merger agreement, you should be aware that some of Pinnacle's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of Pinnacle stockholders generally. See the section titled *The Merger Agreement Proposal Interests of Pinnacle's Directors and Executive Officers in the Merger* contained in this proxy statement/prospectus.

**Q: Why is the Pinnacle board recommending that I vote FOR the proposal to adopt the merger agreement?**

A: After careful consideration, the Pinnacle board unanimously determined that it is advisable and in the best interests of Pinnacle and its stockholders for Pinnacle to enter into the merger agreement and consummate the merger and the transactions contemplated thereby. Therefore, after such consideration, the Pinnacle board unanimously approved the merger agreement and declared in the best interest of the Pinnacle stockholders the acquisition of Pinnacle by Conagra by means of the merger and directed that the merger

- 4 -



## **Table of Contents**

agreement be submitted to the Pinnacle stockholders for their adoption. In reaching its decision to approve and declare advisable the merger agreement and to recommend that Pinnacle stockholders adopt the merger agreement, approve the nonbinding compensation proposal and approve the proposal regarding adjournment of the special meeting, if necessary or appropriate, by the Pinnacle stockholders, the Pinnacle board consulted with Pinnacle's management, as well as its legal and financial advisors, and considered its fiduciary obligations, due diligence matters and the terms of the merger agreement. The Pinnacle board also considered each of the items set forth under the section titled *The Merger Agreement Proposal Recommendation of the Pinnacle Board and its Reasons for the Merger* contained in this proxy statement/prospectus.

### **Q: How do Pinnacle's directors and executive officers intend to vote?**

A: Pinnacle's directors and executive officers who hold shares of Pinnacle common stock have informed Pinnacle that they intend, as of the date hereof, to vote all of their shares of Pinnacle common stock in favor of each of the proposals to be considered at the special meeting, although none of them has entered into any agreement obligating them to do so. At the close of business on the record date, directors and executive officers of Pinnacle and their affiliates were entitled to vote approximately [ ] shares of Pinnacle common stock, or approximately [ ]% of the shares of Pinnacle common stock outstanding on that date.

### **Q: What will happen in the merger?**

A: If the merger is completed, Merger Sub will be merged with and into Pinnacle, with Pinnacle surviving the merger as a direct wholly owned subsidiary of Conagra. The merger will be effective when the parties file a certificate of merger with the Secretary of State of the State of Delaware, unless Conagra and Pinnacle agree to a later time and so specify that time in the certificate of merger. Throughout this proxy statement/prospectus, this date and time is referred to as the effective time of the merger.

Following the effective time of the merger, and in any event no more than 10 calendar days after the closing date, Pinnacle common stock will be delisted from NYSE and deregistered under the Exchange Act and, accordingly, Pinnacle will no longer be a public company or be required to file periodic or current reports with the SEC in respect of Pinnacle common stock.

### **Q: What vote of Pinnacle stockholders is required to adopt the merger agreement?**

A: The proposal to adopt the merger agreement (the merger agreement proposal) must be approved by the affirmative vote of the holders of a majority of the outstanding shares of Pinnacle common stock entitled to vote thereon at the special meeting. Abstentions will have the same effect as a vote AGAINST the merger agreement proposal.

### **Q: What vote of Pinnacle stockholders is required to approve the other matters to be considered at the special meeting?**

- A: Assuming a quorum is present, approval of the nonbinding compensation proposal requires the affirmative vote of the holders of a majority of those shares of Pinnacle common stock present in person or represented by proxy at the special meeting and entitled to vote thereon. The vote to approve the nonbinding compensation proposal is not a condition to the closing of the merger and the nonbinding compensation proposal is advisory in nature and will not be binding on Conagra or Pinnacle. Accordingly, regardless of the outcome of the vote on the nonbinding compensation proposal, if the merger agreement is adopted and the merger is completed, the merger-related compensation may be paid or become payable to Pinnacle's named executive officers in connection with the merger. Abstentions will have the same effect as a vote AGAINST the nonbinding compensation proposal, while failures to vote and broker non-votes will have no effect on the outcome of the vote on the nonbinding compensation proposal.
- The proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement (the adjournment proposal ) requires the affirmative vote of

## **Table of Contents**

holders of a majority of those shares of Pinnacle common stock present in person or represented by proxy at the special meeting and entitled to vote thereon, regardless of whether a quorum is present. Unless the Pinnacle board fixes a new record date for the adjourned special meeting, the adjourned special meeting is more than 30 days after the date of the original special meeting, or law otherwise requires, no notice of the adjourned special meeting will be required so long as (i) the time and place to which the special meeting is adjourned, and the means of remote communications, if any, by which holders of Pinnacle common stock may be deemed to be present or represented by proxy and vote at such adjourned meeting are announced at the original special meeting and (ii) at the adjourned special meeting only such business is transacted as might have been transacted at the original special meeting. Abstentions will have the same effect as a vote AGAINST a proposal to adjourn the special meeting, while failures to vote and broker non-votes will have no effect on the outcome of the vote.

### **Q: Who is entitled to vote at the special meeting?**

A: You are entitled to vote your Pinnacle common stock at the special meeting if Pinnacle's records show that you held your shares as of the close of business on [ ], 2018, the record date. At the close of business on the record date, there were [ ] shares of Pinnacle common stock outstanding, held by approximately [ ] holders of record.

### **Q: How many votes am I entitled to cast for each share of Pinnacle common stock that I own?**

A: Each holder of shares of Pinnacle common stock is entitled to one vote per share of Pinnacle common stock held as of the record date.

### **Q: How are votes counted?**

A: For (i) the merger agreement proposal, (ii) the nonbinding compensation proposal, and (iii) the adjournment proposal, you may vote FOR, AGAINST or ABSTAIN. If you ABSTAIN in any of the above matters, the abstention has the same effect as a vote AGAINST.

If you provide specific instructions with regard to certain items, your shares will be voted as you instruct on such items. If you sign your proxy card or voting instruction form without giving specific instructions, it will have the same effect as a vote AGAINST all of the proposals.

### **Q: What is the deadline for voting my shares?**

A: If you hold shares as the stockholder of record, your vote by written proxy must be received before the polls close at the special meeting. If you hold shares beneficially in street name with a broker, bank, trustee or other nominee, please follow the voting instructions provided by your broker, bank, trustee or other nominee.

**Q: What constitutes a quorum for the special meeting?**

A: A majority of the voting power of the issued and outstanding shares of capital stock of Pinnacle entitled to vote at the special meeting, present in person or represented by proxy, constitutes a quorum for the purposes of the special meeting. Abstentions are counted as present and entitled to vote for purposes of determining a quorum. Shares of Pinnacle common stock held in street name will be counted as present for the purpose of determining the existence of a quorum at the special meeting so long as a stockholder has given the bank, broker or other nominee voting instructions on at least one of the proposals brought before the special meeting. The proposals for consideration at the special meeting are considered non-routine matters under NYSE Rule 452, and, therefore, no broker non-votes can occur at the meeting. A stockholder's shares will not be counted as present for the purpose of determining the existence of a quorum if no instructions have been provided on how to vote on any such proposals. A quorum is necessary to transact business at the

- 6 -

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**Table of Contents**

special meeting. Once a share of Pinnacle common stock is represented at the special meeting, it will be counted for the purpose of determining a quorum at the special meeting and any adjournment of the special meeting, unless a new record date is required to be established. However, if a new record date is set for the adjourned special meeting, then a new quorum will have to be established. In the event that a quorum is not present at the special meeting, it is expected that the special meeting will be adjourned.

**Q: Who will bear the cost of soliciting votes for the special meeting?**

A: Conagra and Pinnacle will each bear their own costs related to the merger and the retention of any information agent or other service provider in connection with the merger, except for the expenses incurred in connection with the filing of this document, which will be paid by Conagra, and the expenses incurred in connection with the printing and mailing of this document, which will be paid by Pinnacle. This proxy solicitation is being made by Pinnacle on behalf of the Pinnacle board. Pinnacle has hired MacKenzie Partners, Inc., a proxy solicitation firm, to assist in the solicitation of proxies, and will pay MacKenzie Partners, Inc. a fee of approximately \$15,000, plus certain costs associated with additional services, if required. In addition to this mailing, proxies may be solicited by MacKenzie Partners, Inc., directors, officers or employees of Pinnacle or Conagra or their respective affiliates in person, by mail, by telephone or by electronic transmission. None of the directors, officers or employees of Pinnacle or Conagra will be directly compensated for such services.

**Q: When and where will the special meeting be held?**

A: The special meeting will be held on [ ], 2018 at [ ] (Eastern [Daylight] Time) at [ ].

**Q: May I attend the special meeting and vote in person?**

A: Yes. All Pinnacle stockholders as of the record date may attend the special meeting and vote in person. Seating will be limited. Pinnacle stockholders will need to present proof of ownership of shares of Pinnacle common stock and proper photo identification, such as a driver's license, to be admitted to the special meeting. If your shares of Pinnacle common stock are held through a broker, bank, trustee or other nominee, you will need to provide proof of ownership, such as a recent account statement or voting instructions form provided by your broker, bank, trustee or other nominee or other similar evidence of ownership, along with proper photo identification. If you are the representative of a corporate or institutional stockholder, you must present valid photo identification along with proof that you are the representative of such stockholder. No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the special meeting, except as administered by Pinnacle.

Even if you plan to attend the special meeting in person, to ensure that your shares will be represented at the special meeting we encourage you to complete, sign, date and return the enclosed proxy card in the accompanying prepaid reply envelope or grant your proxy by telephone or electronically over the Internet. If you attend the special meeting and vote in person by ballot, your vote will revoke any proxy previously submitted by you with respect to the shares so voted in person.

If you hold your shares of Pinnacle common stock in street name through a broker, bank, trustee or other nominee, you should instruct your broker, bank, trustee or other nominee how to vote your shares in accordance with the voting instruction form that you will receive from your broker, bank, trustee or other nominee. Without your instructions, your broker or other agent cannot vote on any of the proposals. If you hold your shares in street name, you may not vote your shares in person at the special meeting unless you obtain a legal proxy from your broker, bank, trustee or other nominee.

**Q: Where can I find the voting results of the special meeting?**

A: Pinnacle intends to announce preliminary voting results at the special meeting and publish final results in a current report on Form 8-K within four business days of the special meeting.

- 7 -

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**Table of Contents**

**Q: What are the material U.S. federal income tax consequences of the merger?**

A: The merger will be a taxable transaction for U.S. federal income tax purposes. Therefore, a U.S. Holder (as defined below in the section titled *Material U.S. Federal Income Tax Consequences General*) generally will recognize capital gain or loss equal to the difference, if any, between (1) the sum of any cash received by such U.S. Holder in the merger, including any cash received in lieu of fractional shares of shares of Conagra common stock, and the fair market value as of the effective time of the merger of any shares of Conagra common stock received by such U.S. Holder in the merger, and (2) the U.S. Holder's adjusted tax basis in its Pinnacle common stock.

In certain circumstances, a U.S. Holder who also owns shares of Conagra common stock at the time of the merger may have tax consequences that differ materially from those described above as a result of the application of Section 304 of the Internal Revenue Code of 1986, as amended (the *Code*). As described further below under *Material U.S. Federal Income Tax Consequences Potential Application of Section 304 of the Code*, such U.S. Holders may be required to include the entire amount of the cash consideration received as dividend income. Any such U.S. Holders should consult their own tax advisors regarding the application of Section 304 to the merger.

Except in certain specific circumstances described in *Material U.S. Federal Income Tax Consequences*, a Non-U.S. Holder (as defined below in the section titled *Material U.S. Federal Income Tax Consequences General*) generally will not be subject to U.S. federal income or withholding tax on any gain recognized on the exchange of Pinnacle common stock for any shares of Conagra common stock and/or cash in the merger. However, as described further below under *Material U.S. Federal Income Tax Consequences Potential Application of Section 304 of the Code*, as a result of the application of Section 304 of the Code, the entire amount of cash consideration paid to a Non-U.S. Holder may be treated as a dividend for U.S. federal income tax purposes if the Non-U.S. Holder also owns shares of Conagra common stock at the time of the merger. Because of the uncertainty regarding the application of Section 304 of the Code and the possibility of dividend treatment, withholding agents may withhold tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on the gross amount of any cash merger consideration paid to a Non-U.S. Holder, regardless of whether the Non-U.S. Holder also owns shares of Conagra common stock at the time of the merger. Non-U.S. Holders should consult their own tax advisors regarding their particular facts and circumstances, the procedures for claiming treaty benefits or otherwise establishing an exemption from U.S. withholding taxes with respect to any portion of the cash consideration payable to them pursuant to the merger, and any actions that may be taken to mitigate any potential adverse tax consequences.

Please refer to section titled *Material U.S. Federal Income Tax Consequences* contained in this proxy statement/prospectus for a description of the material U.S. federal income tax consequences of the merger. Determining the actual tax consequences of the merger to you may be complex and will depend on your specific situation. You should consult your tax advisor for a full understanding of the tax consequences of the merger to you.

**Q: Are there any risks in the merger that I should consider?**

A: Yes. There are risks associated with all business combinations, including the merger. These risks are discussed in more detail in the section titled *Risk Factors* contained in this proxy statement/prospectus.

**Q: What do I need to do now? How do I vote at the special meeting?**

- A: We urge you to carefully read this entire proxy statement/prospectus, including its exhibits, its annexes and the documents referred to or incorporated by reference in this document, and to consider how the merger affects you. Your vote is important. If you are a stockholder of record (that is, if your shares of Pinnacle common stock are registered in your name with Computershare Investor Services, Pinnacle's transfer agent), there are four ways to vote:

***Voting by Proxy Card.*** You may vote by mail, indicating your vote by completing, signing and dating the enclosed proxy card where indicated and by mailing or otherwise returning the proxy card in the

- 8 -



## **Table of Contents**

enclosed envelope. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example, as guardian, executor, trustee, custodian, attorney or officer of a corporation), indicate your name and title or capacity.

***Voting by Telephone.*** If you have access to a touch-tone telephone, you may submit your proxy by dialing 1-800-690-6903 and by following the recorded instructions. You will need the 16-digit control number included on your notice or your proxy card in order to vote by telephone.

***Voting by Internet.*** If you have Internet access, you may submit your proxy by going to [www.proxyvote.com](http://www.proxyvote.com) and by following the instructions on how to complete an electronic proxy card. You will need the 16-digit control number included on your notice or your proxy card in order to vote by Internet.

***Voting in Person.*** You can vote in person at the special meeting if you are a record owner of the shares to be voted. You can also vote in person at the special meeting if you present a properly signed legal proxy that authorizes you to vote shares on behalf of the record owner.

A control number, located on your proxy card, is designed to verify your identity and allow you to vote your shares of Pinnacle common stock, and to confirm that your voting instructions have been properly recorded when voting by telephone or electronically over the Internet. Please be aware that, although there is no charge for voting your shares, if you vote by telephone or electronically over the Internet, you may incur costs such as internet access and telephone charges for which you will be responsible.

Even if you plan to attend the special meeting in person, you are strongly encouraged to vote your shares of Pinnacle common stock by proxy. If you are a record holder or if you obtain a legal proxy to vote shares that you beneficially own, you may still vote your shares of Pinnacle common stock at the special meeting even if you have previously voted by proxy. If you are present at the special meeting and cast your vote in person by ballot, your previous vote by proxy will not be counted.

If your shares are held in street name through a broker, bank, trustee or other nominee, you may vote through your broker, bank, trustee or other nominee by completing and returning the voting form provided by your broker, bank, trustee or other nominee, or, if such a service is provided by your broker, bank, trustee or other nominee, by telephone or electronically over the Internet. To vote by telephone or over the Internet through your broker, bank, trustee or other nominee, you should follow the instructions on the voting instruction form provided by your broker, bank, trustee or other nominee.

If you own Pinnacle common stock and have any questions about electronic voting by the internet or over the telephone you may also contact MacKenzie Partners, Inc. for assistance in voting.

**Q: If my shares of Pinnacle common stock are held in street name by my broker, bank, trustee or other nominee, will my broker, bank, trustee or other nominee vote my shares without instructions from me?**

**A:** Under NYSE rules, brokers who hold shares in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from

beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of matters that NYSE determines to be non-routine. A broker non-vote occurs when a broker submits a proxy that states that the broker does not vote for some or all of the proposals because the broker has not received instructions from the beneficial owners on how to vote on the proposals and does not have discretionary authority to vote in the absence of instructions. Under NYSE rules, brokers are not permitted to vote on any of the matters to be considered at the special meeting. As a result, your shares will not be voted on any matter unless you affirmatively instruct your broker, bank or nominee how to vote your shares in one of the ways indicated by your broker, bank or other nominee.

- 9 -

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**Table of Contents**

**Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?**

A: Most Pinnacle stockholders hold their shares through a broker or other nominee rather than directly in their own name.

If your shares are registered directly in your name with Pinnacle's transfer agent, Computershare Investor Services, you are considered, with respect to those shares, the stockholder of record, and these proxy materials are being sent directly to you by Pinnacle. As the stockholder of record, you have the right to grant your voting proxy directly to Pinnacle or to a third party, or to vote in person at the special meeting. Pinnacle has enclosed a proxy card for you to use.

If your shares are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name and these proxy materials are being forwarded to you together with a voting instruction form on behalf of your broker, bank, trustee or other nominee. As the beneficial owner, you have the right to direct your broker, bank, trustee or other nominee how to vote and you also are invited to attend the special meeting. Your broker, bank, trustee or other nominee has enclosed or provided voting instructions for you to use in directing the broker, bank, trustee or other nominee in how to vote your shares. Because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the special meeting unless you obtain a legal proxy from the broker, bank, trustee or other nominee that holds your shares, giving you the right to vote the shares at the special meeting.

**Q: If I am planning on attending the special meeting in person, should I still submit a proxy?**

A: Yes. Whether or not you plan to attend the special meeting, you should submit a proxy. Shares of Pinnacle common stock will not be voted if the holder of such shares does not submit a proxy and then does not vote in person at the special meeting. If you attend the special meeting and vote in person by ballot, your vote will revoke any proxy previously submitted by you with respect to the shares so voted in person.

**Q: May I change my vote or revoke my proxy?**

A: Yes. Whether you have voted by Internet, telephone or mail, if you are a stockholder of record, you may change your vote and revoke your proxy by: (i) sending a written statement to that effect to our corporate secretary or to any corporate officer of Pinnacle, provided such statement is received no later than [ ], 2018; (ii) voting again by Internet or telephone at a later time before the closing of those voting facilities at [ ] p.m. (Eastern [Daylight] Time) on [ ], 2018; (iii) submitting a properly signed proxy card with a later date that is received no later than [ ], 2018; or (iv) voting at the special meeting.

If you hold shares in street name, you may submit new voting instructions by contacting your bank, broker or other nominee.

**Q: What does it mean if I receive more than one notice on or about the same time?**

A: It generally means you hold shares registered in more than one account. To ensure that all your shares are voted, please sign and return each proxy card or, if you vote by Internet or telephone, vote once for each notice you receive.

**Q: What is householding and how does it affect me?**

A: SEC rules permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements and notices with respect to two or more stockholders sharing the same address by delivering a single proxy statement or a single notice addressed to those stockholders. This process, which is commonly referred to as householding, provides cost savings for companies. Some brokers household proxy materials, delivering a single proxy statement or notice to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice

- 10 -

**Table of Contents**

from your broker that they will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement or notice, or if your household is receiving multiple copies of these documents and you wish to request that future deliveries be limited to a single copy, please notify your broker.

**Q: Am I entitled to exercise appraisal rights instead of receiving the merger consideration for my shares of Pinnacle common stock?**

A: Yes. Pinnacle stockholders may exercise appraisal rights in connection with the merger under Delaware law. For more information, please see the section titled *Appraisal Rights* contained in this proxy statement/prospectus and the text of Section 262 of the DGCL attached hereto as *Annex D*.

**Q: How do I exchange my Pinnacle shares for merger consideration?**

A: As promptly as practicable after the effective time of the merger, the exchange agent appointed by Conagra (the exchange agent ) will mail to each holder of shares of Pinnacle common stock that are evidenced by certificates or shares of Pinnacle common stock in book-entry form ( book-entry Pinnacle shares ) not held through the Depository Trust Company ( DTC ) entitled to merger consideration (i) a letter of transmittal or transfer of the book-entry Pinnacle shares to the exchange agent and (ii) instructions advising such stockholder how to surrender its shares of Pinnacle common stock or transfer the book-entry Pinnacle shares to the exchange agent in exchange for the merger consideration. You should read these instructions carefully. Assuming that you properly complete and submit a letter of transmittal in accordance with its instructions and surrender your shares of Pinnacle common stock for cancellation, you will not need to take any further action in order to receive the merger consideration.

**Q: How will I receive the merger consideration to which I am entitled?**

A: You will be paid the merger consideration to which you are entitled (i) in the case of shares of Pinnacle common stock that are certificates, upon surrender to the exchange agent of such certificates, by physical surrender of such certificates in accordance with the terms of the letter of transmittal and accompanying instructions, (ii) in the case of shares of Pinnacle common stock that are book-entry Pinnacle shares not held through DTC, upon the transfer of such shares in accordance with the terms of the letter of transmittal and accompanying instructions, or (iii) in the case of shares of Pinnacle common stock that are book-entry Pinnacle shares held through DTC, upon the transfer of such shares, including by delivery of an agent s message , in accordance with DTC s customary procedures and such other procedures as agreed by Conagra, the exchange agent and DTC.

**Q: Should I send in my stock certificates or other evidence of ownership now?**

A:

No. Do not send in your certificates now. You will receive separate detailed written instructions for making your election and surrendering your shares of Pinnacle common stock. Please only send in your certificates once you receive these instructions. If your shares of Pinnacle common stock are held in street name by your broker, bank, trustee or other nominee, you may receive instructions from your broker, bank, trustee or other nominee as to what action, if any, you need to take to make an election and/or effect the surrender of your street name shares in exchange for the merger consideration.

**Q: I do not know where my stock certificate is how will I get the merger consideration for my shares?**

A: The election form you will receive prior to the special meeting and, if the merger is completed, the transmittal materials you will receive after the closing of the merger will include the procedures that you must follow if you cannot locate your stock certificate. This will include an affidavit that you will need to

- 11 -

**Table of Contents**

sign attesting to the loss of your stock certificate. Conagra may also require that you post a bond in customary amount and upon such terms as may be required by Conagra as indemnity to cover any potential loss.

**Q: What happens if I sell my Pinnacle shares after the record date but before the special meeting?**

A: The record date of the special meeting is earlier than the date of the special meeting and the date that the merger is expected to be completed. If you transfer your shares of Pinnacle common stock after the record date but before the date of the special meeting, you will retain your right to vote at the special meeting (provided that such shares remain outstanding on the date of the special meeting), but you will not have the right to receive the merger consideration to be received by Pinnacle stockholders in the merger. The right to receive the merger consideration will pass to the person to whom you transferred your shares. In order to receive the merger consideration, you must hold your shares through the closing of the merger.

**Q: Is the closing of the merger subject to any conditions?**

A: Yes. In addition to the adoption of the merger agreement by Pinnacle stockholders, the closing of the merger requires the receipt of the necessary regulatory approvals and the satisfaction or, to the extent permitted by applicable law, waiver of the other conditions specified in the merger agreement. Certain additional questions and answers regarding conditions to the closing of the merger follow below. For a more complete summary of the conditions that must be satisfied or waived prior to the closing of the merger, please see the section titled *The Merger Agreement Conditions to the Closing of the Merger* contained in this proxy statement/prospectus.

**Q: Is Conagra's obligation to complete the merger subject to Conagra receiving financing?**

A: No. Conagra's obligations under the merger agreement are not subject to any condition regarding its ability to finance, or obtain financing for, the transactions contemplated by the merger agreement, including the merger. For more information regarding financing, see the section titled *The Merger Agreement Proposal Financing of the Merger and Indebtedness Following the Merger* contained in this proxy statement/prospectus.

**Q: Is the closing of the merger contingent upon approval of Conagra stockholders?**

A: No. A vote of Conagra's stockholders is not required to complete the merger.

**Q: Will Pinnacle be required to submit the proposal to adopt the merger agreement to Pinnacle stockholders even if the Pinnacle board withdraws or modifies its recommendation that Pinnacle stockholders adopt the merger agreement or recommends an alternative takeover proposal?**

A:

Yes. If the Pinnacle board withdraws or modifies its recommendation, or recommends any alternative takeover proposal, the Pinnacle board will nonetheless continue to be obligated to call, give notice of, convene and hold the special meeting and submit the proposals described in this proxy statement/prospectus to Pinnacle stockholders, unless Conagra or Pinnacle terminates the merger agreement prior to the special meeting. For more information regarding the ability of Conagra and Pinnacle to terminate the merger agreement, see the section titled *The Merger Agreement Termination of the Merger Agreement* contained in this proxy statement/prospectus.

**Q: When do you expect to complete the merger?**

A: Conagra and Pinnacle are working to complete the merger as promptly as practicable. Conagra and Pinnacle currently expect to complete the merger by the end of calendar 2018, subject to Pinnacle stockholder approval, the receipt of regulatory approvals and other customary closing conditions. However, no assurance can be given as to when, or whether, the merger will occur.

- 12 -



**Table of Contents**

**Q: What happens if the merger is not completed?**

A: If the Pinnacle stockholders do not adopt the merger agreement or if the merger is not completed for any other reason, Pinnacle stockholders will not receive any payment for their shares of Pinnacle common stock in connection with the merger. Instead, Pinnacle would remain an independent public company and shares of Pinnacle common stock would continue to be listed and traded on NYSE. Furthermore, depending on the circumstances that caused the merger not to be completed, the price of Pinnacle common stock may decline significantly, and if that were to occur, it is uncertain when, if ever, the price of Pinnacle common stock would return to the price at which it trades as of the date of this proxy statement/prospectus. Under specified circumstances, Pinnacle may be required to pay Conagra a termination fee of \$263,785,600 as described in the section titled *The Merger Agreement Termination Fee; Liability for Breach* contained in this proxy statement/prospectus.

**Q: Whom can I contact with questions about the special meeting or the merger and related matters?**

A: If you have any questions about the merger and the other matters contemplated by this proxy statement/prospectus or how to submit your proxy or voting instruction form or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card or voting instruction form, you should contact Pinnacle's proxy solicitor, MacKenzie Partners, Inc., at 1407 Broadway, 27th Floor, New York, NY 10018 by calling toll-free (800) 322-2885 or (212) 929-5500 or by email at [pfproxy@mackenziepartners.com](mailto:pfproxy@mackenziepartners.com). Stockholders, banks and brokers may call toll free at (800) 322-2885 or (212) 929-5500. You may also contact Pinnacle, Attention: Investor Relations at Pinnacle Foods Inc., 399 Jefferson Road Parsippany, New Jersey, or you may call at (973) 541-6620.

## **Table of Contents**

### **SUMMARY**

*This summary highlights selected information from this proxy statement/prospectus. It may not contain all of the information that is important to you. You are urged to read this entire proxy statement/prospectus and the other documents referred to or incorporated by reference into this proxy statement/prospectus in order to fully understand the merger, the merger agreement and other matters to be considered at the special meeting. See the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus. Each item in this summary refers to the beginning page of this proxy statement/prospectus on which that subject is discussed in more detail.*

#### **The Companies (see page 54)**

##### ***Conagra Brands, Inc.***

Conagra is one of North America's leading branded food companies. Guided by an entrepreneurial spirit, the Company combines a rich heritage of making great food with a sharpened focus on innovation. The Company's portfolio is evolving to satisfy people's changing food preferences. Its iconic brands such as *Marie Callender*®, *Reddi-wip*®, *Hunt*®, *Healthy Choice*®, *Slim Jim*®, and *Orville Redenbacher*®, as well as emerging brands, including *Alexia*®, *Angie*®, *BOOMCHICKAPOP*®, *Blake*®, *Duke*® and *Frontera*®, offer choices for every occasion.

Conagra's Grocery & Snacks reporting segment principally includes branded, shelf stable food products sold in various retail channels in the United States.

Conagra's Refrigerated & Frozen reporting segment principally includes branded, temperature controlled food products sold in various retail channels in the United States.

Conagra's International reporting segment principally includes branded food products, in various temperature states, sold in various retail and foodservice channels outside of the United States.

Conagra's Foodservice reporting segment includes branded and customized food products, including meals, entrees, sauces, and a variety of custom-manufactured culinary products packaged for sale to restaurants and other foodservice establishments primarily in the United States.

Conagra's Commercial reporting segment included commercially branded and private label food and ingredients, which were sold primarily to commercial, restaurant, foodservice, food manufacturing, and industrial customers. The segment's primary food items included a variety of vegetable, spice, and frozen bakery goods, which were sold under brands such as *Spicetec Flavors & Seasonings*®. In the first quarter of fiscal 2017, Conagra sold its Spicetec and JM Swank businesses. These businesses comprised the entire Commercial segment following the presentation of Lamb Weston as discontinued operations.

Conagra was initially incorporated as a Nebraska corporation in 1919 and was reincorporated as a Delaware corporation in December 1975. Conagra's principal executive offices are located at 222 Merchandise Mart Plaza, Suite 1300, Chicago, Illinois 60654, and its main telephone number is (312) 549-5000.

Additional information about Conagra and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. For further information, please see the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

##### ***Pinnacle Foods Inc.***

Pinnacle is a leading manufacturer, marketer and distributor of high-quality, branded food products in North America, with annual net sales of approximately \$3.1 billion in fiscal 2017. Pinnacle's brand portfolio enjoys

- 14 -

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**Table of Contents**

strong household penetration in the United States, where its products can be found in over 85% of U.S. households. Pinnacle's products are sold through supermarkets, grocery wholesalers and distributors, mass merchandisers, super centers, convenience stores, dollar stores, natural and organic food stores, drug stores, e-commerce websites and warehouse clubs in the United States and Canada, as well as in military channels and foodservice locations. Given Pinnacle's diverse portfolio of brands with attractive market positions, its business generates significant and stable cash flows that has enabled Pinnacle to pay regular quarterly dividends to its stockholders, reduce its debt and drive value creation through both reinvestment in its existing brands and periodic strategic acquisitions.

Pinnacle's business is organized into the following four reportable segments: The Frozen segment, The Grocery segment, The Boulder segment and The Specialty segment.

Pinnacle Foods Inc. was incorporated under the name Crunch Holding Corp. in Delaware on July 28, 2003. Pinnacle Foods Inc. is a holding company whose sole asset is 100% ownership of Peak Finance Holdings LLC, which is a holding company whose sole asset is 100% ownership of Pinnacle Foods Finance LLC. Pinnacle's principal executive offices are located at 399 Jefferson Road, Parsippany, New Jersey 07054, and its telephone number is (973) 541-6620.

Additional information about Pinnacle and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. For further information, please see the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

***Patriot Merger Sub Inc.***

Merger Sub, a wholly owned subsidiary of Conagra, is a Delaware corporation that was formed on June 22, 2018 for the sole purpose of effecting the merger. In the merger, Merger Sub will be merged with and into Pinnacle, with Pinnacle surviving as a wholly owned subsidiary of Conagra.

Its principal executive offices and its telephone number are the same as those of Conagra.

For further information, please see the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

**The Merger and the Merger Agreement (see pages 61 and 106)**

Pinnacle, Conagra and Merger Sub entered into the merger agreement, a copy of which is attached as *Annex A* to this proxy statement/prospectus, on June 26, 2018. We encourage you to read the merger agreement carefully and in its entirety, as it is the legal document that governs the merger (as defined below). Under the terms of the merger agreement, subject to the satisfaction or waiver (if permissible under applicable law) of specified conditions, Merger Sub will merge with and into Pinnacle. Pinnacle will survive the merger as a direct wholly owned subsidiary of Conagra.

**Merger Consideration (see page 62)**

At the effective time of the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger (other than appraisal shares and shares of Pinnacle common stock owned by Pinnacle, Conagra, Merger Sub or any direct or indirect wholly owned subsidiary of Pinnacle or Conagra, and in each case, not held on behalf of third parties (each an *excluded share* , and collectively, the *excluded shares* )) will be converted into the merger consideration, which is the right to receive (i) \$43.11 in cash, without interest (the *cash consideration* ), and (ii) 0.6494 shares of Conagra common stock (the *stock consideration* ).

- 15 -

## **Table of Contents**

### **Financing of the Merger and Indebtedness Following the Merger (see page 103)**

There is no financing condition to the merger or any of the other transactions contemplated by the merger agreement, and Conagra will be required to complete the merger (assuming that all of the conditions to its obligations to complete the merger under the merger agreement are satisfied) whether or not the bridge credit facility described below or other financing is available on acceptable terms or at all. In connection with the execution of the merger agreement, Conagra entered into a bridge commitment letter with Goldman Sachs Bank USA and Goldman Sachs Lending Partners LLC (together the "Goldman Lenders") pursuant to which, among other things, the Goldman Lenders committed to provide bridge debt financing for the merger, consisting of a \$9.0 billion senior unsecured bridge credit facility. The commitments under the bridge credit facility were subsequently reduced by the amounts of a term loan agreement Conagra entered into on July 11, 2018 with a syndicate of financial institutions providing for term loans in an aggregate principal amount of up to \$1.3 billion (the "new term loan facility"), with the remaining commitments under the bridge credit facility also syndicated across a group of financial institutions. The funding of the new term loan facility is anticipated to occur simultaneously with the closing of the merger. The total available amount of the bridge credit facility is also subject to reduction in equivalent amounts upon the completion of any issuance of debt or equity securities by Conagra (subject to specified exceptions) and upon other specified events, as provided in the bridge commitment letter. The obligation of the lenders under the bridge credit facility to enter into and make available to Conagra borrowings under the bridge credit facility is subject to a number of customary conditions, including execution and delivery of certain definitive documentation and absence of a material adverse effect (as defined in the merger agreement). If necessary, the terms of the bridge credit facility, including any conditions thereto and covenants thereunder, will be set forth in various definitive documentation to be entered into by the parties thereto.

Conagra intends to replace the availability under the bridge credit facility with permanent or alternative financing. Specifically, in connection with the merger, Conagra expects to incur up to \$8.3 billion of long-term debt (which includes any funding under the new term loan facility), the proceeds of which would be used to fund the payment of the cash portion of the merger consideration, the repayment of Pinnacle debt, the refinancing of certain Conagra debt, and the payment of related fees and expenses. The permanent financing is also expected to include approximately \$600 million of incremental cash proceeds from the issuance of equity and/or divestitures. In connection with the permanent financing, on June 27, 2018, Conagra entered into certain deal-contingent rate swap transactions, which swaps are contingent upon the closing of the merger agreement and hedge against an increase in interest rates between the signing of the merger agreement and the incurrence of the permanent financing.

For more information on the financing of the merger, see the section titled *The Merger Agreement Proposal Financing of the Merger and Indebtedness Following the Merger* contained in this proxy statement/prospectus.

### **Treatment of Pinnacle Equity Awards (see page 96)**

At the effective time of the merger, subject to all required withholding taxes:

#### **Pinnacle options**

Each outstanding Pinnacle option that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled stock appreciation right relating to a number of shares of Conagra common stock (rounded down to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested Pinnacle option immediately prior to the effective time of the merger multiplied by

(2) the equity award exchange ratio (described below), at a base price per share (rounded up to the nearest whole cent) equal to (x) the exercise price of such Pinnacle option divided by (ii) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle option immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below). The equity award exchange ratio is the sum of (A) the exchange ratio plus (B) the quotient of (1) the cash consideration divided by (2) the average of

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**Table of Contents**

the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs;

Each outstanding Pinnacle option that is vested immediately prior to the effective time of the merger will automatically be canceled in exchange for the right to receive an amount, solely in cash, equal to the number of shares of Pinnacle common stock subject to such Pinnacle option immediately prior to the effective time of the merger multiplied by the excess, if any, of the equity award cash-out consideration (described below) over the exercise price per share of such Pinnacle option. The equity award cash-out consideration is the sum of (i) the cash consideration and (ii) the product of (A) the exchange ratio of 0.6494 multiplied by (B) the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs;

**Pinnacle RSUs**

Each outstanding Pinnacle RSU that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled restricted stock unit relating to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested Pinnacle RSU immediately prior to the effective time of the merger multiplied by (ii) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle RSU immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle RSU that is vested immediately prior to the effective time of the merger, will be canceled and converted into the right to receive an amount in cash equal to the equity award cash-out consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents;

**Pinnacle PSUs**

Each outstanding Pinnacle PSU that is unvested immediately prior to the effective time of the merger will be canceled and converted into a time-based cash-settled restricted stock unit related to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested Pinnacle PSU immediately prior to the effective time of the merger, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, multiplied by (ii) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle PSU immediately prior to the effective time of the merger (other than performance-based vesting conditions and subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle PSU that is vested immediately prior to the effective time of the merger, will be canceled and converted into the right to receive an amount in cash equal to the product of (i) the number of



shares of Pinnacle common stock underlying such Pinnacle PSU, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger and (ii) the equity award cash-out consideration plus an amount in cash equal to any accumulated and unpaid dividend equivalents with respect to such vested Pinnacle PSU;

- 17 -

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**Table of Contents**

**Pinnacle PSAs**

Each outstanding unvested Pinnacle performance-based restricted share award will be deemed to be two separate awards, the Pinnacle PSA portion of which will become vested based on actual performance as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, and the performance share unit portion, which will be treated as an unvested Pinnacle PSU as set forth above; and

Each vested Pinnacle PSA (including the portion that vests in accordance with the foregoing) will be canceled and converted into the right to receive the merger consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents.

**Risk Factors (see page 40)**

In deciding how to vote with respect to the merger agreement proposal you should carefully consider the risk factors in the section titled *Risk Factors* contained in this proxy statement/prospectus and all of the other information contained in or incorporated by reference into this proxy statement/prospectus, including but not limited to, the matters addressed in *Cautionary Information Regarding Forward-Looking Statements* .

**Special Meeting of Pinnacle Stockholders (see page 56)**

*Date and Time*

The special meeting will be held on [ ], 2018 at [ ] (Eastern [Daylight] Time) at [ ].

*Purpose*

At the special meeting, Pinnacle stockholders will be asked to consider and vote on the following proposals:

- (1) the merger agreement proposal;
- (2) the nonbinding compensation proposal; and
- (3) the adjournment proposal.

*Record Date; Shares Entitled to Vote*

You may vote at the special meeting if Pinnacle's records show that you held your shares of Pinnacle common stock at the close of business on the record date. You may cast one vote for each share of Pinnacle common stock that you owned on the record date.

*Quorum*

At the close of business on the record date, there were [ ] shares of Pinnacle common stock issued and outstanding and entitled to vote at the special meeting. A majority of all issued and outstanding shares of Pinnacle common stock at the close of business on the record date and entitled to vote, present in person or represented by proxy at the special meeting, shall constitute a quorum for the purposes of the special meeting.

*Shares Held by Pinnacle's Directors and Executive Officers*

At the close of business on the record date, directors and executive officers of Pinnacle and their affiliates were entitled to vote approximately [ ] shares of Pinnacle common stock, or approximately [ ]% of the shares of Pinnacle common stock outstanding on that date.

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**Table of Contents**

*Voting and Proxies*

Any stockholder of record entitled to vote at the special meeting may submit a proxy by completing, signing and dating the proxy card where indicated and mailing or otherwise returning the proxy card in the envelope that has been provided, by granting a proxy to vote by telephone or electronically over the Internet, or may vote in person by appearing at the special meeting. If your shares are held in street name through a broker, bank, trustee or other nominee, you may vote through your broker, bank, trustee or other nominee by completing and returning the voting form provided by your broker, bank, trustee or other nominee, or, if such a service is provided by your broker, bank, trustee or other nominee, by telephone or electronically over the Internet. To vote by telephone or over the Internet through your broker, bank, trustee or other nominee, you should follow the instructions on the voting instruction form provided by your broker, bank, trustee or other nominee.

Under NYSE rules, brokers, banks, trustees and other nominees have the discretion to vote on routine matters. The proposals to be considered at the special meeting are considered non-routine matters, and brokers, banks, trustees and other nominees cannot vote on these proposals without your instructions. As a result, absent specific instructions from the beneficial owner of such shares, brokers are not empowered to vote those shares. **Therefore, it is important that you cast your vote or instruct your broker, bank, trustee or other nominee on how you wish to vote your shares.**

Whether you have voted by Internet, telephone or mail, if you are a stockholder of record, you may change your vote and revoke your proxy by: (i) sending a written statement to that effect to our corporate secretary or to any corporate officer of Pinnacle, provided such statement is received no later than [ ], 2018; (ii) voting again by Internet or telephone at a later time before the closing of those voting facilities at [ ] p.m. (Eastern [Daylight] Time) on [ ], 2018; (iii) submitting a properly signed proxy card with a later date that is received no later than [ ], 2018; or (iv) voting at the special meeting. If you hold shares in street name, you may submit new voting instructions by contacting your bank, broker or other nominee.

All shares represented by properly executed proxies received in time for the special meeting will be voted at the special meeting in the manner specified by the holders. Properly executed proxies that do not contain voting instructions will have the same effect as a vote AGAINST all of the proposals.

**Vote Required for Adoption of Merger Agreement (see page 57)**

The merger agreement proposal must be approved by the affirmative vote of the holders of a majority of the outstanding shares of Pinnacle common stock entitled to vote thereon at the special meeting. Abstentions will have the same effect as a vote AGAINST the merger agreement proposal.

Approval of the nonbinding compensation proposal requires the affirmative vote of the holders of a majority of those shares of Pinnacle common stock present in person or by proxy at the special meeting and entitled to vote thereon. The vote to approve the nonbinding compensation proposal is not a condition to the closing of the merger and the nonbinding compensation proposal is advisory in nature and will not be binding on Conagra or Pinnacle. Accordingly, regardless of the outcome of the vote on the nonbinding compensation proposal, if the merger agreement is adopted and the merger is completed, the merger-related compensation may be paid or become payable to Pinnacle's named executive officers in connection with the merger. Abstentions will have the same effect as a vote AGAINST the nonbinding compensation proposal.



## **Table of Contents**

Approval of the adjournment proposal requires the affirmative vote of holders of a majority of those shares of Pinnacle common stock present in person or represented by proxy at the special meeting and entitled to vote thereon, regardless of whether a quorum is present. Unless the Pinnacle board fixes a new record date for the adjourned special meeting, the adjourned special meeting is more than 30 days after the date of the original special meeting, or law otherwise requires, no notice of the adjourned special meeting will be required so long as (i) the time and place to which the special meeting is adjourned, and the means of remote communications, if any, by which holders of Pinnacle common stock may be deemed to be present or represented by proxy and vote at such adjourned meeting are announced at the original special meeting and (ii) at the adjourned special meeting only such business is transacted as might have been transacted at the original special meeting. Abstentions will have the same effect as a vote AGAINST a proposal to adjourn the special meeting.

### **Recommendation of the Pinnacle Board and its Reasons for the Merger (see page 74)**

The Pinnacle board carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. The Pinnacle board unanimously approved the merger agreement and declared in the best interest of the Pinnacle stockholders the acquisition of Pinnacle by Conagra by means of the merger and directed that the merger agreement be submitted to the Pinnacle stockholders for their adoption. The Pinnacle board unanimously recommends a vote **FOR** the merger agreement proposal. For a discussion of the factors that the Pinnacle board considered in determining to recommend the adoption of the merger agreement, please see the section titled *The Merger Agreement Proposal Recommendation of the Pinnacle Board and its Reasons for the Merger* contained in this proxy statement/prospectus.

The Pinnacle board also recommends a vote **FOR** the nonbinding compensation proposal and a vote **FOR** the adjournment proposal.

### **Opinions of Pinnacle's Financial Advisors**

#### ***Opinion of Pinnacle's Financial Advisor (Evercore) (see page 78)***

Pursuant to an engagement letter dated as of May 31, 2018, Pinnacle engaged Evercore Group L.L.C. ( Evercore ) to act as its financial advisor in connection with Pinnacle's evaluation of strategic alternatives.

At a meeting of the Pinnacle board held on June 26, 2018, Evercore rendered to the Pinnacle board its oral opinion, subsequently confirmed in writing, that as of June 26, 2018 and based upon and subject to the assumptions, limitations, qualifications and conditions described in Evercore's written opinion, the merger consideration per share of Pinnacle common stock consisting of \$43.11 in cash without interest and 0.6494 of a share of Conagra common stock was fair, from a financial point of view, to the holders of shares of Pinnacle common stock entitled to receive such merger consideration.

**The full text of the written opinion of Evercore, dated as of June 26, 2018, which sets forth, among other things, the procedures followed, assumptions made, matters considered and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex B to this proxy statement/prospectus and is incorporated by reference in its entirety into this proxy statement. You are urged to read this opinion carefully and in its entirety. Evercore's opinion was addressed to, and provided for the information and benefit of, the Pinnacle board in connection with its evaluation of the merger. The opinion does not constitute a recommendation to the Pinnacle board or to any other persons in respect of the merger, including as to how any holder of shares of Pinnacle common stock should vote or act in respect of the merger. Evercore's opinion does not address the relative merits of the merger as compared to other business or financial strategies that**

**might be available to Pinnacle, nor does it address the underlying business decision of Pinnacle to engage in the merger.**

- 20 -

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**Table of Contents**

For further information, see the section of this proxy statement entitled *The Merger Agreement Proposal Opinions of Pinnacle's Financial Advisors Opinion of Pinnacle's Financial Advisor Evercore Group L.L.C.* and the full text of the written opinion of Evercore attached as *Annex B* to this proxy statement/prospectus.

***Opinion of Pinnacle's Financial Advisor (Credit Suisse) (see page 87)***

Pursuant to an engagement letter dated as of June 8, 2018, Pinnacle engaged Credit Suisse Securities (USA) LLC (Credit Suisse) to act as its financial advisor in connection with Pinnacle's evaluation of strategic alternatives.

On June 26, 2018, Credit Suisse rendered its oral opinion to the Pinnacle board (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion to the Pinnacle board dated the same date) as to the fairness, from a financial point of view, as of June 26, 2018, to the holders of Pinnacle common stock other than Conagra, Merger Sub or any other direct or indirect wholly owned subsidiary of Conagra (which Credit Suisse collectively referred to as the "excluded holders") of the merger consideration to be received by such holders in the merger pursuant to the merger agreement.

**Credit Suisse's opinion was directed to the Pinnacle board (in its capacity as such), and only addressed the fairness, from a financial point of view, to the holders of Pinnacle common stock other than the excluded holders of the merger consideration to be received by such holders in the merger pursuant to the merger agreement and did not address any other aspect or implication of the merger. The summary of Credit Suisse's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as *Annex C* to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Credit Suisse in preparing its opinion. However, neither Credit Suisse's written opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus is intended to be, and they do not constitute, advice or a recommendation to any holder of Pinnacle common stock as to how such holder should vote or act on any matter relating to the merger.**

**Interests of the Pinnacle Board and Executive Officers in the Merger (see page 98)**

In considering the proposals to be voted on at the special meeting, you should be aware that Pinnacle's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Pinnacle stockholders generally. These interests include, among others, the treatment of outstanding equity awards pursuant to the merger agreement, potential severance benefits and other payments and rights to ongoing indemnification and insurance coverage. The members of the Pinnacle board were aware of and considered these interests in reaching the determination to approve the merger agreement and recommend that the holders of Pinnacle common stock vote their shares to adopt the merger agreement.

**NYSE Listing of Shares of Conagra Common Stock and Deregistration of Shares of Pinnacle Common Stock (see page 105)**

It is a condition to the closing of the merger that the shares of Conagra common stock issuable as stock consideration be approved for listing on NYSE, subject to official notice of issuance. It is expected that following the merger, shares of Conagra common stock will continue to trade on NYSE under the symbol "CAG".





## **Table of Contents**

If the merger is completed, shares of Pinnacle common stock will be delisted from NYSE and deregistered under the Exchange Act, and, accordingly, Pinnacle will no longer be a public company or be required to file periodic reports with the SEC with respect to shares of Pinnacle common stock.

### **Regulatory Approvals Required for the Merger (see page 105)**

Conagra and Pinnacle intend to make all required filings as promptly as practicable.

The merger is subject to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act ) and the rules promulgated by the Federal Trade Commission ( FTC ), which prevent transactions such as the merger from being completed until (i) certain information and materials are furnished to the Department of Justice ( DOJ ) and the FTC and (ii) the applicable waiting period is terminated or expires.

In addition, the closing of the merger is subject to the requirements of Part IX of the Competition Act (Canada), which prevent transactions such as the merger from being completed until (i) certain information and materials are furnished to the Canadian Commissioner of Competition appointed under the Competition Act (Canada), and (ii) the applicable waiting period is terminated or expires (provided that the Canadian Competition Tribunal has not issued an order temporarily or permanently prohibiting closing), unless the requirement to submit the required information and materials is waived by the Canadian Commissioner of Competition.

There can be no assurance that the required regulatory approval noted above will be obtained on a timely basis.

Conagra and Pinnacle also intend to make all required filings under the Securities Act and the Exchange Act relating to the merger and obtain all other approvals and consents which may be necessary to give effect to the merger.

### **Appraisal Rights (see page 151)**

If the merger is completed, Pinnacle stockholders who do not vote in favor of the adoption of the merger agreement and who otherwise comply with the applicable provisions of Section 262 of the DGCL will be entitled to exercise appraisal rights thereunder, subject to certain limitations under the DGCL. Any shares of Pinnacle common stock held by a Pinnacle stockholder on the date of making an appraisal demand, who continues to own such shares through the effective date of the merger, who has not voted in favor of the adoption of the merger agreement and who has demanded appraisal for such shares in accordance with the DGCL will not be converted into a right to receive the merger consideration, unless such Pinnacle stockholder fails to perfect, effectively withdraws, waives or otherwise loses such stockholder's appraisal rights under the DGCL. If, after the closing of the merger, such holder of Pinnacle common stock fails to perfect, effectively withdraws, waives or otherwise loses his, her or its appraisal rights, each such share will be treated as if it had been converted as of the closing of the merger into a right to receive the merger consideration. Shares of Pinnacle common stock outstanding immediately prior to the effective time of the merger and which are held by a stockholder who has properly demanded appraisal rights in compliance with the requirements of Section 262 of the DGCL (and who has not failed to perfect, effectively withdrawn, waived or otherwise lost such appraisal rights) are referred to as appraisal shares .

Due to the complexity of the procedures for exercising your appraisal rights, Pinnacle stockholders who are considering exercising such rights are encouraged to seek the advice of legal counsel. Failure to strictly comply with these provisions will result in the loss of appraisal rights. See the section titled *Appraisal Rights* contained in this proxy statement/prospectus for additional information and the text of Section 262 of the DGCL reproduced in its entirety as *Annex D* to this proxy statement/prospectus, which you are encouraged to read carefully and in their entirety.

- 22 -

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**Table of Contents**

**No Solicitation; Board Recommendation (see page 116)**

In the merger agreement, Pinnacle agreed not to, and to cause its subsidiaries and its and their respective officers, directors, employees, investment bankers, attorneys, accountants and other advisors or representatives not to, directly or indirectly:

initiate, solicit or knowingly encourage or facilitate the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, any acquisition proposal (as defined in the section titled *The Merger Agreement No Solicitation; Board Recommendation* contained in this proxy statement/prospectus);

enter into, engage in, maintain, continue or otherwise participate in any discussions or negotiations with, or furnish or otherwise make available any non-public information or data to, any third party regarding an acquisition proposal; or

enter into any agreement in principle, letter of intent, term sheet, merger agreement, acquisition agreement, option agreement, memorandum of understanding or other contract (other than an acceptable confidentiality agreement (as defined in the section titled *The Merger Agreement No Solicitation; Board Recommendation* contained in this proxy statement/prospectus) relating to, or that would reasonably be expected to lead to, an acquisition proposal.

Pinnacle agreed to, and to cause its subsidiaries and its and their respective representatives to, cease immediately and cause to be terminated any and all existing activities, discussions or negotiations, if any, with any third party and/or its representatives, with respect to any acquisition proposal, or any inquiry, proposal or offer that would reasonably be expected to lead to, any acquisition proposal, and promptly seek to have each third party to whom confidential information has been furnished or otherwise made available by or on behalf of Pinnacle or any of its subsidiaries within the 12-month period preceding the date of the merger agreement in connection with, or for the purpose of evaluating, an acquisition proposal promptly return or destroy all such confidential information so furnished or otherwise made available.

The merger agreement provides that, notwithstanding the restrictions described above, Pinnacle, or any of its representatives, may in any event (i) seek to clarify the terms and conditions of any unsolicited inquiry or proposal to determine whether such inquiry or proposal constitutes a *bona fide* acquisition proposal and (ii) inform a third party that makes an acquisition proposal of the restrictions described in this section.

In addition, notwithstanding the restrictions described above, if, at any time prior to the adoption of the merger agreement by the holders of shares of Pinnacle common stock, (i) Pinnacle receives a *bona fide* acquisition proposal that did not result from a breach by Pinnacle or its subsidiaries or representatives of the non-solicitation provisions of the merger agreement and (ii) the Pinnacle board determines in good faith, after consultation with its outside legal counsel and financial advisor, that such acquisition proposal constitutes or would reasonably be expected to result in a superior proposal (as defined in the section titled *The Merger Agreement No Solicitation; Board Recommendation* contained in this proxy statement/prospectus), then, before (but not after) the adoption of the merger agreement by the holders of shares of Pinnacle common stock, Pinnacle, directly or indirectly through its representatives, may:

engage in negotiations or discussions with such third party making the acquisition proposal and its representatives regarding an acquisition proposal; and

furnish to such third party or its representatives information, including non-public information, relating to, and afford access to the business, properties, assets, books and records of, Pinnacle and any of its subsidiaries, pursuant to an acceptable confidentiality agreement (as defined in the section titled *The Merger Agreement No Solicitation; Board Recommendation* beginning on page 116 of this proxy statement/prospectus); provided that Pinnacle must promptly provide to Conagra any such information

- 23 -

## Table of Contents

that is provided to any such third party that was not previously provided to or made available to Conagra; and provided, further, that Pinnacle and its subsidiaries must, and must cause their respective representatives to, promptly (and in any event within 24 hours) following the time (if any) that the Pinnacle board determines in good faith that such acquisition proposal does not constitute and would not reasonably be expected to result in a superior proposal, terminate such negotiations, discussion and information access and seek to have such third party promptly return or destroy all confidential information made available to such third party.

Except in the circumstances described in the following paragraph, the Pinnacle board or any committee thereof, may not, directly or indirectly: (i) fail to include its recommendation that the holders of shares of Pinnacle common stock adopt the merger agreement in the proxy statement/prospectus with respect to the merger, (ii) withhold or withdraw (or qualify or modify in a manner adverse to the Conagra and Merger Sub) such recommendation or its approval of the merger agreement or the merger or publicly propose to do so, (iii) make any public recommendation in connection with a tender offer or exchange offer other than a recommendation against such offer or as expressly permitted by the merger agreement, or fail to recommend against acceptance of such a tender or exchange offer by the close of business on the earlier of (A) the 10th business day after the commencement of such tender offer or exchange offer pursuant to Rule 14e-2 under the Exchange Act and (B) the second business day prior to the special meeting at which the merger agreement is to be voted upon or (iv) adopt, approve, recommend to its stockholders, endorse or otherwise declare advisable any acquisition proposal or resolve or agree or publicly propose to take any such actions (each such action being referred to herein as an adverse recommendation change ).

Prior to the time the holders of Pinnacle common stock vote to adopt the merger agreement, the Pinnacle board may, after complying with the procedure described in the following paragraph:

(i) effect an adverse recommendation change if (and only if) (A) an intervening event (as defined in the section titled *The Merger Agreement No Solicitation; Board Recommendation* contained in this proxy statement/prospectus) occurs and (B) the Pinnacle board determines in good faith, after consultation with Pinnacle's outside legal counsel, that the failure to make an adverse recommendation change in response to such intervening event would be inconsistent with the exercise of its fiduciary duties to the stockholders of Pinnacle under applicable law, or

(ii) (A) effect an adverse recommendation change or (B) cause Pinnacle to enter into an alternative acquisition agreement with respect to an acquisition proposal and terminate the merger agreement, in each case if (and only if) (x) Pinnacle receives a *bona fide* acquisition proposal that did not result from a breach by Pinnacle of the non-solicitation restrictions described herein that is not withdrawn and (y) the Pinnacle board determines in good faith, after consultation with its outside legal counsel and financial advisor, that such acquisition proposal constitutes a superior proposal; provided that any purported termination of the merger agreement is subject to the prior or concurrent payment by Pinnacle of the termination fee.

The Pinnacle board may not take any action described in the preceding paragraph unless it has first (i) caused Pinnacle to provide Conagra at least five business days prior written notice of its intent to make an adverse recommendation change or cause Pinnacle to enter into an alternative acquisition agreement, which written notice must (x) in the case of an action contemplated by clause (i) of the preceding paragraph, specify in reasonable detail the circumstances related to the intervening event and the Pinnacle board's determination with respect thereto, or (y) in the case of an action contemplated by clause (ii) of the preceding paragraph, (A) state that Pinnacle has received an unsolicited superior proposal, (B) specify the material terms and conditions of such superior proposal, (C) identify the person making such superior proposal, and (D) enclose the most recent draft of any agreements intended to be entered into in connection with such superior proposal; (ii) caused Pinnacle and its representatives to negotiate, to the extent Conagra so wishes to negotiate, in good faith during such five

- 24 -

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**Table of Contents**

business day period following delivery of such notice with Conagra concerning any revisions to the terms of the merger agreement that Conagra wishes to propose in response to the intervening event or superior proposal, as applicable; (iii) following the end of such notice, determined in good faith after consultation with its outside legal counsel and financial advisor, that (x) in the case of an action contemplated by clause (i) of the preceding paragraph, the failure to effect an adverse recommendation change in response to such intervening event continues to be inconsistent with the exercise of its fiduciary duties to the stockholders of Pinnacle under applicable law after taking into account any changes to which Conagra has committed in writing to make to the merger agreement, or (y) in the case of an action contemplated by clause (ii) of the preceding paragraph, such acquisition proposal continues to constitute a superior proposal after taking into account any changes to which Conagra has committed in writing to make to the merger agreement, and (iv) in the event of any revisions to the financial or other material terms of any applicable superior proposal, Pinnacle delivers to Conagra a new notice describing such revisions (including copies of the most recent draft of any agreements implementing such revisions) and gives Conagra an additional opportunity to negotiate changes to the terms of the merger agreement (except that the notice period need only be three business days).

Pinnacle has also agreed to notify Conagra promptly (but in no event later than 24 hours) after receipt by Pinnacle (or any of its representatives) of any acquisition proposal, or any inquiry, proposal or offer that would reasonably be expected to lead to an acquisition proposal, or any request for information relating to Pinnacle or any of its subsidiaries or for access to the business, properties, assets, books or records of Pinnacle or any of its subsidiaries, in each case by any person that is reasonably likely to be considering or seeking to make, or has made within the 12 months preceding the date of the merger agreement, an acquisition proposal, which notice will include the material terms and conditions of any such acquisition proposal, inquiry, proposal, offer or request, copies of any material written communications and draft documentation received relating to such acquisition proposal and indicating the name of the person making such acquisition proposal, inquiry, proposal, offer or request. Thereafter, Pinnacle will keep Conagra reasonably informed, on a timely basis, of the status and material terms of any such acquisition proposal, inquiry, proposal, offer or request (including any amendments thereto) and the status of any discussions or negotiations with such person or its representatives and provide copies of all material written communications and draft documentation received relating to such acquisition proposal.

**Conditions to the Closing of the Merger (see page 124)**

The respective obligations of Conagra and Pinnacle to complete the merger are subject to the satisfaction or waiver at or prior to the effective time of the merger of the following conditions:

the receipt of the Pinnacle stockholder approval;

the authorization of the shares of Conagra common stock to be issued as merger consideration for listing on NYSE, subject to official notice of issuance;

the expiration or termination of any waiting period applicable to the merger under the HSR Act and the receipt of Canadian antitrust approval;



the absence of any applicable law, whether temporary, preliminary or permanent, by any court or other governmental entity in the United States or Canada that is in effect and restrains, enjoins or otherwise prohibits the closing of the merger or the other transactions contemplated by the merger agreement; and

the effectiveness of the registration statement of which this proxy statement/prospectus forms a part under the Securities Act and no stop order suspending the effectiveness of the registration statement shall have been issued (and not rescinded), and no proceeding for that purpose shall be pending before the SEC.

**Table of Contents**

In addition, each of Pinnacle's and Conagra's obligations to complete the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of the other party being true and correct to the extent specified in the merger agreement;

the other party having performed or complied with, in all material respects, all of its obligations under the merger agreement required to be performed or complied with by it at or prior to the closing of the merger and each party shall have received at the closing a certificate on behalf of the other party by an executive officer to the effect that the conditions in this section have been satisfied; and

the absence, since the date of the merger agreement, of any event, change, effect, development, state of facts, condition, circumstance or occurrence that, individually or in the aggregate, has had, or would reasonably be expected to have, a Material Adverse Effect on the other party and each party shall have received at the closing a certificate on behalf of the other party by an executive officer to the effect that the conditions in this section have been satisfied.

**Termination of the Merger Agreement (see page 125)**

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time of the merger, whether before or after receipt of the Pinnacle stockholder approval, under the following circumstances:

by mutual written consent of Conagra and Pinnacle by action of their respective boards of directors;

by either Conagra or Pinnacle:

if the merger is not consummated by April 1, 2019 (the end date), except that, if on the end date, the conditions to closing related to antitrust clearance or other regulatory approval have not been satisfied, but all other conditions to closing have been satisfied or waived, then such date will be automatically extended to June 26, 2019;

if the Pinnacle stockholder approval is not obtained at the special meeting or at any adjournment or postponement thereof; or

if any order permanently restraining, enjoining or otherwise prohibiting the closing of the merger shall become final and non-appealable;

provided that the right to terminate the merger agreement hereunder will not be available to any party that has breached in any material respect its obligations under the merger agreement in any manner that will have proximately contributed to the occurrence of the failure of a condition to, or the occurrence of, the closing of the merger;

by Pinnacle, whether before or after the Pinnacle stockholder approval, if there has been a breach any representation, warranty, covenant or agreement made by Conagra or Merger Sub in the merger agreement, such that (i) a condition set forth in the portions of the merger agreement detailing the conditions to obligations of Conagra relating to representations and warranties and the performance of obligations of Conagra and Merger Sub would not be satisfied and (ii) such breach is not curable or, if curable by the end date, Conagra (A) has not commenced good faith efforts to cure such breach or failure to perform within 30 calendar days following receipt by Conagra of written notice of such breach or failure to perform from Pinnacle stating Pinnacle's intention to terminate the merger agreement pursuant to the merger agreement and the basis for such termination or (B) is not thereafter continuing to take good faith efforts to cure such breach or failure to perform;

by Pinnacle, prior to receipt of the Pinnacle stockholder approval, in connection with entering into an alternative acquisition agreement in accordance with the non-solicitation provisions of the merger agreement;

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**Table of Contents**

by Conagra, if the Pinnacle board makes an adverse recommendation change; or

by Conagra, if there has been a breach any representation, warranty, covenant or agreement made by Pinnacle in the merger agreement, such that (i) a condition set forth in the portions of the agreement detailing the conditions to obligations of Pinnacle relating to representations and warranties and the performance of obligations of Pinnacle would not be satisfied and (ii) such breach is not curable or, if curable by the end date, Pinnacle (A) has not commenced good faith efforts to cure such breach or failure to perform within 30 calendar days following receipt by Pinnacle of written notice of such breach or failure to perform from Conagra stating Conagra's intention to terminate the merger agreement pursuant to the merger agreement and the basis for such termination or (B) is not thereafter continuing to take good faith efforts to cure such breach or failure to perform.

**Termination Fee; Liability for Breach (see page 125)**

Pinnacle will pay to Conagra a termination fee of \$263,785,600 if:

Pinnacle terminates the merger agreement prior to the adoption of the merger agreement by the holders of shares of Pinnacle common stock in order to enter into an alternative acquisition agreement;

Conagra terminates the merger agreement because the Pinnacle board makes an adverse recommendation change;

(A) (x) Conagra or Pinnacle terminates because the holders of shares of Pinnacle common stock fail to approve the merger agreement at the special meeting or the end date has arrived or (y) Conagra terminates because Pinnacle breaches any of its representations, warranties, covenants or agreements in the merger agreement and such breach is not curable or, if curable by the end date, Pinnacle has not commenced good faith efforts to cure such breach or failure to perform within 30 calendar days following receipt of written notice of such breach or failure to perform stating Conagra's intention to terminate the merger agreement and the basis for such termination or is not thereafter continuing to take good faith efforts to cure such breach or failure to perform, (B) an acquisition proposal has been publicly announced after the date of the merger agreement but prior to the date the merger agreement is terminated, and (C) within 12 months following the date of such termination, (1) the Pinnacle board recommends that stockholders vote in favor of, or tender into, an acquisition proposal, (2) Pinnacle enters into an alternative acquisition agreement providing for the consummation of an acquisition proposal, or (3) an acquisition proposal is consummated (provided that for purposes of this clause (C), the term acquisition proposal shall have the meaning described under *The Merger Agreement No Solicitation; Board Recommendation* contained in this proxy statement/prospectus).

The parties have agreed that in no event shall Pinnacle be required to pay the termination fee on more than one occasion, and if Conagra receives the full amount of the termination fee from Pinnacle, such payment will be the sole and exclusive remedy of Conagra against Pinnacle and its subsidiaries and their respective former, current or future partners, stockholders, managers, members, affiliates and representatives and none of Pinnacle, any of its subsidiaries or any of their respective former, current or future partners, stockholders, managers, members, affiliates or representatives will have any further liability or obligation relating to or arising out of the merger agreement or the transactions contemplated thereby.

**Fees Payable by Pinnacle and Conagra (see page 122)**

Whether or not the merger is consummated, all costs and expenses incurred in connection with the merger agreement, the merger and the other transactions contemplated by the merger agreement will be paid by the party incurring such expense, except (a) that expenses incurred in connection with (i) the filing fee for the registration statement of which this proxy statement/prospectus is a part and printing and mailing this proxy statement/

- 27 -

## **Table of Contents**

prospectus and such registration statement and (ii) all statutory filing fees under the HSR Act shall be shared equally by Conagra and Pinnacle and (b) as otherwise expressly set forth in the merger agreement. For a description of certain fees and expenses incurred by the parties in connection with this proxy statement/prospectus, see the section titled *Special Meeting of Pinnacle Stockholders Solicitation of Proxies* contained in this proxy statement/prospectus.

### **Effect on Pinnacle if Merger is Not Completed (see page 61)**

If the merger agreement is not adopted or if the merger is not completed for any other reason, Pinnacle stockholders will not receive any payment for their shares of Pinnacle common stock. Instead, Pinnacle will remain an independent public company, shares of Pinnacle common stock will continue to be listed and traded on NYSE and registered under the Exchange Act and Pinnacle will continue to file periodic and current reports with the SEC. If the merger is not completed, depending on the circumstances that caused the merger not to be completed, the price of Pinnacle common stock may decline significantly, and if that were to occur, it is uncertain when, if ever, the price of Pinnacle common stock would return to the price at which it trades as of the date of this proxy statement/prospectus. In addition, under specified circumstances, Pinnacle will be required to pay Conagra a termination fee of \$263,785,600 upon the termination of the merger agreement.

### **Material U.S. Federal Income Tax Consequences (see page 128)**

The merger will be a taxable transaction for U.S. federal income tax purposes. Therefore, a U.S. Holder (as defined below in the section titled *Material U.S. Federal Income Tax Consequences General* ) generally will recognize capital gain or loss equal to the difference, if any, between (1) the sum of any cash received by such U.S. Holder in the merger, including any cash received in lieu of fractional shares of shares of Conagra common stock, and the fair market value as of the effective time of the merger of any shares of Conagra common stock received by such U.S. Holder in the merger, and (2) the U.S. Holder's adjusted tax basis in its Pinnacle common stock.

In certain circumstances, a U.S. Holder who also owns shares of Conagra common stock at the time of the merger may have tax consequences that differ materially from those described above as a result of the application of Section 304 of the Code. As described further below under *Material U.S. Federal Income Tax Consequences Potential Application of Section 304 of the Code* , such U.S. Holders may be required to include the entire amount of the cash consideration received as dividend income. Any such U.S. Holders should consult their own tax advisors regarding the application of Section 304 to the merger.

Except in certain specific circumstances described in *Material U.S. Federal Income Tax Consequences* , a Non-U.S. Holder (as defined below in the section titled *Material U.S. Federal Income Tax Consequences General* ) generally will not be subject to U.S. federal income or withholding tax on any gain recognized on the exchange of Pinnacle common stock for any shares of Conagra common stock and/or cash in the merger. However, as described further below under *Material U.S. Federal Income Tax Consequences Potential Application of Section 304 of the Code* , as a result of the application of Section 304 of the Code, the entire amount of cash consideration paid to a Non-U.S. Holder may be treated as a dividend for U.S. federal income tax purposes if the Non-U.S. Holder also owns shares of Conagra common stock at the time of the merger. Because of the uncertainty regarding the application of Section 304 of the Code and the possibility of dividend treatment, withholding agents may withhold tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on the gross amount of any cash merger consideration paid to a Non-U.S. Holder, regardless of whether the Non-U.S. Holder also owns shares of Conagra common stock at the time of the merger. Non-U.S. Holders should consult their own tax advisors regarding their particular facts and circumstances, the procedures for claiming treaty benefits or otherwise establishing an exemption from U.S. withholding taxes with respect to any portion of the cash consideration payable to them pursuant to the merger, and any actions that may be taken to mitigate any potential adverse tax consequences.

- 28 -

## **Table of Contents**

Please refer to the section titled *Material U.S. Federal Income Tax Consequences* contained in this proxy statement/prospectus for a description of the material U.S. federal income tax consequences of the merger. Determining the actual tax consequences of the merger to you may be complex and will depend on your specific situation. You should consult your tax advisor for a full understanding of the tax consequences of the merger to you.

### **Withholding Taxes (see page 126)**

Conagra, Merger Sub, the surviving corporation or the exchange agent will be entitled to deduct and withhold from the consideration, or other amount, payable or otherwise deliverable to any person pursuant to the merger agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, or under any provision of state, local or foreign tax law. Any amount deducted or withheld pursuant to the merger agreement and paid over to the appropriate taxing authority will be treated as having been paid to the person in respect of which such deduction or withholding was made.

### **Comparative Rights of Stockholders (see page 143)**

Pinnacle stockholders will have different rights once they become Conagra stockholders due to differences between the organizational documents of Pinnacle and Conagra. See the section titled *Comparison of Stockholders' Rights* contained in this proxy statement/prospectus.

### **Advisory Vote on Specified Compensation (see page 52)**

The approval of the nonbinding compensation proposal by the holders of shares of Pinnacle common stock requires the approval by a majority of the votes cast affirmatively or negatively on that proposal at the special meeting. Assuming a quorum is present at the special meeting, abstentions will have no effect on the outcome of the nonbinding compensation proposal.

The vote on the nonbinding compensation proposal is a vote separate and apart from the vote to approve the merger agreement. Because the vote on the nonbinding compensation proposal is advisory only, it will not be binding on Pinnacle, the Pinnacle board, Conagra or the surviving corporation. Accordingly, because Pinnacle is contractually obligated to pay the compensation, if the merger agreement is approved by the holders of shares of Pinnacle common stock and the merger is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the nonbinding advisory vote.



**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF CONAGRA**

The following table sets forth selected historical consolidated financial data of Conagra for each of the fiscal years ended May 2014 through 2018. Conagra's fiscal year ends on the last Sunday in May. The selected historical consolidated financial data as of May 2018 and 2017, and for each of the fiscal years ended May 2014 through 2018 have been derived from Conagra's audited consolidated financial statements and should be read together with those audited consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for our fiscal year ended May 27, 2018, which is incorporated by reference into this proxy statement/prospectus. The selected historical consolidated financial data as of May 2016, 2015 and 2014, and for the years ended May 2015 and 2014, has been derived from Conagra's audited consolidated financial statements for such years, which have previously been filed with the SEC but which are not incorporated by reference into this proxy statement/prospectus. You should read the selected historical consolidated financial data in conjunction with Conagra's consolidated financial statements, the related notes and other financial information incorporated by reference in this proxy statement/prospectus. For more information, see the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

	2018	For the Fiscal Year Ended May			
		2017	2016	2015	2014
<b>(in millions, except per share amounts)</b>					
<b>INCOME STATEMENT DATA</b>					
Net sales <sup>(1)</sup>	\$ 7,938.3	\$ 7,826.9	\$ 8,664.1	\$ 9,034.0	\$ 9,041.7
Income from continuing operations <sup>(1)</sup>	\$ 797.5	\$ 546.0	\$ 128.5	\$ 451.3	\$ 325.4
Net income (loss) attributable to Conagra Brands, Inc. <sup>(2)</sup>	\$ 808.4	\$ 639.3	\$ (677.0)	\$ (252.6)	\$ 303.1
Basic earnings per share:					
Income from continuing operations attributable to Conagra Brands, Inc. common stockholders <sup>(1)</sup>	\$ 1.97	\$ 1.26	\$ 0.29	\$ 1.05	\$ 0.77
Net income (loss) attributable to Conagra Brands, Inc. common stockholders <sup>(2)</sup>	\$ 2.00	\$ 1.48	\$ (1.57)	\$ (0.60)	\$ 0.72
Diluted earnings per share:					
Income from continuing operations attributable to Conagra Brands, Inc. common stockholders <sup>(1)</sup>	\$ 1.95	\$ 1.25	\$ 0.29	\$ 1.04	\$ 0.76
Net income (loss) attributable to Conagra Brands, Inc. common stockholders <sup>(2)</sup>	\$ 1.98	\$ 1.46	\$ (1.56)	\$ (0.59)	\$ 0.70
Cash dividends declared per share of common stock	\$ 0.85	\$ 0.90	\$ 1.00	\$ 1.00	\$ 1.00
<b>BALANCE SHEET DATA (as of period end)</b>					
Total assets	\$ 10,389.5	\$ 10,096.3	\$ 13,390.6	\$ 17,437.8	\$ 19,241.5
Senior long-term debt (noncurrent) <sup>(1)</sup>	\$ 3,035.6	\$ 2,573.3	\$ 4,685.5	\$ 6,676.0	\$ 8,507.0
Subordinated long-term debt (noncurrent)	\$ 195.9	\$ 195.9	\$ 195.9	\$ 195.9	\$ 195.9
Total long-term debt (noncurrent)	\$ 3,231.5	\$ 2,769.2	\$ 4,881.4	\$ 6,871.9	\$ 8,702.9

(1) Amounts exclude the impact of discontinued operations of the *Lightlife*® operations, the Medallion Foods operations, the ConAgra Mills operations, the Private Brands operations, and the Lamb Weston operations.

(2)

Amounts include aggregate pre-tax goodwill and certain long-lived asset impairment charges in discontinued operations of \$1.92 billion, \$1.56 billion, and \$596.2 million for fiscal 2016, 2015, and 2014, respectively.

- 30 -

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**Table of Contents**

**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF PINNACLE**

The following tables present selected historical consolidated financial data of Pinnacle for the fiscal years ended December 31, 2017, December 25, 2016, December 27, 2015, December 28, 2014, and December 29, 2013 and for the three months ended April 1, 2018 and March 26, 2017. The selected historical consolidated financial data as of December 31, 2017 and December 25, 2016, and for the three-year period ended December 31, 2017, are derived from Pinnacle's audited consolidated financial statements and accompanying notes, which are contained in Pinnacle's Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference into this proxy statement/prospectus. The selected historical consolidated financial data as of December 27, 2015, December 28, 2014 and December 29, 2013 and for the fiscal years ended December 28, 2014 and December 29, 2013, are derived from Pinnacle's audited consolidated financial statements for such years, which have previously been filed with the SEC but which are not incorporated by reference into this proxy statement/prospectus. The financial data as of and for the three months ended April 1, 2018 and March 26, 2017 have been obtained from Pinnacle's unaudited consolidated financial statements included in Pinnacle's Quarterly Report on Form 10-Q for the fiscal quarter ended April 1, 2018, which is incorporated by reference into this proxy statement/prospectus.

**Table of Contents**

The information set forth below is only a summary. You should read the following information together with Pinnacle's audited consolidated financial statements and accompanying notes and the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in Pinnacle's Annual Report on Form 10-K for the year ended December 31, 2017 and Pinnacle's Quarterly Report on Form 10-Q for the fiscal quarter ended April 1, 2018, each of which is incorporated by reference into this proxy statement/prospectus, and in Pinnacle's other reports filed with the SEC. For more information, see the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

	<b>Three months ended</b>		<b>For the Fiscal Year Ended</b>				
	<b>April 1, 2018</b>	<b>March 26, 2017</b>	<b>December 31, 2017 53 weeks</b>	<b>December 25, 2016 52 weeks</b>	<b>December 27, 2015 52 weeks</b>	<b>December 28, 2014 52 weeks</b>	<b>December 29, 2013 52 weeks</b>
<b>Income Statement (in millions, except per share and share data)</b>							
<b>STATEMENTS OF OPERATIONS</b>							
<b>Net sales</b>							
	\$ 778.8	\$ 766.1	\$ 3,144.0	\$ 3,127.9	\$ 2,655.8	\$ 2,591.2	\$ 2,463.0
<b>Gross profit</b>							
	206.4	210.6	868.1	916.1	740.5	681.2	654.0
<b>Earnings before interest and taxes</b>							
	115.7	111.2	448.7	479.6	424.7	512.3	293.0
<b>Earnings before income taxes</b>							
	74.0	30.5	279.2	340.5	336.4	416.2	160.0
<b>(Benefit) Provision for income taxes <sup>(1)</sup></b>							
	17.1	7.3	(253.0)	129.4	123.9	167.8	71.0
<b>Net earnings</b>							
	\$ 56.9	\$ 23.1	\$ 532.2	\$ 211.1	\$ 212.5	\$ 248.4	\$ 89.0
<b>Net earnings per share:</b>							
<b>Basic</b>	\$ 0.48	\$ 0.20	\$ 4.50	\$ 1.81	\$ 1.83	\$ 2.15	\$ 0.80
<b>Diluted</b>	\$ 0.48	\$ 0.19	\$ 4.45	\$ 1.79	\$ 1.81	\$ 2.13	\$ 0.80
<b>Weighted average shares outstanding:</b>							
<b>Basic</b>	118,496,815	117,623,753	118,140,957	116,871,948	116,031,648	115,697,621	106,841,190
<b>Diluted</b>	119,812,732	119,331,548	119,552,072	118,160,705	117,322,526	116,885,222	108,618,740
<b>Dividends declared per share</b>							
	\$ 0.325	\$ 0.285	\$ 1.22	\$ 1.08	\$ 0.98	\$ 0.89	\$ 0.50
<b>CASH FLOW:</b>							
<b>Net cash provided by (used in):</b>							
<b>Operating activities</b>	\$ 121.6	\$ 63.0	\$ 416.0	\$ 487.5	\$ 372.9	\$ 550.7	\$ 262.0
<b>Investing activities</b>	(35.3)	(28.6)	(129.8)	(1,086.4)	(105.8)	(270.0)	(652.0)
<b>Financing activities</b>	(258.3)	(246.2)	(390.3)	771.3	(124.2)	(358.0)	414.0

**BALANCE SHEET****TA**

end of period):

cash and cash equivalents	\$	77.7	\$	141.5	\$	249.8	\$	353.1	\$	180.5	\$	38.5	\$	116.0
working capital <sup>(2)</sup>		334.7		388.4		507.7		553.3		469.1		346.6		488.0
total assets		6,423.0		6,496.3		6,578.3		6,739.6		5,324.2		5,181.9		5,057.0
total debt <sup>(3)</sup>		2,758.6		2,983.3		2,962.3		3,166.7		2,274.1		2,281.3		2,479.0
total liabilities		4,016.7		4,533.1		4,198.0		4,790.7		3,518.6		3,468.0		3,459.0
stockholders' equity		2,405.3		1,962.0		2,379.1		1,948.0		1,805.5		1,714.0		1,598.0

- (1) Benefit from income taxes in fiscal 2017 includes the decrease in the Pinnacle net deferred income tax liability as a result of the Tax Cuts and Jobs Act of 2017. For more information, see Note 16 to the Consolidated Financial Statements, (Benefit)/Provision for Income Taxes contained in Pinnacle's Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference into this proxy statement/prospectus.
- (2) Working capital excludes short term borrowings, revolving debt facility and current portion of long term debt.
- (3) Total debt includes long term debt, short term borrowings, revolving debt facility and current portion of long term debt.

- 32 -

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**Table of Contents**

**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA**

**Historical per Share Data for Conagra and Pinnacle Common Stock**

The historical per share data for Conagra and Pinnacle common stock below is derived from the audited consolidated financial statements of each of Conagra and Pinnacle as of and for the years ended May 27, 2018 and December 31, 2017, respectively.

**Unaudited Pro Forma Combined per Share Data for Conagra Common Stock**

The unaudited pro forma combined per share data for Conagra common stock set forth below gives effect to the merger as if it had occurred on May 29, 2017, the beginning of the earliest period presented, in the case of continuing net income per share data, and as of May 27, 2018, in the case of book value per share data, and assuming that each outstanding share of Pinnacle common stock had been converted into shares of Conagra common stock based on the exchange ratio of 0.6494. The exchange ratio does not include the \$43.11 cash portion of the merger consideration.

The unaudited pro forma combined per share data for Conagra common stock has been derived from the audited consolidated financial statements of Conagra as of and for the year ended May 27, 2018 and unaudited consolidated financial statements of Pinnacle as of and for the four quarterly periods ended April 1, 2018 which was determined by adding Pinnacle's unaudited results for the three months ended April 1, 2018 to the results for the fiscal year ended December 31, 2017 and subtracting the results of the three months ended March 26, 2017.

The unaudited pro forma combined per share data for Conagra common stock has been derived using the acquisition method of accounting. See the section titled *Unaudited Pro Forma Condensed Combined Financial Information* contained in this proxy statement/prospectus. Accordingly, the pro forma adjustments reflect the assets and liabilities of Pinnacle at their preliminary estimated fair values. Differences between these preliminary estimates and the final values in acquisition accounting will occur and these differences could have a material impact on the unaudited pro forma combined per share information set forth below.

The unaudited pro forma combined per share data for Conagra common stock does not purport to represent the actual results of operations that Conagra would have achieved had the merger been completed during these periods or to project the future results of operations that Conagra may achieve after the merger.

**Unaudited Pro Forma Combined per Pinnacle Equivalent Share Data**

The unaudited pro forma combined per Pinnacle equivalent share data set forth below shows the effect of the merger from the perspective of an owner of Pinnacle common stock. The information was calculated by multiplying the unaudited pro forma combined per share data for Conagra common stock by the exchange ratio of 0.6494. The exchange ratio does not include the \$43.11 cash portion of the merger consideration.

**Generally**

You should read the below information in conjunction with the selected historical consolidated financial data included elsewhere in this proxy statement/prospectus and the historical consolidated financial statements of Conagra and Pinnacle and related notes that have been filed with the SEC, certain of which are incorporated by reference into this proxy statement/prospectus. See the sections titled *Selected Historical Consolidated Financial Data of Conagra*, *Selected Historical Consolidated Financial Data of Pinnacle* and *Where You Can Find More Information* contained in this proxy statement/prospectus. The unaudited pro forma combined per share data for Conagra common stock and the

unaudited pro forma combined per Pinnacle equivalent share data is derived from, and should be read in conjunction with, the unaudited pro forma combined financial information and related notes included in this proxy statement/prospectus. See the section titled *Unaudited Pro Forma Condensed Combined Financial Information* contained in this proxy statement/prospectus.

- 33 -

**Table of Contents**

The following table sets forth certain historical and unaudited pro forma combined per share information for Conagra and Pinnacle.

	<b>As of/ For the Year Ended May 27, 2018</b>
<b>Conagra Historical per Common Share Data<sup>(1)</sup>:</b>	
Net income from continuing operations basic <sup>(2)</sup>	\$ 1.97
Net income from continuing operations diluted <sup>(3)</sup>	1.95
Cash dividends paid	0.85
Book value <sup>(3)</sup>	\$ 9.61
<b>Pinnacle Historical per Common Share Data<sup>(4)</sup>:</b>	
Net income from continuing operations basic	\$ 4.50
Net income from continuing operations diluted	4.45
Dividends declared per share	1.22
Book value <sup>(3)</sup>	\$ 20.14
<b>Unaudited Pro Forma Combined per Share Data<sup>(5)</sup>:</b>	
Net income from continuing operations basic	\$ 2.39
Net income from continuing operations diluted	2.38
Cash dividends paid <sup>(6)</sup>	N/A
Book value <sup>(3)</sup>	14.34
<b>Unaudited Pro Forma Combined per Pinnacle Equivalent Share Data<sup>(5)</sup>:</b>	
Net income from continuing operations basic <sup>(7)(8)</sup>	\$ 1.55
Net income from continuing operations diluted <sup>(7)(8)</sup>	1.54
Cash dividends paid <sup>(6)</sup>	N/A
Book value <sup>(3)(6)(7)(8)</sup>	9.31

(1) For the fiscal year ended May 27, 2018.

(2) Amounts exclude the impact of discontinued operations of the Private Brands operations and the Lamb Weston operations.

(3) Calculated by dividing stockholders' equity by shares of common stock outstanding excluding common stock equivalents and securities convertible into shares of common stock.

(4) For the fiscal year ended December 31, 2017.

(5) Calculated based on the information contained in the section titled *Unaudited Pro Forma Condensed Combined Financial Information* contained in this proxy statement/prospectus.

(6) Pro forma combined dividends per share is not presented as the dividend policy for Conagra will be determined by the Conagra board of directors following the closing of the merger.

(7) Amounts calculated by multiplying unaudited pro forma combined per share amounts by the exchange ratio in the merger of 0.6494 shares of Conagra common stock for each share of Pinnacle common stock. The exchange ratio does not include the \$43.11 cash portion of the merger consideration.

(8) The information shows how each share of Pinnacle common stock would have participated in Conagra's net income from continuing operations and book value if the merger had occurred on May 29, 2017, in the case of net income per share data, and as of May 27, 2018, in the case of book value per share data.



- 34 -

**Table of Contents****COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION****Market Prices**

Conagra common stock is listed on NYSE under the trading symbol CAG . Pinnacle common stock is listed on NYSE under the trading symbol PF .

Conagra's fiscal year ends on the last Sunday in May. The cash dividends declared, and the high and low sales prices per share for Conagra common stock as reported on NYSE, were as follows:

	<b>Conagra Common Stock</b>		
	<b>High</b>	<b>Low</b>	<b>Dividend</b>
<b>Fiscal Year Ending May 26, 2019:</b>			
First Quarter (through July 24, 2018)	\$ 39.43	\$ 34.52	\$ 0.2125
<b>Fiscal Year Ended May 27, 2018:</b>			
First Quarter	\$ 40.25	\$ 32.93	\$ 0.2125
Second Quarter	36.10	32.16	0.2125
Third Quarter	39.21	34.74	0.2125
Fourth Quarter	38.32	34.79	0.2125
<b>Fiscal Year Ended May 28, 2017:</b>			
First Quarter	\$ 48.81	\$ 45.31	\$ 0.25
Second Quarter	48.86	33.61	0.25
Third Quarter	41.19	35.96	0.20
Fourth Quarter	41.68	37.20	0.20

Pinnacle's fiscal year ends on the last Sunday in December. The cash dividends declared, and the high and low sales prices per share for Pinnacle common stock as reported on NYSE, were as follows:

	<b>Pinnacle Common Stock</b>		
	<b>High</b>	<b>Low</b>	<b>Dividend</b>
<b>Fiscal Year Ending December 30, 2018:</b>			
First Quarter	\$ 63.00	\$ 52.30	\$ 0.325
Second Quarter	70.51	52.25	0.325
Third Quarter (through July 24, 2018)	66.00	64.39	
<b>Fiscal Year Ended December 31, 2017:</b>			
First Quarter	\$ 59.11	\$ 52.49	\$ 0.285
Second Quarter	66.66	57.35	0.285
Third Quarter	62.46	56.89	0.325
Fourth Quarter	60.08	52.81	0.325
<b>Fiscal Year Ended December 25, 2016:</b>			
First Quarter	\$ 46.15	\$ 39.15	\$ 0.255
Second Quarter	45.56	41.47	0.255
Third Quarter	52.00	43.00	0.285
Fourth Quarter	53.30	46.36	0.285



**Table of Contents**

The following table sets forth the closing price per share of Conagra common stock and of Pinnacle common stock as of June 26, 2018, the last trading day prior to the public announcement of the merger and July 24, 2018, the most recent practicable trading day prior to the date of this proxy statement/prospectus. The table also shows the implied value of the merger consideration for each share of Pinnacle common stock as of the same two dates. This implied value was calculated by multiplying the closing price of a share of Conagra common stock on the relevant date by the exchange ratio of 0.6494, representing the stock portion of the merger consideration, and adding \$43.11, the cash portion of the merger consideration.

	<b>Conagra Common Stock</b>	<b>Pinnacle Common Stock</b>	<b>Implied Per Share Value of Merger Consideration</b>
June 26, 2018	\$ 38.23	\$ 67.86	\$ 67.94
July 24, 2018	\$ 35.60	\$ 65.18	\$ 66.23

The market prices of shares of Conagra common stock and Pinnacle common stock have fluctuated since the date of the announcement of the merger and will continue to fluctuate from the date of this proxy statement/prospectus to the date of the special meeting and the date the merger is completed, and the market price of shares of Conagra common stock will continue to fluctuate after the closing of the merger. No assurance can be given concerning the market prices of Conagra common stock or Pinnacle common stock before the closing of the merger or Conagra common stock after the closing of the merger. The exchange ratio is fixed in the merger agreement, but the market price of Conagra common stock (and therefore the value of the merger consideration) when received by Pinnacle stockholders after the closing of the merger could be greater than, less than or the same as shown in the table above. Accordingly, Pinnacle stockholders are advised to obtain current market quotations for Conagra common stock and Pinnacle common stock when considering whether to vote **FOR** the adoption of the merger agreement.

**Dividends**

Conagra currently pays a quarterly dividend on Conagra common stock. Under the terms of the merger agreement, until the effective time of the merger, Conagra will not, and will not permit any Conagra subsidiary, to declare, set aside, make or pay any dividend or other distribution with respect to any of its capital stock other than its regular quarterly cash dividends made in accordance with its past practices in an amount up to \$0.2125 per share. On July 18, 2018, Conagra announced that the Conagra board approved a quarterly cash dividend of \$0.2125 per share to be paid on August 30, 2018 to Conagra stockholders of record as of the close of business on July 31, 2018. Conagra last paid a quarterly dividend on May 31, 2018, of \$0.2125 per share.

Pinnacle currently pays a quarterly dividend on Pinnacle common stock. Pinnacle last paid a quarterly dividend on July 12, 2018, of \$0.325 per share. Under the terms of the merger agreement, until the effective time of the merger, Pinnacle will not, and will not permit any Pinnacle subsidiary, to declare, set aside, make or pay any dividend or other distribution with respect to any of its capital stock other than (1) dividends and distributions by a direct or indirect wholly owned subsidiary of Pinnacle to Pinnacle or any other direct or indirect wholly owned subsidiary of Pinnacle or (2) Pinnacle's regular quarterly cash dividends made in accordance with its past practices in an amount up to \$0.325 per share.

Any Pinnacle stockholder who holds the Conagra common stock into which Pinnacle common stock is converted in the merger will receive whatever dividends are declared and paid on Conagra common stock after the effective time of the merger. However, no dividend or other distribution having a record date after the effective time of the merger will

actually be paid with respect to any Conagra common stock into which Pinnacle common stock has been converted in the merger until the certificates formerly representing shares of Pinnacle common stock have been surrendered (or the book-entry shares formerly representing shares of Pinnacle common stock have been transferred), at which time any accrued dividends and other distributions on those shares of Conagra common stock will be paid without interest. Subject to the limitations set forth in the merger

- 36 -

**Table of Contents**

agreement, any future dividends by Conagra will be declared and paid at the discretion of the Conagra board, and any future dividends by Pinnacle will be declared and paid at the discretion of the Pinnacle board. There can be no assurance that any future dividends will be declared or paid by Conagra or Pinnacle or as to the amount or timing of those dividends, if any.

- 37 -

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**Table of Contents**

**CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS**

Statements included or incorporated by reference into this proxy statement/prospectus that are not historical in nature are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements relate to information or assumptions about the timing of the closing of the merger, the expected benefits of the merger, plans, goals, projections and objectives of Conagra and Pinnacle for future operations, scale and performance, integration plans and expected cost savings therefrom, and anticipated future financial and operating performance results, including operating margin or gross margin improvements, capital and other expenditures, cash flow, dividends, restructuring and other project costs and debt ratings, among other things. Forward-looking statements are accompanied by words such as anticipate , believe , estimate , expect , intend , may , objective , outlook , plan , project , possible , target , will , would , and similar expressions.

Statements regarding future events or the future performance or results inherently are subject to a variety of risks, contingencies and other uncertainties that could cause actual results, performance or achievements to differ materially from those described in or implied by the forward-looking statements. The risks, contingencies and other uncertainties that could result in the failure of the proposed transaction to be completed or, if completed, that could have a material adverse effect on the results of operations, cash flows and financial position of Conagra, Pinnacle or the combined company following the merger, and any anticipated benefits of the merger to Conagra, Pinnacle or the combined company include:

the failure to obtain Pinnacle stockholder approval of the merger;

the possibility that the closing conditions to the merger may not be satisfied or waived, including that a governmental entity may affirmatively prohibit the transaction or delay (past the end date) or refuse to grant a required regulatory approval, including any conditions that may be imposed on the combined entity in connection with consummation of the merger;

delay in closing the merger or the possibility that the merger will not close;

the risk that the cost savings and any other synergies from the merger may not be fully realized or may take longer to realize than expected, including that the merger may not be accretive within the expected timeframe or to the extent anticipated;

the occurrence of any event that could give rise to termination of the merger agreement;

the risk that stockholder litigation in connection with the merger may affect the timing or occurrence of the merger or result in significant costs of defense, indemnification and liability to Conagra or Pinnacle;

risks related to the disruption of the merger to Conagra and Conagra's management or to Pinnacle and Pinnacle's management;

the effect of the announcement of the merger on the ability of Conagra, Pinnacle or the combined company to retain and hire key personnel and maintain relationships with customers, suppliers and other third parties;

Conagra's ability to achieve the intended benefits of recent and pending acquisitions and divestitures, including the recent spin-off of Conagra's Lamb Weston business;

the continued evaluation of the role of Conagra's Wesson oil business;

the impact of general economic and industry conditions on Conagra, Pinnacle or the combined company;

Conagra's, Pinnacle's or the combined company's ability to successfully execute long-term value creation strategies;

Conagra's, Pinnacle's or the combined company's ability to access capital on acceptable terms or at all;



**Table of Contents**

Conagra's, Pinnacle's or the combined company's ability to execute operating and restructuring plans and achieve targeted operating efficiencies from cost-saving initiatives and to benefit from trade optimization programs;

the effectiveness of Conagra's, Pinnacle's or the combined company's hedging activities and ability to respond to volatility in commodities;

the competitive environment in which Conagra and Pinnacle operate, and in which the combined company will operate, and related market conditions;

Conagra's, Pinnacle's and the combined company's ability to respond to changing consumer preferences and the success of their innovation and marketing investments;

the ultimate impact on Conagra, Pinnacle or the combined company of any product recalls and litigation, including litigation related to the lead paint and pigment matters;

actions of governments and regulatory factors affecting the businesses of Conagra, Pinnacle or the combined company, including the ultimate impact of recently enacted U.S. tax legislation and related regulations or interpretations;

the availability and prices to Conagra, Pinnacle or the combined company of raw materials, including any negative effects caused by inflation or weather conditions;

risks and uncertainties faced by Conagra, Pinnacle or the combined company associated with intangible assets, including any future goodwill or intangible assets impairment charges; and

other risks described in Conagra's and Pinnacle's reports filed from time to time with the SEC.

For a further discussion of these and other risks, contingencies and uncertainties that may impact Conagra, Pinnacle or the combined company, and that Pinnacle stockholders should consider prior to deciding whether to vote **FOR** the adoption of the merger agreement, see the section titled *Risk Factors* contained in this proxy statement/prospectus and in Conagra's and Pinnacle's other filings with the SEC incorporated by reference into this proxy statement/prospectus.

Due to these risks, contingencies and other uncertainties, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement/prospectus as to the forward-looking statements contained in this proxy statement/prospectus, and as of the date of any document incorporated by reference into this proxy statement/prospectus as to any forward-looking statement incorporated by reference herein. Except as provided by federal securities laws, neither Conagra nor Pinnacle is required to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to Conagra or Pinnacle or any person acting on its or their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this

section. Conagra and Pinnacle do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events, except as may be required under applicable federal securities laws.

- 39 -

**Table of Contents**

**RISK FACTORS**

*Conagra stockholders and Pinnacle stockholders should carefully consider the following risk factors and all of the other information contained in or incorporated by reference into this proxy statement/prospectus, including but not limited to, the matters addressed in the section titled "Cautionary Information Regarding Forward-Looking Statements" contained in this proxy statement/prospectus and the matters discussed under "Item 1A. Risk Factors" of Conagra's Annual Report on Form 10-K for the fiscal year ended May 27, 2018 and Pinnacle's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as updated from time to time in Conagra's and Pinnacle's subsequent filings with the SEC, which are incorporated by reference into this proxy statement/prospectus. For further information regarding the documents incorporated into this proxy statement/prospectus by reference, please see the section titled "Where You Can Find More Information" contained in this proxy statement/prospectus.*

**Risk Factors Relating to the Merger**

***The exchange ratio is fixed and will not be adjusted in the event of any change in either Conagra's or Pinnacle's stock price. Because the market price of Conagra common stock may fluctuate, the value of the merger consideration is uncertain.***

In the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger (other than excluded shares) will be converted into the right to receive (i) \$43.11 in cash and (ii) 0.6494 shares of Conagra common stock. No fractional shares will be issued in the merger, and Pinnacle stockholders will receive cash in lieu of any fractional shares.

Though the cash portion of the merger consideration is known, because the exchange ratio is fixed, the value of the stock portion of the merger consideration will depend on the market price of Conagra common stock at the effective time of the merger. The exchange ratio will not be adjusted for changes in the market price of the common stock of Conagra or Pinnacle between the date of signing the merger agreement and the closing of the merger. There will be a lapse of time between the date on which Pinnacle stockholders vote on the merger agreement at the special meeting and the date on which Pinnacle stockholders entitled to receive shares of Conagra common stock actually receive those shares. The value of the stock portion of the merger consideration has fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this proxy statement/prospectus to the effective time of the merger and thereafter. The closing sale price per share of Pinnacle common stock as of June 26, 2018, the last trading date before the public announcement of the merger agreement, was \$67.86, and the closing sale price per share has fluctuated as high as \$[ ] and as low as \$[ ] between that date and [ ], 2018. The closing sale price per share of Conagra common stock as of June 26, 2018, the last trading date before the public announcement of the merger agreement, was \$38.23, and the closing sale price per share has fluctuated as high as \$[ ] and as low as \$[ ] between that date and [ ], 2018. Accordingly, at the time of the special meeting, the value of the stock portion of the merger consideration will not be known. Stock price changes may result from a variety of factors, including, among others, general market and economic conditions, changes in Conagra's and Pinnacle's respective businesses, operations and prospects, cash flows, and financial position, market expectations of the likelihood that the merger will be completed, the timing of the completion, litigation, regulatory considerations, and other factors both within and beyond the control of Conagra and Pinnacle. Moreover, the issuance of additional shares of Conagra common stock in the share issuance could depress the per share price of Conagra common stock. There is no right to terminate the merger agreement, and the merger contemplated thereby, as a result of an increase or decrease in the market price of the shares of Conagra common stock prior to the effective time of the merger.

Pinnacle stockholders are urged to obtain the latest market quotations for shares of Conagra common stock prior to submitting their votes or attending the special meeting.

- 40 -

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**Table of Contents**

***The market price of shares of Conagra common stock will continue to fluctuate after the merger.***

Upon the closing of the merger, holders of Pinnacle common stock will become holders of shares of Conagra common stock. The market price of shares of Conagra common stock may fluctuate significantly following the closing of the merger and holders of Pinnacle common stock could lose some or all of the value of their investment in Conagra common stock. In addition, the stock market has experienced significant price and volume fluctuations in recent times which, if they continue to occur, could have a material adverse effect on the market for, or liquidity of, the Conagra common stock, regardless of Conagra's actual operating performance.

***Current Pinnacle stockholders will generally have a reduced ownership and voting interest in Conagra after the merger and will generally exercise less influence over management.***

Conagra expects to issue to Pinnacle stockholders approximately [ ] shares of Conagra common stock in the merger (including shares of Conagra common stock issuable in connection with certain performance based restricted stock awards). Based on the number of shares of common stock of Conagra expected to be outstanding immediately prior to the closing of the merger, Pinnacle stockholders are expected to own approximately [ ]% of the common stock of Conagra immediately following closing of the merger.

Pinnacle stockholders currently have the right to vote for Pinnacle's directors and on other matters affecting Pinnacle. At the closing of the merger, each Pinnacle stockholder that receives shares of Conagra common stock and is not already a stockholder of Conagra will become a stockholder of Conagra with a percentage ownership that will be significantly smaller than such stockholder's percentage ownership of Pinnacle prior to the merger. As a result of this reduced ownership percentage, upon closing of the merger, each former Pinnacle stockholder will generally have less voting power in Conagra than they now have in Pinnacle.

***The shares of Conagra common stock to be received by Pinnacle stockholders upon the closing of the merger will have different rights from shares of Pinnacle common stock.***

Upon the closing of the merger, Pinnacle stockholders will no longer be stockholders of Pinnacle. Instead, former Pinnacle stockholders will become stockholders of Conagra and their rights as Conagra stockholders will be governed by the terms of the Conagra certificate of incorporation and the Conagra bylaws. The terms of the Conagra certificate of incorporation and the Conagra bylaws are in some respects materially different than the terms of the Pinnacle certificate of incorporation and the Pinnacle bylaws, which currently govern the rights of Pinnacle stockholders. See the section titled *Comparison of Stockholders' Rights* contained in this proxy statement/prospectus for a discussion of the different rights associated with shares of Conagra common stock and shares of Pinnacle common stock.

***The market price of shares of Conagra common stock may be affected by factors different from those that historically have affected shares of Pinnacle common stock.***

Upon the closing of the merger, holders of Pinnacle common stock will become holders of Conagra common stock. The businesses of Conagra differ from those of Pinnacle in certain respects and, accordingly, the financial position or results of operations and/or cash flows of Conagra after the merger, as well as the market price of shares of Conagra common stock, may be affected by factors different from those currently affecting the financial position or results of operations and/or cash flows of Pinnacle. Following the closing of the merger, Pinnacle will be part of a larger company with other lines of business and a broader geographic footprint, so decisions affecting Pinnacle may be made in respect of the larger combined business as a whole rather than the Pinnacle businesses individually. For a discussion of the businesses of Conagra and Pinnacle and of some important factors to consider in connection with those businesses, see the section titled *The Companies* contained in this proxy statement/prospectus, and the

documents incorporated by reference.

- 41 -

## **Table of Contents**

***The merger is subject to the receipt of consents and clearances from domestic and foreign regulatory authorities that may impose conditions that could have a material adverse effect on Conagra or Pinnacle following the merger, or, if not obtained, could prevent the closing of the merger.***

Before the merger can be completed, waiting periods must expire or terminate under applicable antitrust laws, including the HSR Act, and the receipt of Canadian antitrust approval. In deciding whether to grant antitrust or regulatory clearances, the relevant authorities will consider the effect of the merger on competition within their relevant jurisdictions. Although Conagra and Pinnacle have agreed in the merger agreement to use their reasonable best efforts, subject to certain limitations, to obtain the required governmental authorizations, there can be no assurance that the relevant authorizations will be obtained, or will be obtained on a timely basis.

The governmental authorities from which these authorizations are required have broad discretion in administering the governing regulations. The terms and conditions of approvals that are granted may impose requirements, limitations, costs or restrictions on the conduct of Conagra following the closing of the merger. Under the terms of the merger agreement, subject to certain conditions (including Conagra's commitment to divest assets of Conagra or Pinnacle that collectively account for up to \$300 million of net sales), Conagra or Pinnacle could be required to divest, hold separate or otherwise take actions that would limit their ownership or control, or their ability to retain or hold, directly or indirectly, certain businesses, assets, equity interests, product lines, properties or services. Moreover, governmental authorities could take action to prevent or enjoin the closing of the merger, and under the terms of the merger agreement, subject to certain conditions, Conagra and Pinnacle have agreed to litigate or defend against any proceeding involving governmental authorities taking action to block the merger. Additional information about each party's commitments to take certain specified actions, subject to certain exceptions and limitations, in connection with obtaining regulatory approvals are described under *The Merger Agreement Proposal Regulatory Approvals Required for the Merger* contained in this proxy statement/prospectus and *The Merger Agreement Efforts to Complete the Merger* contained in this proxy statement/prospectus.

There can be no assurance that regulators will not impose terms, conditions, requirements, limitations, costs or restrictions that would delay the closing of the merger, impose additional material costs on or limit the revenues of Conagra after the merger, or limit some of the cost savings and other benefits that Conagra and Pinnacle expect following the closing of the merger. In addition, neither Conagra nor Pinnacle can provide any assurance that any such terms, conditions, requirements, limitations, costs, or restrictions will not result in the abandonment of the merger. Any delay in completing the merger or any modification to the merger currently contemplated may adversely affect the timing and amount of cost savings and other benefits that are expected to be achieved from the merger.

***The merger is subject to the receipt of approval from Pinnacle stockholders as to the merger agreement in addition to approvals from regulatory authorities. Failure to obtain this approval would prevent the closing of the merger.***

Before the merger can be completed, Pinnacle stockholders must adopt the merger agreement. There can be no assurance that this approval will be obtained. Failure to obtain the required approval may result in a material delay in, or the abandonment of, the merger. Any delay in completing the merger may materially adversely affect the timing and amount of cost savings and other benefits that are expected to be achieved from the merger.

***The merger is subject to a number of conditions to the obligations of both Conagra and Pinnacle to complete the merger, which, if not fulfilled, or not fulfilled in a timely manner, may result in termination of the merger agreement.***

The merger agreement contains a number of conditions to the closing of the merger, including, among others:

adoption of the merger agreement by Pinnacle stockholders;

- 42 -



**Table of Contents**

effectiveness under the Securities Act of Conagra's registration statement on Form S-4, of which this proxy statement/prospectus forms a part, relating to the offer, sale and issuance of the Conagra common stock in connection with the share issuance and the absence of any stop order in respect thereof or proceedings by the SEC for that purpose;

the affirmative approval of antitrust and competition authorities or expiration or termination of waiting periods in certain specified jurisdictions;

the absence of laws, orders, judgments and injunctions that restrain, enjoin or otherwise prohibit the closing of the merger;

subject to certain exceptions, the accuracy of representations and warranties with respect to the businesses of Conagra and Pinnacle and compliance by Conagra and Pinnacle with their respective covenants contained in the merger agreement; and

the absence of a material adverse effect relating to Conagra or Pinnacle.

Many of the conditions to the closing of the merger are not within either Conagra's or Pinnacle's control, and neither company can predict when or if these conditions will be satisfied. If any of these conditions are not satisfied or waived prior to April 1, 2019, which may be automatically extended to June 26, 2019 if certain conditions related to regulatory consents and litigation have not been satisfied or waived, it is possible that the merger agreement may be terminated. Although Conagra and Pinnacle have agreed in the merger agreement to use reasonable best efforts, subject to certain limitations, to complete the merger as promptly as practicable, these and other conditions to the closing of the merger may fail to be satisfied. In addition, satisfying the conditions to and the closing of the merger may take longer and could cost more than Conagra and Pinnacle expect. Neither Conagra nor Pinnacle can predict whether and when these other conditions will be satisfied. Furthermore, the requirements for obtaining the required clearances and approvals could delay the closing of the merger for a significant period of time or prevent them from occurring. Any delay in completing the merger may adversely affect the cost savings and other benefits that Conagra expects to achieve if the merger and the integration of the companies' respective businesses are completed within the expected timeframe.

***Conagra may encounter difficulties or high costs associated with securing financing necessary to pay the cash portion of the merger consideration.***

Conagra's obligation to complete the merger is not subject to a financing condition. To the extent necessary, Conagra may fund all or a portion of the cash portion of the merger consideration from borrowings under the bridge credit facility. Conagra intends to replace the availability under the bridge credit facility with permanent or alternative financing. Specifically, in connection with the merger, Conagra expects to incur up to \$8.3 billion of long-term debt (which includes any funding under the new term loan facility), the proceeds of which would be used to fund the payment of the cash portion of the merger consideration, the repayment of Pinnacle debt, the refinancing of certain Conagra debt, and the payment of related fees and expenses. The permanent financing is also expected to include approximately \$600 million of incremental cash proceeds from the issuance of equity and/or divestitures.

There is no guarantee that permanent or alternative financing will be available to Conagra on acceptable terms or at all. Conagra's ability to obtain financing to replace or supplement the commitment under the bridge credit facility will

be subject to various factors, including market conditions, operating performance and credit ratings, and may be subject to restrictions in the agreements relating to Conagra's outstanding debt.

The receipt of financing by Conagra is not a condition to the closing of the merger or any of the other transactions contemplated by the merger agreement and Conagra will be required to complete the merger (assuming that all of the conditions to its obligations under the merger agreement are satisfied), whether or not the bridge credit facility or other financing is available on acceptable terms or at all.

- 43 -

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**Table of Contents**

***Uncertainties associated with the merger may cause a loss of management personnel and other key employees which could adversely affect the future business and operations of Conagra following the merger.***

Conagra and Pinnacle are dependent on the experience and industry knowledge of their officers and other key employees to execute their business plans. Each company's success until the merger, and Conagra's success after the merger, will depend in part upon the ability of Conagra and Pinnacle to retain key management personnel and other key employees. Current and prospective employees of Conagra and Pinnacle may experience uncertainty about their roles within Conagra following the merger or other concerns regarding the timing and the closing of the merger or the operations of Conagra following the merger, any of which may have an adverse effect on the ability of each of Conagra and Pinnacle to attract or retain key management and other key personnel. Accordingly, no assurance can be given that following the merger Conagra will be able to attract or retain key management personnel and other key employees of Conagra and Pinnacle to the same extent that Conagra and Pinnacle have previously been able to attract or retain their own employees.

***The business relationships of Conagra and Pinnacle may be subject to disruption due to uncertainty associated with the merger, which could have a material adverse effect on the results of operations, cash flows and financial position of Conagra or Pinnacle following the merger.***

Parties with which Conagra or Pinnacle do business may experience uncertainty associated with the merger, including with respect to current or future business relationships with Conagra or Pinnacle following the merger. Conagra's and Pinnacle's business relationships may be subject to disruption as customers, distributors, suppliers, vendors and others may attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than Conagra or Pinnacle following the merger. These disruptions could have an adverse effect on the results of operations, cash flows and financial position of Conagra or Pinnacle, including an adverse effect on Conagra's ability to realize the expected cost savings and other benefits of the merger, regardless of whether the merger is completed. The risk, and adverse effect, of any disruption could be exacerbated by a delay in the closing of the merger or termination of the merger agreement.

The pursuit of the merger and the preparation for the integration may place a significant burden on Conagra's or Pinnacle's management and internal resources. Any significant diversion of management attention away from ongoing business and any difficulties encountered in the transition and integration process could affect Conagra's or Pinnacle's financial results.

***The merger agreement subjects Conagra and Pinnacle to restrictions on their respective business activities prior to the effective time of the merger.***

The merger agreement subjects Conagra and Pinnacle to restrictions on their respective business activities and obligates Conagra and Pinnacle to generally operate their businesses in the ordinary course, consistent with past practice, until the effective time of the merger. These restrictions could prevent Conagra and Pinnacle from pursuing attractive business opportunities that arise prior to the effective time of the merger and are outside the ordinary course of business.

***Pinnacle's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Pinnacle stockholders generally.***

In considering the proposals to be voted on at the special meeting, you should be aware that Pinnacle's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Pinnacle stockholders generally. These interests include, among others, the treatment of outstanding equity awards pursuant to

the merger agreement, potential severance benefits and other payments and rights to ongoing indemnification and insurance coverage. The members of the Pinnacle board were aware of and considered these interests in reaching the determination to approve the merger agreement and recommend that the holders of Pinnacle common stock vote their shares to adopt the merger agreement. For more information,

- 44 -

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**Table of Contents**

please see the section titled *The Merger Agreement Proposal* *Interests of Pinnacle's Directors and Executive Officers in the Merger* contained in this proxy statement/prospectus.

***Conagra and Pinnacle may be targets of lawsuits which could result in substantial costs and may delay or prevent the merger from being completed.***

Lawsuits are often brought against public companies that have entered into merger agreements. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management's time and resources. An adverse judgment could result in monetary damages, which could have a negative impact on Conagra's and Pinnacle's respective liquidity and financial condition. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting the closing of the merger, then that injunction may delay or prevent the merger from being completed, which may adversely affect Conagra's and Pinnacle's respective business, financial position and results of operation. Currently, neither Conagra nor Pinnacle is aware of any lawsuits having been filed in connection with the merger.

***The closing of the merger may trigger change in control or other provisions in certain agreements to which Pinnacle is a party.***

The closing of the merger may trigger change in control or other provisions in certain agreements to which Pinnacle is a party. If Conagra and Pinnacle are unable to negotiate waivers of those provisions, the counterparties may exercise their rights and remedies under the agreements, potentially terminating the agreements or seeking monetary damages. Even if Conagra and Pinnacle are able to negotiate waivers, the counterparties may require a fee for such waivers or seek to renegotiate the agreements on terms less favorable to Pinnacle.

***The merger agreement limits Pinnacle's ability to pursue alternatives to the merger and may discourage other companies from trying to acquire Pinnacle.***

The merger agreement contains no shop provisions that prohibit Pinnacle from soliciting or initiating discussions with third parties regarding other proposals to acquire Pinnacle, and Pinnacle has agreed to certain terms and conditions restricting its ability to respond to, enter into discussion and negotiation with respect to, and approve and accept, certain unsolicited proposals that constitute or are reasonably likely to lead to a superior proposal. In addition, Conagra generally has an opportunity to offer to modify the terms of the merger in response to any competing acquisition proposals before Pinnacle's board of directors may withdraw or qualify its recommendation to stockholders for approval of the merger agreement. The merger agreement further provides that, upon termination of the merger agreement under specified circumstances, including termination by Pinnacle to enter into a definitive agreement for a proposal that constitutes a superior proposal or following a change, qualification or withdrawal of its recommendation to Pinnacle stockholders to approve the merger agreement, Pinnacle will be required to pay Conagra a cash termination fee equal to \$263,785,600.

These provisions could discourage a potential third-party acquirer that might have an interest in acquiring all or a significant portion of Conagra or Pinnacle from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or total value than the total value proposed to be paid or received in the merger. These provisions might also result in a potential third-party acquirer proposing to pay a lower price to the stockholders than it might otherwise have proposed to pay because of the added expense of the termination fee and other fees and expenses that may become payable in certain circumstances. If the merger agreement is terminated and Pinnacle determines to seek another business combination, it may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the merger.

- 45 -

**Table of Contents**

***The merger may not occur at all, may not occur in the expected time frame or may involve the divestiture of certain businesses, which may negatively impact Conagra's or Pinnacle's stock price and have a material adverse effect on either or both of their results of operations, cash flows and financial position.***

The closing of the merger is not assured and is subject to Pinnacle stockholder approval and the satisfaction or waiver of customary closing conditions, including, among others, the expiration or termination of the applicable waiting period under the HSR Act and the receipt of Canadian antitrust approval.

The merger is subject to risks and uncertainties, including the risks that the necessary Pinnacle stockholder and regulatory approvals will not be obtained, the risk that the parties to the merger agreement may be required to divest certain businesses or assets in connection with the planned acquisition or that other closing conditions will not be satisfied. For example, in connection with obtaining the required regulatory approvals, Conagra and/or Pinnacle may be required to divest assets of their respective businesses. If the merger is not completed, if there are significant delays in completing the merger or if the merger involves the divestiture of certain businesses, the ongoing businesses of Conagra and Pinnacle may be materially adversely affected and, without realizing any of the benefits of having completed the merger, Conagra and Pinnacle would be subject to a number of risks, including the following:

Conagra and Pinnacle may experience negative reactions from the financial markets, including negative impacts on their respective stock prices;

Conagra and Pinnacle and their respective subsidiaries may experience negative reactions from their respective customers, distributors, regulators, vendors and employees;

Conagra and Pinnacle will still be required to pay certain significant costs relating to the merger, such as legal, accounting, financial advisor and printing fees;

Conagra or Pinnacle may be required to pay one or more cash termination fees as required by the merger agreement;

the merger agreement places certain restrictions on the conduct of the respective businesses pursuant to the terms of the merger agreement, which may have delayed or prevented the respective companies from undertaking business opportunities that, absent the merger agreement, may have been pursued;

matters relating to the merger (including integration planning) require substantial commitments of time and resources by each company's management, which could have resulted in the distraction of each company's management from ongoing business operations and pursuing other opportunities that could have been beneficial to the companies; and

litigation related to any failure to complete the merger or related to any enforcement proceeding commenced against Conagra or Pinnacle to perform their respective obligations under the merger agreement.

If the merger is not completed, the risks described above may materialize and they may have a material adverse effect on Conagra's or Pinnacle's results of operations, cash flows, financial position and stock prices.

***The unaudited pro forma condensed combined financial information and the unaudited prospective financial information included in this proxy statement/prospectus are based on a number of preliminary estimates and assumptions and the actual results of operations and financial position of Conagra after the merger may differ materially.***

The unaudited pro forma condensed combined financial information in this proxy statement/prospectus is presented for illustrative purposes only and is not necessarily indicative of what Conagra's actual results of operations and financial position would have been had the merger been completed on the dates indicated. The unaudited pro forma condensed combined financial information reflects adjustments, which are based upon



**Table of Contents**

preliminary estimates, to record the Pinnacle identifiable assets to be acquired and liabilities to be assumed at fair value, and the resulting goodwill to be recognized. The purchase price allocation reflected is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets acquired and liabilities assumed in the merger. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this document. The unaudited pro forma condensed combined financial information is also based on a number of other estimates and assumptions, including estimates and assumptions of the type and terms of debt to be incurred to pay the cash portion of the merger consideration and the related fees and expenses. If the type or terms of the new debt actually incurred differ materially from the estimates and assumptions set out in the accompanying unaudited pro forma condensed combined financial information, Conagra's actual results and financial condition after the closing of the merger could differ materially from the results and financial condition contemplated by the unaudited pro forma condensed combined financial information.

The unaudited prospective financial information prepared by Pinnacle in this proxy statement/prospectus was prepared for Pinnacle's internal purposes and is presented in this proxy statement/prospectus because such forecasts were furnished to the Pinnacle board and its financial advisors. The unaudited prospective financial information is based on numerous variables and assumptions that are inherently uncertain and are beyond the control of each company's management team, including assumptions with respect to macro-economic trends, interest rates and anticipated growth rates, and is not necessarily indicative of what each company's actual results of operations, cash flows or financial position would be on the dates indicated. The assumptions used in preparing these forecasts may not prove to be accurate and other factors may affect Conagra's actual results and financial condition after the closing of the merger, which may cause Conagra's actual results and financial condition to differ materially from the estimates contained in the unaudited prospective financial information prepared by Pinnacle.

***The merger may involve unexpected costs, unexpected liabilities or unexpected delays.***

Conagra and Pinnacle currently expect to incur substantial costs and expenses relating directly to the merger, including debt financing and refinancing costs, fees and expenses payable to financial advisors, professional fees and expenses, insurance premium costs, fees and costs relating to regulatory filings and notices, SEC filing fees, printing and mailing costs and other transaction-related costs, fees and expenses. In addition, the merger and post-merger integration process may give rise to unexpected liabilities and costs, including costs associated with the defense and resolution of possible litigation or other claims, which may significantly increase the related costs and expenses incurred by the combined company.

**Risk Factors Relating to Conagra Following the Merger*****Conagra may not realize the cost synergies from the merger.***

The benefits that are expected to result from the merger will depend, in part, on Conagra's ability to realize the anticipated growth opportunities and cost synergies as a result of the merger. Conagra's success in realizing these growth opportunities and cost synergies, and the timing of this realization, depends on whether Conagra or Pinnacle are required to divest assets of their respective business and on the successful integration of Pinnacle. There is a significant degree of difficulty and management distraction inherent in the process of integrating an acquisition as sizable as Pinnacle. The process of integrating operations could cause an interruption of, or loss of momentum in, Conagra's and Pinnacle's activities. Members of Conagra's senior management may be required to devote considerable amounts of time to this integration process, which will decrease the time they will have to manage Conagra, service existing customers, attract new customers, and develop new products or strategies. If senior management is not able to effectively manage the integration process, or if any significant business activities are interrupted as a result of the integration process, the businesses of Conagra and Pinnacle could suffer. There can be no assurance that Conagra will

successfully or cost-effectively integrate Pinnacle. The failure to do so could have a material adverse effect on Conagra's and Pinnacle's business, financial condition, and results of operations.

- 47 -

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**Table of Contents**

Even if Conagra is able to integrate Pinnacle successfully, this integration may not result in the realization of the full benefits that are currently expected from this integration, and there can be no guarantee that these benefits will be achieved within anticipated time frames or at all. For example, Conagra may not be able to eliminate duplicative costs. Moreover, Conagra may incur substantial expenses in connection with the integration of Pinnacle. While it is anticipated that certain expenses will be incurred to achieve cost synergies, such expenses are difficult to estimate accurately, and may exceed current estimates. Accordingly, the benefits from the planned acquisition may be offset by costs incurred to, or delays in, integrating the businesses.

***The future results of Conagra following the merger will suffer if Conagra does not effectively manage its expanded operations.***

Following the merger, the size of the business of Conagra will increase beyond the current size of either Conagra's or Pinnacle's business. Conagra's future success will depend, in part, upon its ability to manage this expanded business, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. There can be no assurances that Conagra will be successful or that it will realize the expected operating efficiencies, cost savings, revenue enhancements or other benefits currently anticipated from the merger.

***Conagra is expected to incur substantial expenses related to the merger and integration.***

Conagra expects to achieve annual cost synergies following completion of the merger and expects to incur one-time cash costs estimated at approximately \$355 million in connection with the achievement of those cost synergies. As part of the achievement of those cost synergies, there are a large number of processes, policies, procedures, operations, technologies and systems that will need to be integrated, including purchasing, accounting and finance, sales, payroll, pricing and benefits. There are many factors beyond Conagra's control that could affect the total amount or the timing of the integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. These expenses could, particularly in the near term, exceed the savings that Conagra expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings. These integration expenses likely will result in Conagra taking significant charges against earnings following the closing of the merger, and the amount and timing of such charges are uncertain at present.

***Conagra will incur a substantial amount of debt to complete the merger. To service its debt, Conagra will require a significant amount of cash. Conagra's ability to generate cash depends on many factors beyond its control. Conagra also depends on the business of its subsidiaries to satisfy its cash needs. If Conagra cannot generate the required cash, it may not be able to make the necessary payments required under its indebtedness.***

At May 27, 2018, Conagra had total debt of approximately \$3.8 billion. Conagra has the ability under its existing credit facilities to incur substantial additional indebtedness in the future, and it plans to incur significant additional indebtedness in connection with the completion of the merger. Specifically, in connection with the merger, Conagra expects to incur up to \$8.3 billion of long-term debt (which includes any funding under the new term loan facility), the proceeds of which would be used to fund the payment of the cash portion of the merger consideration, the repayment of Pinnacle debt, the refinancing of certain Conagra debt, and the payment of related fees and expenses. Conagra's ability to make payments on its debt, fund its other liquidity needs, and make planned capital expenditures will depend on its ability to generate cash in the future. Conagra's historical financial results have been, and it anticipates that its future financial results will be, subject to fluctuations. Conagra's ability to generate cash, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond its control. Conagra cannot guarantee that its business will generate sufficient cash flow from its operations or that future borrowings will be available to it in an amount sufficient to enable it to make payments of its debt, fund other liquidity needs and make planned capital expenditures.

- 48 -

## **Table of Contents**

The degree to which Conagra is currently leveraged and will be leveraged following the closing of the merger could have important consequences for stockholders. For example, it could:

make it more difficult for the combined company to satisfy its debt service obligations;

restrict the combined company from making strategic acquisitions or taking advantage of favorable business opportunities;

limit flexibility to plan for, or react to, changes in the businesses and industries in which the combined company operates, which may adversely affect the combined company's operating results and ability to meet its debt service obligations;

limit the ability of the combined company to refinance its indebtedness or increase the cost of such indebtedness;

require Conagra to dedicate a substantial portion of its cash flow from operations to the payment of debt service, reducing the availability of its cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes;

increase Conagra's vulnerability to adverse economic or industry conditions, including changes in interest rates;

limit Conagra's ability to obtain additional financing in the future to fund its working capital requirements, capital expenditures, acquisitions, investments, debt service obligations and other general operating requirements or to enable it to react to changes in its business; or

place Conagra at a competitive disadvantage compared to businesses in its industry that have less debt. Additionally, any failure to comply with covenants in the instruments governing Conagra's debt could result in an event of default which, if not cured or waived, would have a material adverse effect on Conagra.

A significant portion of Conagra's operations are conducted through its subsidiaries. As a result, Conagra's ability to generate sufficient cash flow for its needs is dependent to some extent on the earnings of its subsidiaries and the payment of those earnings to Conagra in the form of dividends, loans or advances and through repayment of loans or advances from Conagra. Conagra's subsidiaries are separate and distinct legal entities. Conagra's subsidiaries have no obligation to pay any amounts due on its debt or to provide Conagra with funds to meet its cash flow needs, whether in the form of dividends, distributions, loans or other payments. In addition, any payment of dividends, loans or advances by Conagra's subsidiaries could be subject to statutory or contractual restrictions. Payments to Conagra by its subsidiaries will also be contingent upon its subsidiaries' earnings and business considerations. Conagra's right to receive any assets of any of its subsidiaries upon their liquidation or reorganization will be effectively subordinated to

the claims of that subsidiary's creditors, including trade creditors. In addition, even if Conagra is a creditor of any of its subsidiaries, Conagra's rights as a creditor would be subordinate to any security interest in the assets of its subsidiaries and any indebtedness of its subsidiaries senior to that held by Conagra. Finally, changes in the laws of foreign jurisdictions in which Conagra operates may adversely affect the ability of some of Conagra's foreign subsidiaries to repatriate funds to Conagra.

***The substantial additional indebtedness that Conagra will incur in connection with the merger could materially adversely affect its financial position after the merger, which may include a decrease in Conagra's business flexibility, an increase in its borrowing costs and/or a reduction of Conagra's credit ratings.***

Following the closing of the merger, Conagra will have substantially increased debt. This increased level of debt or any further increase in Conagra's level of debt in connection with the closing of the merger could have the effect, among other things, of reducing Conagra's flexibility to respond to changing business and economic conditions and will have the effect of increasing Conagra's interest expense. In addition, if Conagra is unable to timely reduce its level of indebtedness following the merger, Conagra will be subject to increased demands on its

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**Table of Contents**

cash resources, which could increase its total debt to capitalization ratios, decrease its interest coverage ratios or otherwise result in a breach of certain covenants or otherwise adversely affect the business and financial results of the combined company.

Conagra's credit ratings impact the cost and availability of future borrowings and, accordingly, Conagra's cost of capital. Conagra's credit ratings reflect each rating organization's opinion of Conagra's financial strength, operating performance and ability to meet Conagra's debt obligations. Any contemplated or any actual reduction in Conagra's credit ratings may limit Conagra's ability to borrow at interest rates consistent with the interest rates currently available or available to Conagra prior to the merger, even if such reduction does not result in a loss of Conagra's investment grade rating. Any impairment of Conagra's ability to obtain future financing on favorable terms could have a material adverse effect on Conagra's ability to finance the cash portion of the merger consideration through the issuance of debt securities or another alternative to borrowings under the bridge credit facility on terms more favorable than those contemplated by the bridge credit facility, or to refinance the bridge credit facility if drawn.

***The merger may result in a loss of customers, suppliers or strategic alliances and may result in the termination of existing contracts.***

Following the merger, some of the customers, potential customers, suppliers or strategic partners of Conagra or Pinnacle, as historical businesses, may terminate or scale back their business relationship with Conagra. Some customers may not wish to source a larger percentage of their needs from a single company, or may feel that Conagra is too closely allied with one of their competitors. In addition, Conagra and Pinnacle have contracts with customers, suppliers, vendors, landlords, licensors and other business partners which may require Conagra or Pinnacle to obtain consents from these other parties in connection with the merger, which may not be obtained at all or on favorable terms. If customer or supplier relationships or strategic alliances are adversely affected by the merger, or if Conagra, following the merger, loses the benefits of the contracts of Conagra or Pinnacle, Conagra's business and financial performance could suffer.

***Conagra may have to make additional contributions following the closing of the merger to fund pension and other post-retirement benefit plans, including Pinnacle plans.***

Conagra and Pinnacle and their respective subsidiaries currently maintain and contribute to defined benefit pension plans and other post-retirement benefit plans that cover various categories of employees and retirees. The obligation to make contributions to fund benefit obligations under these pension and other post-retirement benefit plans is based on actuarial valuations, which are based on certain assumptions, including the long-term return on plan assets and the discount rate. Conagra may have to make additional contributions following the closing of the merger to fund pension and other post-retirement benefit plans, including any such Pinnacle plans. Additional contributions could have a material adverse effect on the results of operations, cash flows and financial position of Conagra.

***The market price of shares of Conagra common stock may decline in the future as a result of the sale of shares of Conagra common stock held by former Pinnacle stockholders or current Conagra stockholders.***

Based on the number of shares of Pinnacle common stock outstanding as of [ ], 2018 (other than excluded shares), Conagra expects to issue up to approximately [ ] shares of Conagra common stock to Pinnacle stockholders in the merger. Following their receipt of shares of Conagra common stock in the merger, former Pinnacle stockholders may seek to sell the shares of Conagra common stock delivered to them. Other Conagra stockholders may also seek to sell shares of Conagra common stock held by them following, or in anticipation of, the closing of the merger. These sales (or the perception that these sales may occur), coupled with the increase in the outstanding number of shares of Conagra common stock, may affect the market for, and the market price of, Conagra common

stock in an adverse manner.

- 50 -



**Table of Contents**

***The combined company will record goodwill and other intangible assets that could become impaired and result in material non-cash charges to the results of operations of the combined company in the future.***

The merger will be accounted for as an acquisition by Conagra in accordance with accounting principles generally accepted in the United States. Under the acquisition method of accounting, the assets and liabilities of Pinnacle and its subsidiaries will be recorded, as of completion, at their respective fair values and added to those of Conagra. The reported financial condition and results of operations of Conagra for periods after the closing of the merger will reflect Pinnacle balances and results after the closing of the merger, but will not be restated retroactively to reflect the historical financial position or results of operations of Pinnacle and its subsidiaries for periods prior to the merger. See the section titled *Unaudited Pro Forma Condensed Combined Financial Information* contained in this proxy statement/prospectus.

**Other Risk Factors Relating to Conagra and Pinnacle Stockholders**

As a result of entering into the merger agreement, Conagra's and Pinnacle's businesses are and will be subject to the risks described above. In addition, Conagra and Pinnacle are, and following the closing of the merger, Conagra will continue to be, subject to the risks described in Conagra's Annual Report on Form 10-K for the fiscal year ended May 27, 2018 and Pinnacle's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as updated from time to time in their subsequent filings with the SEC, including those incorporated by reference into this proxy statement/prospectus. See the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

**Table of Contents**

**PINNACLE PROPOSALS**

**Pinnacle Proposal 1: Merger Agreement Proposal**

Pinnacle is asking its stockholders to adopt the merger agreement.

For a summary of and detailed information regarding this proposal, see the information about the merger agreement and the merger throughout this proxy statement/prospectus, including the information set forth in the sections titled *The Merger Agreement Proposal* and *The Merger Agreement*. A copy of the merger agreement is attached to this proxy statement/prospectus as *Annex A*. You are urged to read the merger agreement carefully and in its entirety.

Under applicable law, Pinnacle cannot complete the merger without the affirmative vote of the holders of a majority of all outstanding shares of Pinnacle common stock entitled to vote thereon. If you abstain from voting, fail to cast your vote, in person or by proxy, or fail to give voting instructions to your broker, bank, trustee or other nominee, it will have the same effect as a vote **AGAINST** the merger agreement proposal.

**The Pinnacle board recommends that you vote **FOR** the merger agreement proposal.**

**Pinnacle Proposal 2: Nonbinding Compensation Proposal**

Pinnacle is providing its stockholders with the opportunity to cast a vote, on a nonbinding, advisory basis, to approve the merger-related compensation that may be paid or become payable to Pinnacle's named executive officers in connection with the merger as disclosed in the table titled *Potential Payments to Named Executive Officers* and the accompanying footnotes contained in this proxy statement/prospectus, as required by Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The Pinnacle board recommends that Pinnacle stockholders approve the following resolution:

RESOLVED, that the stockholders of Pinnacle approve, on an advisory, nonbinding basis, the golden parachute compensation which will or may be paid to Pinnacle's named executive officers in connection with the merger, as disclosed pursuant to Item 402(t) of Regulation S-K in the table titled *Potential Payments to Named Executive Officers* and the accompanying footnotes contained in this proxy statement/prospectus.

The vote on the nonbinding compensation proposal is a vote separate and apart from the vote on the adoption of the merger agreement. Accordingly, you may vote **FOR** the adoption of the merger agreement and abstain or vote against the nonbinding compensation proposal and vice versa. Because the vote on the nonbinding compensation proposal is advisory only, it will not be binding on either Pinnacle or Conagra. Accordingly, if the merger agreement is adopted and the merger is completed, the merger-related compensation that is contractually required to be paid to Pinnacle's named executive officers will be paid or become payable, subject only to the conditions applicable thereto, regardless of the outcome of the nonbinding, advisory vote of Pinnacle stockholders.

The affirmative vote, in person or by proxy, of holders of a majority of the shares of Pinnacle common stock represented at the special meeting and entitled to vote thereon is required to approve the nonbinding compensation proposal.

**The Pinnacle board recommends that you vote **FOR** the nonbinding compensation proposal.**

**Pinnacle Proposal 3: Adjournment Proposal**

Pinnacle is asking its stockholders to approve a proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time

- 52 -

**Table of Contents**

of the special meeting. If Pinnacle stockholders approve the adjournment proposal, Pinnacle could adjourn the special meeting and any adjourned session of the special meeting and use the additional time to solicit additional proxies, including proxies from stockholders that have previously returned properly executed proxies voting against adoption of the merger agreement. Among other things, approval of the adjournment proposal could mean that, even if Pinnacle had received proxies representing a sufficient number of votes against adoption of the merger agreement such that the merger agreement proposal would be defeated, Pinnacle could adjourn the special meeting without a vote on the adoption of the merger agreement and seek to convince the holders of those shares to change their votes to vote in favor of adoption of the merger agreement. Additionally, Pinnacle may seek to adjourn the special meeting if a quorum is not present or otherwise at the discretion of the chairman of the special meeting.

**The Pinnacle board recommends that you vote **FOR** the adjournment proposal.**

## **Table of Contents**

### **THE COMPANIES**

#### **Conagra Brands, Inc.**

Conagra is one of North America's leading branded food companies. Guided by an entrepreneurial spirit, the Company combines a rich heritage of making great food with a sharpened focus on innovation. The Company's portfolio is evolving to satisfy people's changing food preferences. Its iconic brands such as *Marie Callender*®, *Reddi-wip*®, *Hunt*®, *Healthy Choice*®, *Slim Jim*®, and *Orville Redenbacher*®, as well as emerging brands, including *Alexia*®, *Angie*®, *BOOMCHICKAPOP*®, *Blake*®, *Duke*® and *Frontera*®, offer choices for every occasion.

Conagra's Grocery & Snacks reporting segment principally includes branded, shelf stable food products sold in various retail channels in the United States.

Conagra's Refrigerated & Frozen reporting segment principally includes branded, temperature controlled food products sold in various retail channels in the United States.

Conagra's International reporting segment principally includes branded food products, in various temperature states, sold in various retail and foodservice channels outside of the United States.

Conagra's Foodservice reporting segment includes branded and customized food products, including meals, entrees, sauces, and a variety of custom-manufactured culinary products packaged for sale to restaurants and other foodservice establishments primarily in the United States.

Conagra's Commercial reporting segment included commercially branded and private label food and ingredients, which were sold primarily to commercial, restaurant, foodservice, food manufacturing, and industrial customers. The segment's primary food items included a variety of vegetable, spice, and frozen bakery goods, which were sold under brands such as *Spicetec Flavors & Seasonings*®. In the first quarter of fiscal 2017, Conagra sold its Spicetec and JM Swank businesses. These businesses comprised the entire Commercial segment following the presentation of Lamb Weston as discontinued operations.

Conagra was initially incorporated as a Nebraska corporation in 1919 and was reincorporated as a Delaware corporation in December 1975. Conagra's principal executive offices are located at 222 Merchandise Mart Plaza, Suite 1300, Chicago, Illinois 60654, and its main telephone number is (312) 549-5000.

#### **Pinnacle Foods Inc.**

Pinnacle is a leading manufacturer, marketer and distributor of high-quality, branded food products in North America, with annual net sales of approximately \$3.1 billion in fiscal 2017. Pinnacle's brand portfolio enjoys strong household penetration in the United States, where its products can be found in over 85% of U.S. households. Pinnacle's products are sold through supermarkets, grocery wholesalers and distributors, mass merchandisers, super centers, convenience stores, dollar stores, natural and organic food stores, drug stores, e-commerce websites and warehouse clubs in the United States and Canada, as well as in military channels and foodservice locations. Given Pinnacle's diverse portfolio of brands with attractive market positions, its business generates significant and stable cash flows that has enabled Pinnacle to pay regular quarterly dividends to its stockholders, reduce its debt and drive value creation through both reinvestment in its existing brands and periodic strategic acquisitions.

Pinnacle's business is organized into the following four reportable segments: The Frozen segment, The Grocery segment, The Boulder segment and The Specialty segment.

Pinnacle Foods Inc. was incorporated under the name Crunch Holding Corp. in Delaware on July 28, 2003. Pinnacle Foods Inc. is a holding company whose sole asset is 100% ownership of Peak Finance Holdings

- 54 -

**Table of Contents**

LLC, which is a holding company whose sole asset is 100% ownership of Pinnacle Foods Finance LLC. Pinnacle's principal executive offices are located at 399 Jefferson Road, Parsippany, New Jersey 07054, and its telephone number is (973) 541-6620.

**Patriot Merger Sub Inc.**

Merger Sub, a wholly owned subsidiary of Conagra, is a Delaware corporation that was formed on June 22, 2018 for the sole purpose of effecting the merger. In the merger, Merger Sub will be merged with and into Pinnacle, with Pinnacle surviving as a wholly owned subsidiary of Conagra.

Its principal executive offices and its telephone number are the same as those of Conagra.

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**Table of Contents**

**SPECIAL MEETING OF PINNACLE STOCKHOLDERS**

**Date and Time of the Special Meeting**

The special meeting will be held on [ ], 2018 at [ ] (Eastern [Daylight] Time) [ ].

**Purpose of the Special Meeting**

At the special meeting, Pinnacle stockholders will be asked to consider and vote on the following proposals:

- (1) to adopt the merger agreement;
- (2) to approve, on a nonbinding, advisory basis, the compensation that may be paid or may become payable to Pinnacle's named executive officers in connection with, or following, the closing of the merger (this nonbinding compensation proposal relates only to contractual obligations of Pinnacle in existence prior to the closing of the merger that may result in a payment to Pinnacle's named executive officers in connection with, or following, the closing of the merger and does not relate to any new compensation or other arrangements between Pinnacle's named executive officers and Conagra or, following the merger, the surviving corporation and its subsidiaries) (see the section titled *The Merger Agreement Proposal Interests of Pinnacle's Directors and Executive Officers in the Merger* contained in this proxy statement/prospectus); and
- (3) to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement.

A copy of the merger agreement is attached as *Annex A* to this proxy statement/prospectus.

**Record Date; Shares Entitled to Vote; Quorum**

Stockholders of record as of the close of business on [ ], 2018, the record date for the special meeting, will be entitled to vote the shares of Pinnacle common stock that they held on the record date for the special meeting. At the close of business on the record date, there were [ ] shares of Pinnacle common stock outstanding, held by approximately [ ] holders of record. Each holder of shares of Pinnacle common stock is entitled to one vote per share of Pinnacle common stock held as of the record date on each of the proposals presented in this proxy statement.

A majority of the voting power of the issued and outstanding shares of capital stock of Pinnacle entitled to vote at the special meeting, present in person or represented by proxy, constitutes a quorum for the purposes of the special meeting. Abstentions are counted as present and entitled to vote for purposes of determining a quorum. Shares of Pinnacle common stock held in street name will be counted as present for the purpose of determining the existence of a quorum at the special meeting so long as a stockholder has given the bank, broker or other nominee voting instructions on at least one of the proposals brought before the special meeting. The proposals for consideration at the special meeting are considered non-routine matters under NYSE Rule 452, and, therefore, no broker non-votes can occur at the meeting. A stockholder's shares will not be counted as present for the purpose of determining the existence of a quorum if no instructions have been provided on how to vote on any such proposals. A quorum is necessary to transact business at the special meeting. Once a share of Pinnacle common stock is represented at the special meeting,



it will be counted for the purpose of determining a quorum at the special meeting and any adjournment of the special meeting, unless a new record date is required to be established. However, if a new record date is set for the adjourned special meeting, then a new quorum will have to be established. In the event that a quorum is not present at the special meeting, it is expected that the special meeting will be adjourned.

- 56 -

**Table of Contents**

**Vote Required; Abstentions and Broker Non-Votes**

***Adoption of the Merger Agreement***

The proposal to adopt the merger agreement must be approved by the affirmative vote of the holders of a majority of the outstanding shares of Pinnacle common stock entitled to vote thereon at the special meeting.

Abstentions will have the same effect as a vote AGAINST the merger agreement proposal.

***Approval of the Nonbinding Compensation Proposal***

Approval of the nonbinding compensation proposal requires the affirmative vote of the holders of a majority of those shares of Pinnacle common stock present in person or by proxy at the special meeting and entitled to vote thereon. The vote to approve the nonbinding compensation proposal is not a condition to the closing of the merger and the nonbinding compensation proposal is advisory in nature and will not be binding on Conagra or Pinnacle. Accordingly, regardless of the outcome of the vote on the nonbinding compensation proposal, if the merger agreement is adopted and the merger is completed, the merger-related compensation may be paid or become payable to Pinnacle's named executive officers in connection with the merger.

Abstentions will have the same effect as a vote AGAINST the nonbinding compensation proposal.

***Approval of the Adjournment Proposal***

Approval of the adjournment proposal requires the affirmative vote of holders of a majority of those shares of Pinnacle common stock present in person or represented by proxy at the special meeting and entitled to vote thereon, regardless of whether a quorum is present. Unless the Pinnacle board fixes a new record date for the adjourned special meeting, the adjourned special meeting is more than 30 days after the date of the original special meeting, or law otherwise requires, no notice of the adjourned special meeting will be required so long as (i) the time and place to which the special meeting is adjourned, and the means of remote communications, if any, by which holders of Pinnacle common stock may be deemed to be present or represented by proxy and vote at such adjourned meeting are announced at the original special meeting and (ii) at the adjourned special meeting only such business is transacted as might have been transacted at the original special meeting.

Abstentions will have the same effect as a vote AGAINST a proposal to adjourn the special meeting.

***Broker Non-Votes***

Under NYSE rules, brokers who hold shares in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of proposals that NYSE determines to be non-routine and will not vote on such proposals if the broker has not received instructions from the beneficial owners on how to vote on the proposals. Under NYSE rules, brokers are not permitted to vote on any of the matters to be considered at the special meeting. As a result, your shares will not be voted on any matter unless you affirmatively instruct your bank, broker or other nominee how to vote your shares in one of the ways indicated by your bank, broker or other nominee.

**Shares Held by Pinnacle's Directors and Executive Officers**

At the close of business on the record date, directors and executive officers of Pinnacle and their affiliates were entitled to vote approximately [ ] shares of Pinnacle common stock, or approximately [ ]% of the shares of Pinnacle common stock outstanding on that date. Pinnacle's directors and executive officers who hold shares of Pinnacle common stock have informed Pinnacle that they intend, as of the date hereof, to vote all of their shares of Pinnacle common stock in favor of each of the proposals to be considered at the special meeting, although none of them has entered into any agreement obligating them to do so.

- 57 -

## **Table of Contents**

Pinnacle's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Pinnacle stockholders generally. For more information, please see the section titled *The Merger Agreement Proposal Interests of Pinnacle's Directors and Executive Officers in the Merger* contained in this proxy statement/prospectus.

## **Voting of Proxies**

### ***Voting in Person***

All Pinnacle stockholders as of the record date may attend the special meeting and vote in person. Seating will be limited. Pinnacle stockholders will need to present proof of ownership of shares of Pinnacle common stock and proper photo identification, such as a driver's license, to be admitted to the special meeting. If your shares of Pinnacle common stock are held through a broker, bank, trustee or other nominee, you will need to provide proof of ownership, such as a recent account statement or voting instructions form provided by your broker, bank, trustee or other nominee or other similar evidence of ownership, along with proper photo identification. If you are the representative of a corporate or institutional stockholder, you must present valid photo identification along with proof that you are the representative of such stockholder. No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the special meeting, except as administered by Pinnacle.

### ***Shares Held by Record Holder***

If you are a Pinnacle stockholder of record (that is, if your shares of Pinnacle common stock are registered in your name with Computershare Investor Services, Pinnacle's transfer agent), you may submit a proxy using one of the methods described below:

***Voting by Proxy Card.*** You may vote by mail, indicating your vote by completing, signing and dating the enclosed proxy card where indicated and by mailing or otherwise returning the proxy card in the enclosed envelope. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example, as guardian, executor, trustee, custodian, attorney or officer of a corporation), indicate your name and title or capacity.

***Voting by Telephone.*** If you have access to a touch-tone telephone, you may submit your proxy by dialing 1-800-690-6903 and by following the recorded instructions. You will need the 16-digit control number included on your notice or your proxy card in order to vote by telephone.

***Voting by Internet.*** If you have Internet access, you may submit your proxy by going to [www.proxyvote.com](http://www.proxyvote.com) and by following the instructions on how to complete an electronic proxy card. You will need the 16-digit control number included on your notice or your proxy card in order to vote by Internet. A control number, located on your proxy card, is designed to verify your identity and allow you to vote your shares of Pinnacle common stock, and to confirm that your voting instructions have been properly recorded when voting by telephone or electronically over the Internet. Please be aware that, although there is no charge for voting your shares, if you vote by telephone or electronically over the Internet, you may incur costs such as internet access and telephone charges for which you will be responsible.

**If you hold shares as the Pinnacle stockholder of record, your vote by written proxy must be received before the polls close at the special meeting and any electronic or telephonic vote must be received by [        ], on the day of the special meeting. If you hold shares beneficially in street name with a broker, bank, trustee or other nominee, please follow the voting instructions provided by your broker, bank, trustee or other nominee.**

- 58 -

## **Table of Contents**

### ***Shares Held in Street Name***

If your shares are held in street name through a broker, bank, trustee or other nominee, you may vote through your broker, bank, trustee or other nominee by completing and returning the voting form provided by your broker, bank, trustee or other nominee, or, if such a service is provided by your broker, bank, trustee or other nominee, by telephone or electronically over the Internet. To vote by telephone or over the Internet through your broker, bank, trustee or other nominee, you should follow the instructions on the voting instruction form provided by your broker, bank, trustee or other nominee.

### **Revocability of Proxies**

Whether you have voted by Internet, telephone or mail, if you are a Pinnacle stockholder of record, you may change your vote and revoke your proxy by: (i) sending a written statement to that effect to our corporate secretary or to any corporate officer of Pinnacle, provided such statement is received no later than [ ], 2018; (ii) voting again by Internet or telephone at a later time before the closing of those voting facilities at [ ] p.m. (Eastern [Daylight] Time) on [ ], 2018; (iii) submitting a properly signed proxy card with a later date that is received no later than [ ], 2018; or (iv) voting at the special meeting.

If you hold shares in street name, you may submit new voting instructions by contacting your bank, broker or other nominee.

### **Recommendation of the Pinnacle Board**

The Pinnacle board carefully reviewed and considered the terms and conditions of the merger agreement, the merger and the other transactions contemplated by the merger agreement. The Pinnacle board unanimously approved the merger agreement and declared in the best interest of the Pinnacle stockholders the acquisition of Pinnacle by Conagra by means of the merger and directed that the merger agreement be submitted to the Pinnacle stockholders for their adoption. Accordingly, the Pinnacle board unanimously recommends a vote **FOR** the proposal to approve the merger agreement. For a discussion of the factors that the Pinnacle board considered in determining to recommend the approval of the merger agreement, please see the section titled *The Merger Agreement Proposal Recommendation of the Pinnacle Board and its Reasons for the Merger* contained in this proxy statement/prospectus.

The Board also recommends a vote **FOR** the nonbinding compensation proposal and a vote **FOR** the adjournment proposal.

### **Adjournments and Postponements**

Although it is not currently expected, the special meeting may be adjourned, including for the purpose of soliciting additional proxies, if there are insufficient votes at the time of the special meeting to approve the proposal to adopt the merger agreement or if a quorum is not present at the special meeting.

Any adjournment of the special meeting requires the affirmative vote of holders of a majority of those shares of Pinnacle common stock present in person or represented by proxy at the special meeting and entitled to vote thereon, regardless of whether a quorum is present.

Any adjournment of the special meeting for the purpose of soliciting additional proxies will allow the Pinnacle stockholders who have already sent in their proxies to revoke them at any time prior to their use at the special meeting as adjourned.

**Solicitation of Proxies**

Conagra and Pinnacle will each bear their own costs related to the merger and the retention of any information agent or other service provider in connection with the merger, except for the expenses incurred in

- 59 -

**Table of Contents**

connection with the filing of this document, which will be paid by Conagra, and the expenses incurred in connection with the printing and mailing of this document, which will be paid by Pinnacle. This proxy solicitation is being made by Pinnacle on behalf of the Pinnacle board. Pinnacle has hired MacKenzie Partners, Inc., a proxy solicitation firm, to assist in the solicitation of proxies, and will pay MacKenzie Partners, Inc. a fee of approximately \$15,000, plus certain costs associated with additional services, if required. In addition to this mailing, proxies may be solicited by MacKenzie Partners, Inc., directors, officers or employees of Pinnacle or Conagra or their respective affiliates in person, by mail, by telephone or by electronic transmission. None of the directors, officers or employees of Pinnacle or Conagra will be directly compensated for such services.

**Questions and Additional Information**

If you have any questions concerning the merger, the special meeting or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus or need help voting your shares of Pinnacle common stock, please contact Pinnacle's proxy solicitor:

MacKenzie Partners, Inc.

1407 Broadway, 27th Floor

New York, NY 10018

Toll-free: (800) 322-2885 or (212) 929-5500

- 60 -



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**Table of Contents**

**THE MERGER AGREEMENT PROPOSAL**

**General**

This proxy statement/prospectus is being provided to Pinnacle stockholders in connection with the solicitation of proxies by the Pinnacle board to be voted at the special meeting and at any adjournments or postponements of the special meeting. At the special meeting, Pinnacle will ask its stockholders to (1) vote **FOR** the adoption of the merger agreement proposal, (2) vote **FOR** the nonbinding compensation proposal, and (3) vote **FOR** the adjournment proposal.

**The merger will not be completed without the adoption of the merger agreement by Pinnacle stockholders.** A copy of the merger agreement is attached as *Annex A* to this proxy statement/prospectus. You are urged to read the merger agreement in its entirety because it is the legal document that governs the merger. For additional information about the merger agreement, see the section titled *The Merger Agreement* contained in this proxy statement/prospectus.

**Effect of the Merger**

Upon the closing of the merger, Merger Sub will merge with and into Pinnacle. Pinnacle will be the surviving corporation in the merger and will become a direct wholly owned subsidiary of Conagra.

At the effective time of the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger (other than excluded shares) will be converted into the right to receive (i) \$43.11 in cash and (ii) 0.6494 shares of Conagra common stock. Conagra will not issue any fractional shares of Conagra common stock in the merger. Instead, a Pinnacle stockholder who otherwise would have received a fraction of a share of Conagra common stock will receive a cash payment, without interest, rounded down to the nearest whole cent, equal to such fractional amount multiplied by the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs. The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. Conagra stockholders will continue to hold their existing shares of Conagra common stock.

**Effect on Pinnacle if the Merger Is Not Completed**

If the merger agreement is not adopted or if the merger is not completed for any other reason, Pinnacle stockholders will not receive any payment for their shares of Pinnacle common stock. Instead, Pinnacle will remain an independent public company, shares of Pinnacle common stock will continue to be listed and traded on NYSE and registered under the Exchange Act and Pinnacle will continue to file periodic and current reports with the SEC. In addition, if the merger is not completed, Pinnacle expects that its management will operate the business in a manner similar to that in which it is being operated today and that stockholders will continue to be subject to the same risks and opportunities to which they are currently subject, including, among other things, the nature of the industry on which Pinnacle's business largely depends, and general industry, economic, regulatory and market conditions.

Furthermore, if the merger is not completed, depending on the circumstances that caused the merger not to be completed, the price of Pinnacle common stock may decline significantly. If that were to occur, it is uncertain when, if ever, the price of Pinnacle common stock would return to the price at which it trades as of the date of this proxy statement/prospectus.

Accordingly, if the merger is not completed, there can be no assurance as to the effect of these risks and opportunities on the future value of your shares of Pinnacle common stock. If the merger is not completed, the Pinnacle board will continue to evaluate and review Pinnacle's business operations, strategic direction and

- 61 -

## **Table of Contents**

capitalization, among other things, and will make such changes as are deemed appropriate. If the merger agreement is not adopted or if the merger is not completed for any other reason, there can be no assurance that any other transaction acceptable to the Pinnacle board will be offered or that Pinnacle's business, prospects or results of operation will not be adversely impacted.

If the merger agreement is terminated under certain circumstances, Pinnacle will be obligated to pay Conagra a break-up fee of \$263,785,600. For more information, see the section titled *The Merger Agreement Termination Fee; Liability for Breach* contained in this proxy statement/prospectus.

## **Merger Consideration**

At the effective time of the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger (other than excluded shares) will be converted into the merger consideration, which is the right to receive (i) \$43.11 in cash, without interest, and (ii) 0.6494 shares of Conagra common stock. Conagra will not issue any fractional shares of Conagra common stock in the merger. Instead, a Pinnacle stockholder who otherwise would have received a fraction of a share of Conagra common stock will receive a cash payment, without interest, rounded down to the nearest whole cent, equal to such fractional amount multiplied by the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs.

If the merger is completed, Pinnacle stockholders who do not vote in favor of the adoption of the merger agreement at the special meeting, who continuously hold their shares of Pinnacle common stock through the effective time and who properly demand appraisal of their shares of Pinnacle common stock in compliance with the requirements of Section 262 of the DGCL will be entitled to exercise appraisal rights in connection with the merger under Section 262 of the DGCL. This means that holders of shares of Pinnacle common stock who may exercise appraisal rights and who also have properly exercised, perfected and not waived, effectively withdrawn or otherwise lost those appraisal rights are entitled to have their shares of Pinnacle common stock appraised by the Delaware Court of Chancery and to receive payment in cash of the fair value of their shares of Pinnacle common stock, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with interest (subject to certain exceptions) to be paid on the amount determined to be fair value, if any, as determined by the Delaware Court of Chancery, so long as those holders comply exactly with the procedures established by Section 262 of the DGCL. For additional information about appraisal rights, see the section titled *Appraisal Rights* contained in this proxy statement/prospectus and the text of Section 262 of the DGCL attached hereto as *Annex D*.

If, between the date of the merger agreement and the effective time of the merger, the issued and outstanding shares of Pinnacle common stock or securities convertible or exchangeable into or exercisable for shares of Pinnacle common stock or the issued and outstanding shares of Conagra common stock or securities convertible or exchangeable into or exercisable for shares of Conagra common stock changes into a different number of shares or a different class by reason of any reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, merger, issuer tender or exchange offer, or other similar transaction, then the merger consideration will be equitably adjusted, without duplication, to proportionally reflect such change.

Based upon the closing sale price of shares of Conagra common stock on NYSE of \$[ ] on [ ], 2018, the last practicable trading date prior to the date of this proxy statement/prospectus, the value of the merger consideration was approximately \$[ ].



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**Table of Contents**

**Background of the Merger**

The Pinnacle board, together with Pinnacle's management and with the assistance of Pinnacle's advisors, regularly reviews Pinnacle's long-term strategic plan and considers various strategic opportunities available to Pinnacle and ways to enhance stockholder value, including in light of the business, competitive, regulatory and economic environment and developments in the industry in which Pinnacle operates. These reviews have included discussions as to whether Pinnacle should continue to execute on its strategy as a stand-alone company, pursue various transformative acquisitions or pursue a sale of the entire company. As part of these reviews, the Pinnacle board, together with Pinnacle's management and with the assistance of Pinnacle's advisors, has considered what would offer the best avenue to enhance stockholder value along with the potential benefits and risks of any potential course of action.

The board of directors of Conagra (the "Conagra board"), together with Conagra's management, and with the assistance of Conagra's advisors, likewise regularly reviews, at various points, Conagra's long-term strategic plan, competitive position in the industry in which it operates and strategic alternatives, including potential divestitures and spinoffs of non-core assets as well as potential mergers and acquisitions that would further Conagra's strategic objectives. From time to time, the Conagra board and management with the assistance of Conagra's advisors have reviewed a potential acquisition of Pinnacle, which was identified as an acquisition target on the basis of its complementary product offerings and culture, and its synergy possibilities. In late calendar year 2016, the Conagra board authorized Sean Connolly, Conagra's Chief Executive Officer, to approach a representative of Pinnacle regarding a potential acquisition.

In late November 2016, Roger Deromedi, the Chairman of the Pinnacle board, met with Mr. Connolly in Chicago. Mr. Connolly asked Mr. Deromedi whether Pinnacle would be interested in receiving an offer from Conagra. Mr. Deromedi indicated that Mr. Connolly should discuss any potential offer with Mark Clouse, Pinnacle's Chief Executive Officer. Mr. Connolly did not make an offer at this meeting or provide any details regarding any potential offer.

On January 11, 2017, Mr. Clouse, Craig Steeneck, Pinnacle's Executive Vice President and Chief Financial Officer and Michael Levitt, Pinnacle's Senior Vice President of Corporate Development, participated in a conference call with representatives of a food company ("Company A") to express Pinnacle's potential interest in acquiring a portfolio of significant assets from Company A. Company A indicated that it would be open to exploring such a potential transaction with Pinnacle.

Between January 2017 and March 2017, representatives of Pinnacle and Company A engaged in preliminary discussions with respect to a potential acquisition by Pinnacle of a portfolio of significant assets from Company A. Pinnacle and Company A identified that a transaction structure involving Pinnacle common shares as consideration could be a viable basis for a potential transaction to proceed. In March 2017, Pinnacle selected Morgan Stanley as Pinnacle's financial advisor for the purpose of advising on a potential transaction with Company A.

During the first calendar quarter of 2017, Conagra, in conjunction with the Conagra board and Conagra's financial advisors (Goldman Sachs and Centerview Partners), continued to consider a potential acquisition of Pinnacle. Conagra and the Conagra board considered, among other things, Pinnacle's strategic fit with Conagra, Pinnacle's financial performance and synergy potential, and Conagra's other ongoing priorities, including with respect to capital allocation and portfolio adjustments. On March 10, 2017, Mr. Connolly contacted Mr. Clouse to inform him that Conagra had an offer to discuss with Pinnacle. Mr. Connolly and Mr. Clouse agreed to meet on March 20, 2017.

On March 20, 2017, Mr. Clouse and Mr. Connolly met in New Jersey, and Mr. Connolly delivered to Mr. Clouse an unsolicited non-binding written proposal from Conagra to acquire 100% of the outstanding equity of Pinnacle for \$66.00 per share, consisting of 60% cash and 40% newly issued Conagra common stock. Mr. Clouse indicated that he would discuss Conagra's proposal with the Pinnacle board.

- 63 -

## **Table of Contents**

On March 22, 2017, Pinnacle entered into a confidentiality agreement with Company A in order to facilitate continued conversations regarding a potential transaction. Pinnacle and Company A then began exchanging certain confidential information about Pinnacle's business and the assets of Company A that were the subject of the potential transaction.

On March 23, 2017, Pinnacle held a special meeting of the Transaction Committee of the Pinnacle board (which was formed during the Pinnacle board meeting on December 6, 2016 to facilitate the Pinnacle board's review of prospective merger and acquisition transactions, the Transaction Committee), with members of Pinnacle's management, other directors on the Pinnacle board (which, together with the directors on the Transaction Committee, meant that a majority of the directors of the Pinnacle board were present at the meeting), representatives of its then-current financial advisor which had been engaged for the purpose of advising on potential unsolicited offers and representatives of Cravath, Swaine & Moore LLP (Cravath), Pinnacle's legal advisor, participating. Representatives of Pinnacle's financial advisor and members of Pinnacle's management discussed with the Transaction Committee Pinnacle's financial performance and management's forecast. The Transaction Committee, with the assistance of representatives of Pinnacle's financial advisor, members of Pinnacle's management and the other directors of the Pinnacle board present at the meeting, also discussed and evaluated Conagra's unsolicited proposal. After discussion, the Transaction Committee (including the other directors of the Pinnacle board present at the meeting) concluded that it would not be in the best interests of Pinnacle to pursue the proposal due to the fact that, among other things, the Transaction Committee believed that the proposal offered by Conagra significantly undervalued Pinnacle and that Pinnacle's current stand-alone strategy (as well as incremental opportunities arising from potential acquisitions) would provide better growth opportunities for Pinnacle. The Transaction Committee (including the other directors of the Pinnacle board present at the meeting) approved sending a response letter, the draft of which was reviewed and discussed. Pinnacle's management also discussed possible acquisitions, including a possible transaction with Company A to acquire a portfolio of significant assets from Company A, and a possible acquisition of a food manufacturer (Company B).

On March 27, 2017, Mr. Clouse sent Mr. Connolly a letter rejecting Conagra's March 20, 2017 proposal on the basis that it significantly undervalued Pinnacle and its prospects and would not be in the best interests of Pinnacle and its stockholders.

On April 3, 2017, Mr. Connolly sent Mr. Clouse a letter acknowledging Mr. Clouse's response, and there were no further discussions with Conagra during 2017.

Between March 2017 and late August 2017, Pinnacle and Company A continued to engage in discussions with respect to a potential acquisition by Pinnacle of a portfolio of significant assets from Company A. In connection with these discussions, on May 18, 2017 Pinnacle and Company A entered into an addendum to the confidentiality agreement providing for a customary one-year standstill provision that would automatically terminate upon either party's entry into a definitive acquisition agreement with a third party or entry into a definitive acquisition agreement between Pinnacle and Company A. Members of Pinnacle's management, with the assistance of representatives of Morgan Stanley reviewed with Mr. Deromedi on June 23, 2017 and with the Pinnacle board on August 16, 2017, among other things, the potential acquisition by Pinnacle of a portfolio of significant assets from Company A. In late August 2017, Pinnacle and Company A discontinued discussions with respect to the potential acquisition due to an inability to agree on the key terms of such a transaction.

During 2017, Pinnacle also pursued a number of other potential acquisitions in addition to a potential transaction with Company A. During the spring and summer of 2017, Pinnacle participated in an auction process to purchase Company B. At the same time, Pinnacle participated in an auction process to purchase a manufacturer of specialty food products (Company C). Pinnacle was unsuccessful in its bids to acquire Company B and Company C. In the late summer and early fall of 2017, Pinnacle and another manufacturer of specialty food products (Company D) engaged in

negotiations with respect to a potential acquisition of Company D by Pinnacle. Later that fall, it became apparent that Pinnacle would not be able to reach an agreement with Company D to acquire it.

- 64 -



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**Table of Contents**

On October 26, 2017, Mr. Levitt was contacted by the head of mergers and acquisitions of Company A to discuss re-engaging in conversations with respect to a potential transaction with Company A to acquire the previously discussed portfolio of significant assets from Company A. The representative of Company A provided Mr. Levitt with new information about potential synergies that could be achieved in connection with the potential acquisition and they discussed certain modified governance terms of such a transaction. The companies also discussed the possibility of entering into a term sheet. During November 2017, representatives of Pinnacle and Company A discussed potential elements for inclusion in the term sheet.

On November 21, 2017, Pinnacle held a special meeting of the Transaction Committee, with representatives of Morgan Stanley participating. Representatives of Pinnacle's management, with the assistance of representatives of Morgan Stanley, discussed the re-engagement with Company A, including the draft term sheet which had been discussed by both companies' legal and financial advisors and the potential risks or benefits of pursuing a transaction with Company A. After discussion, the Transaction Committee determined it was in the best interests of Pinnacle to continue to pursue such a transaction with Company A.

On November 29, 2017, representatives of Pinnacle's management, representatives of Morgan Stanley and other outside advisors met with representatives of Company A's management, representatives of Company A's financial advisor and other outside advisors.

On November 30, 2017, Pinnacle and Company A executed a non-binding term sheet to purchase a portfolio of significant assets from Company A in a contemplated reverse-morris trust transaction. The non-binding term sheet included a short-term exclusivity provision restricting Pinnacle and Company A from soliciting offers for a possible sale of all or a substantial portion of the assets or capital stock of Pinnacle and such portfolio of significant assets of Company A.

On December 12, 2017, Company A notified Pinnacle that it was no longer interested in pursuing a transaction with Pinnacle regarding such portfolio of significant assets of Company A, citing complexity of the potential reverse-morris trust transaction, and that Company A was thereby terminating the term sheet. The short-term exclusivity provision in the term sheet ceased to be effective at that point.

Subsequent to its last formal communication with Pinnacle on April 3, 2017, Conagra continued to monitor Pinnacle's performance. Management included Pinnacle as one of several potential acquisition opportunities in its discussions of strategic alternatives with the Conagra board. During a meeting of the Conagra board held on December 11 and 12, 2017, discussion of Pinnacle ensued. At this meeting, the Conagra board outlined the parameters under which Mr. Connolly was authorized to attempt to engage with Pinnacle on an oral basis, to determine whether Pinnacle would be receptive to receiving an acquisition proposal, and the Conagra board authorized Mr. Connolly to contact Pinnacle when the time seemed appropriate, given Conagra's other priorities and initiatives.

In January 2018, following reports that certain activist investors had begun accumulating shares in Pinnacle, representatives of Pinnacle's management initiated a process to select financial advisors in connection with evaluating strategic and financial alternatives, including transactions that could result in the sale of all or a substantial portion of the assets or capital stock of Pinnacle. At the conclusion of the process, Pinnacle selected Evercore and Credit Suisse for such roles.

On January 27, 2018, Mr. Clouse and Mr. Connolly were both attendees at a routine industry conference and Mr. Clouse approached Mr. Connolly for an unscheduled conversation. During the conversation, Mr. Clouse asked Mr. Connolly whether Conagra would be interested in exploring possible supply chain opportunities between Pinnacle and Conagra. Mr. Clouse and Mr. Connolly agreed to schedule a formal meeting to discuss potential supply chain

opportunities.

On January 29, 2018, Mr. Levitt contacted representatives of Company A to discuss re-engaging in conversations with respect to a potential transaction for Pinnacle to acquire a revised portfolio of significant

- 65 -

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**Table of Contents**

assets from Company A for cash, including the possibility of entering into a term sheet. Between January 29, 2018 and June 1, 2018, representatives of Pinnacle and Company A held a number of meetings and discussions regarding the terms of such a potential transaction.

A regular meeting of the Conagra board was held on February 21 and 22, 2018. During this meeting, Mr. Connolly provided the Conagra board with an update on Pinnacle's recent financial performance, Mr. Clouse's outreach regarding a potential supply chain partnership, management's views on an acquisition of Pinnacle, management's views on potential alternatives to an acquisition of Pinnacle and possible next steps. The Conagra board discussed these items with Conagra management, and advised Mr. Connolly of their support for him to receive information on Mr. Clouse's concept of a supply chain partnership, but also on their continued support for his attempt to engage orally with Pinnacle to determine whether Pinnacle would be receptive to receiving an acquisition proposal. The Conagra board also discussed the availability and desirability of alternative strategic transactions.

On April 12, 2018, Mr. Clouse and Mr. Connolly telephonically discussed a potential supply chain partnership.

On April 17, 2018, Mr. Connolly called Mr. Clouse to inform him that Conagra was not interested in limiting the discussion to a potential supply chain partnership. Conagra believed that greater value creation was possible through a potential combination of the companies or, if Pinnacle was not interested, the other potential acquisition opportunities being considered by Conagra. Mr. Connolly advised Mr. Clouse that Conagra would be interested in potentially making an offer to acquire Pinnacle.

After the market closed on April 19, 2018, Jana Partners LLC (Jana) filed a Schedule 13D disclosing that Jana had acquired approximately 9.5% of Pinnacle's shares. The filing also indicated that Jana planned to reach out to the Pinnacle board and management team to discuss certain measures to enhance Pinnacle's value, including a potential sale. The filing noted that Jana historically maintained a constructive dialogue with Pinnacle and that Jana expected to continue its engagement with Pinnacle in such fashion. On the next trading day after Jana's Schedule 13D filing, Pinnacle's stock price increased approximately 10%.

On April 25, 2018, Mr. Clouse and Mr. Connolly spoke telephonically to discuss a potential offer by Conagra to acquire Pinnacle. During the discussion, no terms were discussed, but Mr. Clouse informed Mr. Connolly that if Conagra made a written offer to acquire Pinnacle, Mr. Clouse would discuss the offer with the Pinnacle board.

On May 3, 2018, Conagra held a meeting of the Conagra board, with members of Conagra senior management and representatives of its financial advisors participating, to discuss a potential business combination with Pinnacle. Members of Conagra senior management provided a preliminary overview of Pinnacle's business and described the strategic opportunity presented by an acquisition of Pinnacle and the potential terms thereof. After discussion, the Conagra board authorized Conagra management to submit a written proposal to Pinnacle for the acquisition of 100% of Pinnacle's outstanding equity in exchange for consideration consisting of 65% cash and 35% newly issued Conagra common stock.

On May 4, 2018, Conagra sent Pinnacle an unsolicited non-binding proposal to acquire 100% of the outstanding equity of Pinnacle for \$66.00 per share, consisting of 65% cash and 35% newly issued Conagra common stock. The proposal indicated that the value represented a 20% premium to Pinnacle's closing stock price on April 19, 2018 (the last trading day prior to the filing of the Schedule 13D by Jana).

On May 7, 2018, representatives of Pinnacle's management, Mr. Deromedi and representatives of Jana met to discuss Pinnacle's business and prospects.

On May 10, 2018, Mr. Levitt contacted a representative of Company A to continue to discuss a potential transaction with Company A. During the discussion, Mr. Levitt inquired whether Company A would be

- 66 -

## **Table of Contents**

interested in acquiring Pinnacle. During this conversation, the representative of Company A informed Mr. Levitt that Company A was likely not interested in acquiring Pinnacle because such an acquisition would not be a good strategic fit for Company A.

On May 11, 2018, Pinnacle held a special meeting of the Pinnacle board, with members of Pinnacle's management, representatives of Evercore, Credit Suisse, who had been selected as Pinnacle's financial advisors with respect to strategic alternatives, and representatives of Cravath, participating. Representatives of Cravath reviewed the directors' fiduciary duties and other legal matters in connection with the Pinnacle board's consideration of Conagra's non-binding proposal and consideration of other alternatives. Members of Pinnacle's management described the unsolicited non-binding proposal Pinnacle received from Conagra and reminded the Pinnacle board of the unsolicited non-binding proposal received from Conagra in March 2017, noting that the mix of consideration had changed from 60% cash and 40% newly issued Conagra common stock to 65% cash and 35% newly issued Conagra common stock. Representatives of Evercore and Credit Suisse also discussed Pinnacle's financial performance, market conditions and Pinnacle's management forecasts, including certain unaudited prospective financial information for the fiscal years 2018 through 2022 as part of the development of management's strategic plan (the "2018 Initial Management Case"). Following discussion with members of Pinnacle's management and representatives of Evercore and Credit Suisse, the Pinnacle board approved the 2018 Initial Management Case. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also evaluated Conagra's unsolicited proposal, including the impact of Conagra's financial assumptions on Conagra's valuation of Pinnacle, Conagra's proposal price and the premium offered. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also discussed the current increased competitive environment for Pinnacle and other food companies and pressures on stock prices and trading multiples as a result of the increasingly competitive environment, particularly in comparison to March 2017, the time of Conagra's first unsolicited approach. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also discussed its views that the operating environment for Pinnacle and other food companies had become more challenging since the prior year. After discussion, the Pinnacle board concluded that Conagra's proposal was not a basis on which Pinnacle would be willing to pursue a strategic combination with Conagra, but that Pinnacle's management should continue to engage with Conagra to determine whether Conagra would be willing to offer an improved price that reflected the value of Pinnacle. The Pinnacle board reviewed a response letter to Conagra, a draft of which had been circulated to the Pinnacle board prior to the meeting, with members of Pinnacle's management and representatives of its legal and financial advisors, and following discussion approved sending the response letter to Conagra. Members of Pinnacle's management also discussed possible acquisitions, including an update on Pinnacle's continued discussions with Company A and a possible transaction with another food and beverage company (a company Messrs. Clouse, Steeneck and Levitt have each had regular conversations with over the years regarding Pinnacle's interest in acquiring certain significant assets from them, Company E). The Pinnacle board approved continued engagement with both Company A and Company E.

Following the meeting of the Pinnacle board, also on May 11, 2018, Pinnacle sent its response letter to Conagra rejecting Conagra's May 4, 2018 proposal on the basis that it undervalued Pinnacle and its prospects and would not be in the best interests of Pinnacle and its stockholders, but indicating that Pinnacle would be prepared to review any future proposal at an increased value.

On May 12 and May 13, 2018, Mr. Clouse and Mr. Connolly discussed Pinnacle's response letter by phone, and determined to meet in person to discuss certain aspects of Pinnacle's business and potential synergy opportunities.

On May 15, 2018, Pinnacle and Conagra entered into a confidentiality agreement, which contained a customary mutual standstill provision that would automatically terminate upon either party's entry into a definitive acquisition agreement with a third party or entry into a definitive acquisition agreement between Pinnacle and Conagra.

- 67 -

## **Table of Contents**

Also on May 15, Mr. Clouse met with the chief executive officer of Company E to discuss a potential acquisition of a portfolio of significant assets from Company E. Company E indicated that they were focused on other strategic alternatives and would not be able to pursue such a transaction with Pinnacle at that time. During this meeting, Mr. Clouse inquired as to Company E's interest in acquiring Pinnacle. The chief executive officer of Company E indicated that such a transaction would likely not be consistent with Company E's current strategic directives but asked Mr. Clouse to let him know if anything changed strategically with respect to Pinnacle in the near term.

On May 16, 2018, Mr. Clouse, Mr. Steeneck and other representatives of Pinnacle met in Chicago, Illinois, with Mr. Connolly, David Marberger, Conagra's Chief Financial Officer, and other representatives of Conagra, to discuss Pinnacle's business and potential synergy opportunities in a business combination. At the meeting, Mr. Clouse and Mr. Steeneck presented information about the strategic rationale for a potential transaction, Pinnacle's products' brand health and revenue and margin trajectory, as well as a description of potential transaction synergies. At the meeting, Mr. Connolly expressed urgency in determining whether the parties could agree on a price that could form a basis for proceeding with a transaction and indicated that Conagra was evaluating an alternative strategic option.

On May 17, 2018, Mr. Clouse and Mr. Connolly telephonically discussed the possibility that Conagra would provide a revised proposal to Pinnacle. Mr. Clouse requested that any such proposal be in writing.

On May 17 and 18, 2018, the Conagra board met. During its meeting, the Conagra board received a presentation from Conagra's management regarding the status of the discussions with Pinnacle, the Pinnacle financial and operational information shared during the meeting of May 16, 2018, and a financial analysis for a transaction at an increased valuation. The Conagra board authorized the terms upon which management was to submit an updated non-binding proposal to Pinnacle.

On May 18, 2018, Pinnacle received a revised non-binding proposal from Conagra to acquire 100% of the outstanding equity of Pinnacle for a price of not less than \$66.00 per share and not to exceed \$68.00 per share, consisting of 65% cash and 35% newly issued Conagra common stock. The proposal indicated that the value represented a range of 20% to 23% premium to Pinnacle's closing stock price on April 19, 2018 (the last trading day prior to the filing of the Schedule 13D by Jana). Conagra's revised non-binding proposal included a deadline for Pinnacle to respond by 5:00 p.m. Central Time on May 22, 2018.

On May 21, 2018, Pinnacle held a special meeting of the Pinnacle board, with members of Pinnacle's management, representatives of Evercore, Credit Suisse and Cravath, participating. Members of Pinnacle's management described the revised non-binding proposal Pinnacle received from Conagra, as well as Mr. Clouse's meeting with Company E and continued discussions with Company A. Representatives of Evercore and Credit Suisse also discussed market conditions, Pinnacle's financial performance and the 2018 Initial Management Case, and potential transactions with Company A, Company E and Conagra's revised proposal. Following this review, representatives of Evercore and Credit Suisse discussed potential strategic acquirors that may have interest in acquiring Pinnacle, including Company A, Company E and a number of other potential acquirors, focusing on the likely strategic fit, level of interest and financial capacity of each potential acquiror. Members of the Pinnacle board noted that, other than Conagra, there did not appear to be another potential acquiror well-positioned to pursue a transaction with Pinnacle at the time. There was also a discussion of the potential risks to Pinnacle, and to the status of the discussions with Conagra and Company A, arising from any leak resulting from communicating with such other potential acquirors. The Pinnacle board also noted the existence of widespread public speculation concerning a potential sale of Pinnacle, and the fact that other potential bidders had had substantial time and opportunity to approach Pinnacle if they were interested. Based on this discussion, the Pinnacle board concluded that Pinnacle should not approach any other party at that time other than Company A and Company E. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also evaluated the other acquisition opportunities currently available to

Pinnacle, including the potential transactions with Company A or Company E, and various

- 68 -



## **Table of Contents**

considerations related to such opportunities, including timing and financing considerations and certain preliminary financial analyses. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also evaluated Pinnacle's prospects on a stand-alone basis, assuming that Pinnacle would not complete a transformative acquisition opportunity. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also discussed the current increased competitive environment for other food companies and pressures on stock prices and trading multiples, including significant share price declines experienced from selected peers as a result of earnings and announced acquisitions. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse and members of Pinnacle's management, also discussed that both Pinnacle's then-current stock price and Pinnacle's stock price prior to the Schedule 13D filing by Jana on April 19, 2018 reflected market speculation of a potential acquisition of Pinnacle. The Pinnacle board also observed that such speculation was evidenced by selected Wall Street analyst price targets prior to April 19, 2018, which speculated a probability of a potential acquisition of Pinnacle and potential acquisition price, even before the Schedule 13D filing by Jana (which led to further market speculation of a potential acquisition of Pinnacle). After discussion, the Pinnacle board concluded that Conagra's updated proposal was not a basis on which the Pinnacle board would be willing to pursue a strategic combination with Conagra, as the proposed lower end of the range of Conagra's proposal remained at \$66.00 per share. The Pinnacle board further determined that Pinnacle's management should continue to engage with Conagra to determine whether Conagra would be willing to offer a higher price. The members of the Pinnacle board authorized Pinnacle's management to reply verbally to Conagra's updated proposal with an indication that an offer price below \$68.00 per share would not provide a basis for a deal with Conagra, and to seek the best achievable price at \$68.00 per share or above. The Pinnacle board also approved continuing discussions with Company A regarding a potential transaction to acquire a portfolio of significant assets from Company A.

Thereafter, on May 21, 2018, Company A and Pinnacle entered into a non-binding term sheet to purchase a portfolio of significant assets from Company A for cash. Pinnacle was not subject to any exclusivity provisions, although Company A indicated a June 1 deadline to discuss whether Pinnacle was prepared to engage on an exclusive basis.

On May 22, 2018, Mr. Clouse and Mr. Connolly telephonically discussed Conagra's May 18, 2018 revised non-binding proposal by phone. During the call, Mr. Clouse delivered the message that had been approved by the Pinnacle board. After further discussion, Mr. Connolly then agreed to revise Conagra's non-binding proposal to reflect a price of \$68.00 per share, indicating that Conagra was not prepared to pay a higher price.

On May 23, 2018, Pinnacle received a revised non-binding proposal from Conagra to acquire 100% of the outstanding equity of Pinnacle for a price of \$68.00 per share, consisting of 65% cash and 35% newly issued Conagra common stock. Mr. Clouse then called Mr. Connolly to discuss this revised proposal, and Mr. Clouse and Mr. Connolly agreed to proceed with due diligence and negotiations of definitive documentation for a transaction on the basis of the May 23, 2018 revised non-binding proposal.

On May 24, 2018, Mr. Clouse and Mr. Connolly telephonically discussed the potential timing for a transaction. During the discussion, Mr. Connolly informed Mr. Clouse that Conagra's preferred timing would be to announce a transaction concurrently with the release of Conagra's operating results for the fourth quarter of fiscal 2018, then planned for June 28, 2018.

On May 30, 2018, Pinnacle held a regular meeting of the Pinnacle board, with members of Pinnacle's management, representatives of Evercore, Credit Suisse, and Cravath participating. Members of Pinnacle's management discussed the revised proposal from Conagra and subsequent discussions with Mr. Connolly. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse, representatives of Cravath and members of Pinnacle's management, also discussed the potential transaction structure and process, and whether to conduct outreach to other

companies. After discussion, the Pinnacle board concluded that Pinnacle's management should contact Company E to determine if Company E might be interested in a transaction with

- 69 -

## **Table of Contents**

Pinnacle. The Pinnacle board, with the assistance of representatives of Evercore and Credit Suisse, also reviewed an update on the potential acquisition opportunity for a portfolio of significant assets of Company A, noting Company A's deadline of June 1, 2018 for Pinnacle to agree to negotiate a strategic transaction with Company A on an exclusive basis. Following discussion, the Pinnacle board determined that Pinnacle should end discussions with Company A regarding the potential acquisition transaction, and at any appropriate stage, reconfirm whether Company A continued to have no interest in pursuing a transaction to acquire Pinnacle. Representatives of Pinnacle's management also reviewed with the Pinnacle board Pinnacle's revised management forecast, which had been updated following completion of the first fiscal quarter of 2018 as was consistent with Pinnacle's ordinary course review. Because the initial management forecast formed the basis of the 2018 Initial Management Case, which had been previously reviewed with and approved by the Pinnacle board, the Pinnacle board determined that the 2018 Initial Management Case should be updated to reflect the revised management forecast. As described in the section titled *Certain Pinnacle Unaudited Management Financial Forecasts*, the 2018 Modified Management Case reflected such update. The Pinnacle board also reviewed disclosure provided by Evercore and Credit Suisse regarding relationships between Evercore and Credit Suisse, as applicable, and each of Conagra and Pinnacle and determined that, based on the information provided by Evercore and Credit Suisse, as applicable, those relationships would not impair the ability of Evercore and Credit Suisse, respectively, to provide the Pinnacle board with objective advice.

Also on May 30, 2018, to facilitate Conagra's due diligence process, Pinnacle provided access to an electronic data room responsive to a due diligence request list received by Jones Day, legal advisor to Conagra. The electronic data room included a copy of the 2018 Modified Management Case for the fiscal years 2018 through 2020 only.

Additionally, on May 30, 2018, Jones Day provided Cravath with a draft clean team agreement and an initial draft of the merger agreement. The draft merger agreement contained several provisions that would be unfavorable to Pinnacle and its stockholders, including (i) no requirement for Conagra to make any divestitures or commit to other remedies if necessary in order to obtain antitrust approval, (ii) no ability of the Pinnacle board to change its recommendation in favor of the merger in the absence of a superior proposal, (iii) no ability for Pinnacle to terminate the merger agreement in order to enter into a superior proposal and (iv) a naked no vote fee payable by Pinnacle to Conagra in the event that Pinnacle's stockholders failed to approve the merger in the absence of a superior proposal. The draft merger agreement also specified that a fee would be payable if the Pinnacle board changed its recommendation of the transaction but did not specify the amount. From May 30 until June 25, 2018, representatives of Pinnacle, Cravath, Conagra and Jones Day held numerous discussions and engaged in negotiations regarding the terms of the merger agreement.

On June 1, 2018, Mr. Levitt called a representative of Company A to inform him that Pinnacle was no longer in a position to move forward with the potential transaction to purchase the previously discussed portfolio of significant assets from Company A.

On June 3, 2018, Pinnacle and Conagra entered into a clean team confidentiality agreement to cover certain competitively sensitive confidential information to be exchanged between Pinnacle and Conagra (and their respective advisors).

On June 4, 2018, Mr. Clouse and Mr. Connolly discussed via telephone the diligence process and the status of the potential transaction.

On June 5, 2018, Cravath returned a revised draft of the merger agreement to Jones Day. The revised draft contemplated, among other things, that (i) Conagra would make a more substantial commitment to take actions necessary to obtain antitrust approval, (ii) the Pinnacle board would be permitted to change its recommendation in favor of the merger in the absence of a superior proposal if the failure to make such a change would be inconsistent

with the directors exercise of their fiduciary duties, (iii) Pinnacle would be permitted to terminate the merger agreement in order to enter into a superior proposal, (iv) there would be no requirement for Pinnacle

- 70 -

## **Table of Contents**

to pay a naked no vote fee and (v) a proposed termination fee equal to two percent of Pinnacle's equity value if the Pinnacle board changed its recommendation or terminated the merger agreement to accept an alternative proposal.

On June 7, 2018, to facilitate Pinnacle's reverse due diligence process, Conagra provided access for Pinnacle and its advisors to an electronic data room responsive to a reverse due diligence request list received by Cravath.

Also on June 8, 2018, Mr. Clouse contacted the chief executive officer of Company E to discuss whether Company E had any interest in accelerating consideration of a potential transaction with Pinnacle. The chief executive officer of Company E indicated that Company E would discuss internally and get back to Mr. Clouse.

On June 12, 2018, Mr. Clouse, Mr. Steeneck and other representatives of Pinnacle met with Mr. Connolly, Mr. Marberger and other representatives of Conagra in New Jersey to provide them with a Pinnacle management presentation, including an overview of Pinnacle's business, strategic plan, product pipeline, estimated operating results for the 2018 fiscal year and potential synergies and cost savings to be achieved in connection with a potential transaction.

On June 14, 2018, Jones Day provided Cravath with a revised draft of the merger agreement. The revised draft merger agreement contained several provisions that would be unfavorable to Pinnacle and its stockholders, including (i) no requirement for Conagra to make any divestitures or commit to other structural remedies if necessary in order to obtain antitrust approval above an unidentified threshold, (ii) no ability of the Pinnacle board to change its recommendation in favor of the merger in the absence of a superior proposal, (iii) a naked no vote fee payable by Pinnacle to Conagra in the event that Pinnacle's stockholders failed to approve the merger in the absence of a superior proposal and (iv) a termination fee equal to four percent of Pinnacle's equity value, payable in certain circumstances in which the Pinnacle board changed its recommendation or entered into an alternative agreement. Further, the representatives of Jones Day conveyed to Cravath that Conagra would be making a counter-proposal on the antitrust commitment standard within the next few days. The revised draft merger agreement included the right for Pinnacle to terminate the merger agreement in order to enter into a superior proposal.

Also on June 14, the chief executive officer of Company E contacted Mr. Clouse and informed him that Company E would not be able to pursue a sale transaction of the previously discussed portfolio of significant assets to Pinnacle at that time and was not interested in pursuing a potential transaction to acquire Pinnacle.

On June 16, 2018, Mr. Clouse and Mr. Connolly telephonically discussed the status of the potential transaction, including the parties' respective antitrust analyses, various employee-related issues in the merger agreement, the calculation of the exchange ratio, the reverse due diligence workstream and transaction timing. Mr. Connolly emphasized to Mr. Clouse that the results for Conagra's fourth fiscal quarter, which were to be presented to Pinnacle during a meeting on June 19, 2018 and announced publicly on June 28, 2018, would be positive and could lead to an increase in Conagra's stock price, implying a lower exchange ratio than Pinnacle might be willing to accept. Accordingly, Mr. Clouse and Mr. Connolly reaffirmed their willingness to work toward entering into a definitive agreement prior to June 28, 2018.

On June 18, 2018, Cravath returned a revised draft of the merger agreement to Jones Day. The revised draft contemplated, among other things, (i) no requirement for Conagra to make any divestitures or commit to other structural remedies above an unidentified threshold if necessary in order to obtain antitrust approval, (ii) no ability of the Pinnacle board to change its recommendation in favor of the merger in the absence of a superior proposal unless there occurred an unanticipated intervening event, (iii) there would be no requirement for Pinnacle to pay a naked no vote fee and (iv) that the size of termination fee would be discussed.

On June 19, 2018, representatives of Pinnacle, Conagra, Cravath and Jones Day met in Chicago. At the meeting, representatives of Conagra gave a Conagra management presentation providing an overview of

- 71 -

## **Table of Contents**

Conagra's business, strategy, growth opportunities, operating results for the fourth fiscal quarter and 2018 fiscal year and guidance as to certain key financial metrics for Conagra's 2019 fiscal year prepared by the management of Conagra (the "Conagra Guidance"), which guidance was consistent in all material respects with the guidance contained in Conagra's earnings release issued on June 27, 2018, and a review of the likely amount of deal synergies Conagra was planning to announce. Following the meeting, Mr. Clouse and Mr. Connolly met one-on-one to discuss some of the open issues in the merger agreement, including the methodology for setting the exchange ratio, the antitrust commitment standard, the size of the termination fee, the inclusion of a "naked no vote fee" and certain employee-related issues. Later that day, Mr. Connolly called Mr. Clouse to inform him, among other things, that Conagra would drop its request for a "naked no vote fee" and would reduce its requested termination fee to 3.3% of Pinnacle's equity value. Representatives of Conagra and Pinnacle, together with their legal counsel, separately discussed and resolved certain other open items such as the right of the Pinnacle board to change its recommendation if certain intervening events occurred.

Also on June 19, at Pinnacle's request, representatives of Evercore, Pinnacle's financial advisor, contacted representatives of Company A to determine whether Company A had any interest in acquiring Pinnacle. The representatives of Company A confirmed that Company A was not interested in acquiring Pinnacle because such an acquisition would not be a good strategic fit for Company A at the current valuation levels.

On June 20, 2018, Pinnacle held a meeting of the Pinnacle board, with members of Pinnacle's management, representatives of Evercore, Credit Suisse and Cravath participating. At the meeting, Mr. Clouse updated the Pinnacle board on the status of the discussions with Conagra, including the methodology for setting the exchange ratio, the antitrust commitment standard, the amount of the termination fee and certain employee-related issues. Representatives of Cravath reviewed with the Pinnacle board certain open terms in the draft merger agreement. Members of Pinnacle's management, with the assistance of representatives of Evercore and Credit Suisse, discussed with the Pinnacle board their views as to various methodologies for setting the exchange ratio. After discussion, the Pinnacle board concluded that it would be in the best interest of Pinnacle and its stockholders to proceed with finalizing the acquisition of Pinnacle by Conagra, subject to satisfactory resolution of the remaining open business issues.

On June 20 and June 21, 2018, Conagra and Pinnacle exchanged high level summaries of open issues and their respective positions on such open issues, including the methodology for setting the exchange ratio, the antitrust commitment standard and certain employee-related issues. As of the end of June 21, 2018, the parties continued to be in disagreement with respect to the amount of certain of these items, and Conagra cancelled the meeting of its board that had been scheduled for June 22, 2018.

On June 22, 2018, representatives of Conagra and Pinnacle re-engaged with respect to the remaining open items in the transaction and reached resolution on several significant items, including those relating to the antitrust divestiture threshold, and gained closer alignment on the methodology for determining the exchange ratio. Conagra rescheduled the Conagra board call for June 24, 2018, and Mr. Connolly and Mr. Clouse discussed moving up the expected transaction announcement date from June 28, 2018 to June 27, 2018, which they concluded would be in the parties' mutual interest.

On June 23, 2018, Jones Day provided Cravath with a revised draft of the merger agreement, which reflected the resolution of the business issues that had been resolved over the previous few days, with the exception of the final methodology for setting the exchange ratio and a small number of primarily employment-related issues, which remained open issues. Between June 23 and June 26, 2018, the parties and their advisors continued to negotiate these remaining open issues in the merger agreement.

On June 24, 2018, the Conagra board met with representatives of Conagra management, Conagra's financial advisors and Jones Day to discuss the status of the discussions with Pinnacle, the financial terms of the transaction, including potential methodologies to calculate the exchange ratio, the legal terms of the transaction, including the extent of Conagra's commitment to obtain antitrust approvals and certain open terms in the merger

- 72 -



## **Table of Contents**

agreement and the process for raising the consideration necessary to close the transaction. The Conagra board also discussed the go-forward economics and capital structure of Conagra, including potential effects on credit ratings and the various risks presented by the transaction and related capital-raising activities. Representatives of Jones Day reviewed with the Conagra board their applicable fiduciary duties. After discussion with, and input from, members of management and the advisors, the Conagra board authorized senior management to proceed with finalizing the agreement, subject to the satisfactory resolution of open issues.

Separately on June 24, 2018, Mr. Connolly called Mr. Clouse to propose a modest change to the consideration mix between cash and Conagra common stock from the 65% / 35% (respectively) mix included in Conagra's May 23, 2018 proposal. Mr. Connolly conveyed that based on feedback from certain credit rating agencies, it would be beneficial to the credit rating of the combined company to increase the proportion of stock consideration.

On June 25, 2018, after discussion, representatives of Conagra and Pinnacle agreed to change the mix of merger consideration to 63.4% cash and 36.6% Conagra common stock, with the exchange ratio to be set based on the volume-weighted average price of Conagra common stock for the five consecutive trading days ending June 21, 2018 on NYSE, and to finalize the remaining open issues.

On June 25, 2018, Pinnacle held a meeting of the Pinnacle board, with members of Pinnacle's management, representatives of Evercore, Credit Suisse and Cravath participating. At the meeting, Mr. Clouse updated the Pinnacle board on the status of the discussions with Conagra, including Conagra's proposals regarding the methodology for setting the exchange ratio and the mix of stock and cash consideration. Representatives of Cravath reviewed with the Pinnacle board the terms of the proposed merger agreement. Representatives of Evercore and Credit Suisse discussed with the Pinnacle board their respective preliminary financial analyses of Pinnacle and the proposed transaction with Conagra. There was also a report of the final contacts with Company A and Company E, with no responsive interest. After discussion, the Pinnacle board concluded that it would be in the best interest of Pinnacle and its stockholders to proceed with finalizing the acquisition of Pinnacle by Conagra. The Pinnacle board also reviewed updated disclosure provided by Evercore and Credit Suisse regarding relationships between Evercore and Credit Suisse, as applicable, and each of Conagra and Pinnacle and determined that, based on the information provided by Evercore and Credit Suisse, as applicable, those relationships would not impair the ability of Evercore and Credit Suisse, respectively, to provide the Pinnacle board with objective advice.

On June 26, 2018, Pinnacle held a meeting of the Pinnacle board to review and approve the proposed merger with Conagra, with members of Pinnacle's management, representatives of Evercore, Credit Suisse and Cravath participating. At the meeting, Mr. Clouse updated the Pinnacle board on the resolution of certain outstanding issues, including the final exchange ratio and the final mix of cash and stock consideration. Representatives of Cravath reviewed with the Pinnacle board the changes to the terms of the proposed merger agreement since the prior day. Representatives of Evercore then reviewed and discussed with the Pinnacle board their updated financial analyses with respect to Pinnacle and the proposed merger with Conagra, based on the final merger consideration. Thereafter, at the request of the Pinnacle board, Evercore rendered its oral opinion to the Pinnacle board (which was subsequently confirmed in writing by delivery of Evercore's written opinion dated the same date) as to, as of June 26, 2018, the fairness of the merger consideration, from a financial point of view, to the holders of Pinnacle common stock entitled to receive such merger consideration. Representatives of Credit Suisse then reviewed and discussed with the Pinnacle board its updated financial analyses with respect to Pinnacle and the proposed merger with Conagra. Thereafter, at the request of the Pinnacle board, Credit Suisse rendered its oral opinion to the Pinnacle board (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion to the Pinnacle board dated the same date) as to, as of June 26, 2018, the fairness, from a financial point of view, to the holders of Pinnacle common stock other than the excluded holders of the merger consideration to be received by such holders in the merger pursuant to the merger agreement. After discussion, the Pinnacle board unanimously approved the merger agreement and authorized the

execution and delivery of the merger agreement by Pinnacle.

- 73 -

## **Table of Contents**

Later that evening, the Conagra board held a meeting with members of Conagra's senior management and representatives of Conagra's financial advisors and Jones Day. With the assistance of Conagra management and the representatives of the Conagra board's financial and legal advisors, the Conagra board reviewed the final terms and conditions of the merger agreement and the proposed transactions. Following discussion, the Conagra board unanimously approved and declared advisable the merger agreement and the transaction that it contemplates and authorized the execution and delivery of the merger agreement by Conagra.

Following the meetings of the Pinnacle board and the Conagra board, Pinnacle and Conagra executed the merger agreement.

On June 27, 2018, Pinnacle and Conagra issued a joint press release announcing the transaction and their execution of the merger agreement.

Also on June 27, 2018, Jana amended its Schedule 13D filing to applaud the Pinnacle board for their recent steps to realize value for Pinnacle stockholders.

## **Recommendation of the Pinnacle Board and its Reasons for the Merger**

At the special meeting of the Pinnacle board on June 26, 2018, after careful consideration, including detailed discussions with Pinnacle's management and its legal and financial advisors, the Pinnacle board unanimously:

approved the merger agreement;

declared in the best interest of the Pinnacle stockholders the acquisition of Pinnacle by Conagra by means of the merger; and

directed that the merger agreement be submitted to the holders of Pinnacle common stock for adoption and recommended that such stockholders vote their shares of Pinnacle common stock in favor of the adoption of the merger agreement at the special meeting.

As described above in the section titled *Background of the Merger*, prior to and in reaching its determination, the Pinnacle board consulted with and received the advice of its financial advisors and outside counsel, discussed certain issues with Pinnacle's management and considered a variety of factors weighing positively in favor of the merger, including the following material factors:

the per share merger consideration of \$43.11 in cash and 0.6494 shares of Conagra common stock valued at \$68.00 per share of Pinnacle common stock as of the date of the merger agreement based on the volume weighted average price per share of Conagra common stock for the five consecutive trading days ending June 21, 2018, which represented a premium of approximately:

23.2% to the closing price of Pinnacle common stock of \$55.20 on NYSE on April 19, 2018 (which was the last trading day prior to the announcement that Jana Partners LLC had made a substantial

investment in Pinnacle, leading to speculation that Pinnacle would consider a potential sale transaction); and

0.2% to the closing price of Pinnacle common stock of \$67.86 on NYSE on June 26, 2018, the last trading day before the public announcement of the merger agreement;

the Pinnacle board's understanding of Pinnacle's business, operations, financial condition, earnings, prospects, competitive position and the nature of the industry in which Pinnacle competes;

the Pinnacle board's understanding of the risks, uncertainties and challenges facing Pinnacle and the industry in which Pinnacle competes, including the risks that Pinnacle would face if it continued to operate on a standalone basis;

the separate financial analyses presented to the Pinnacle board by each of Evercore and Credit Suisse as well as the opinion of each of Evercore and Credit Suisse, dated June 26, 2018, to the Pinnacle board

- 74 -

**Table of Contents**

to the effect that, as of that date, and based upon and subject to the assumptions, limitations, qualifications and other matters considered in connection with the preparation of such opinions, the merger consideration to be received by the holders of Pinnacle common stock other than Conagra, Merger Sub or any other direct or indirect wholly owned subsidiary of Conagra in the merger pursuant to the merger agreement was fair from a financial point of view to those holders;

the Pinnacle board's assessment, taking into account the foregoing factors, of Pinnacle's value on a standalone basis relative to the per share merger consideration of \$43.11 in cash and 0.6494 shares of Conagra common stock;

the Pinnacle board's belief, based on discussions and negotiations with Conagra, that \$68.00 per share (based on the volume weighted average price per share of Conagra common stock for the five consecutive trading days ending June 21, 2018) was the highest price Conagra would be willing to pay and that Conagra would not be willing to increase the amount of either the cash consideration or the stock consideration;

the fact that Pinnacle stockholders immediately prior to the merger would own approximately 16% of the equity interests of Conagra immediately following the closing of the merger, assuming that Conagra funds a portion of the cash consideration in the merger with the potential offering of its common stock;

the fact that the merger consideration includes Conagra common stock, which would give former Pinnacle stockholders the opportunity to participate in future earnings and growth of Conagra and future appreciation in the value of Conagra's common stock following the merger should they determine to retain the Conagra common stock they would receive in the merger;

the Pinnacle board's review of Conagra's business operations, financial condition, earnings and prospects;

the financial profile of a combined Pinnacle and Conagra relative to that of Pinnacle as a standalone company, with a more diversified revenue base and a greater cash flow as well as the synergies anticipated to be achievable in connection with the merger and the anticipated market capitalization, liquidity and capital structure of the combined company;

the fact that the per share merger consideration to be paid to Pinnacle stockholders consists of a significant cash component, which provided certainty of value, and that the market for Conagra common stock would allow Pinnacle stockholders the choice to either retain or dispose of the stock portion of the per share merger consideration;

the fact that the exchange ratio included in the merger agreement provides for a fixed number of shares of Conagra common stock which offers Pinnacle stockholders the opportunity to benefit from any increase in the trading price of Conagra common stock before the closing of the merger;

the risk that pursuing other potential alternatives, including continuing to operate on a standalone basis, could have resulted in the loss of an opportunity to consummate a transaction with Conagra;

the extensive, arm's-length negotiations with Conagra which, among other things, resulted in an increase in the merger consideration from Conagra's initial proposal and the revision of terms in the merger agreement more favorable to Pinnacle and its stockholders than initially proposed by Conagra;

the Pinnacle board's process for soliciting the parties that were believed to be the most able and willing to pay the highest price for Pinnacle, as described above in the section titled *Background of the Merger* ;

the fact that Pinnacle engaged in, or attempted to initiate, discussions regarding a potential sale transaction with other parties, none of which expressed a willingness to pursue a transaction;

the Pinnacle board's belief, following consultation with its financial advisors, that it was unlikely that an alternative bidder would in the foreseeable future offer Pinnacle stockholders superior terms and consideration to that offered by Conagra in the merger;

**Table of Contents**

the Pinnacle board's belief that Pinnacle's stand-alone strategic plan involved risks in light of the industry and competitive pressures Pinnacle was facing and the Pinnacle board's concerns with respect to the risks relating to Pinnacle's ability to execute on its strategic plan including the possibility that the strategic plan may not produce the intended results on the targeted timing or at all;

the fact that certain research analysts had merger guidance that was generally consistent with the value of the per share merger consideration (after adjustments for actual EBITDA and synergy estimates);

the fact that the merger is not subject to approval by Conagra stockholders;

Conagra's track record in acquiring other companies and businesses, its market capitalization and consolidated financial strength, the absence of a financing condition in the merger agreement, the fact that Conagra has the financial capacity to consummate the merger and Pinnacle's ability to seek specific performance to prevent breaches of the merger agreement and to specifically enforce the terms of the merger agreement;

the provisions of the merger agreement that permit Pinnacle to evaluate an unsolicited superior proposal, including:

Pinnacle's ability to furnish information to and engage in negotiations with third parties that have made an unsolicited takeover proposal that is a superior proposal or could reasonably be expected to result in a superior proposal, as more fully described in the section titled *The Merger Agreement No Solicitation; Board Recommendation* contained in this proxy statement/prospectus;

the Pinnacle board's ability to consider, and under certain conditions, to accept, a superior proposal in order to comply with the Pinnacle board's fiduciary duties, and Pinnacle's corresponding right to terminate the merger agreement upon the payment of a termination fee of \$263,785,600 to Conagra in order to enter into a definitive agreement providing for such superior proposal; and

the \$263,785,600 termination fee, which the Pinnacle board believed, after consultation with Pinnacle's advisors, was reasonable and not likely to preclude a superior proposal for a business combination with Pinnacle;

the belief that the terms of the merger agreement, taken as a whole, provide protection against the risk that the closing of the merger is delayed or that the merger cannot be completed, including due to required regulatory approvals, based on, among other things:

the covenants contained in the merger agreement obligating each of the parties to use reasonable best efforts to cause the merger to be consummated;

the covenant in the merger agreement pursuant to which Conagra has agreed to use reasonable best efforts to obtain antitrust approval of the merger, including Conagra's commitment to divest assets of Pinnacle and Conagra that collectively account for up to \$300,000,000 of net sales during the most recent fiscal year of Conagra or Pinnacle, as applicable, if necessary to obtain antitrust approval;

the Pinnacle board's belief that the end date for completing the merger under the merger agreement, following which either party, subject to certain exceptions, can terminate the merger agreement, allows sufficient time to complete the merger, including the provision of the merger agreement that allows the end date for completing the merger to be extended to June 26, 2019 if the merger has not been completed by the initial April 1, 2019 deadline because the expiration or termination of the waiting period (and any extension thereof) applicable to the merger under the HSR has not occurred or Canadian antitrust approval has not been obtained;

the likelihood and anticipated timing of consummating the merger in light of the scope of the conditions to closing; and

the fact that Pinnacle is entitled to specifically enforce the terms of the merger agreement;

- 76 -



**Table of Contents**

the fact that the merger is not conditioned upon any member of Pinnacle's management or board entering into any employment, equity contribution or other agreement or arrangement with Pinnacle or Conagra, and that no such agreement or arrangement existed as of the date of the merger agreement;

the Pinnacle board's ability, under certain circumstances, to withhold or withdraw its recommendation to the holders of Pinnacle common stock that they vote in favor of adoption of the merger agreement;

the belief that the terms of the merger agreement, taken as a whole, including the parties' representations, warranties and covenants, and the conditions to the parties' respective obligations, are reasonable;

the fact that a vote of the holders of Pinnacle common stock is required under Delaware law to adopt the merger agreement; and

the availability of appraisal rights and payment of fair value under Delaware law to registered holders of Pinnacle common stock who, and beneficial owners of shares of Pinnacle common stock whose nominees, do not vote in favor of the proposal to adopt the merger agreement and follow the required statutory procedures specified in Section 262 of the DGCL, which provides those eligible stockholders with an opportunity to have a Delaware court determine the fair value of their shares, which may be more than, less than, or the same as the amount such stockholders would have received under the merger agreement.

In the course of its deliberations, the Pinnacle board also considered a variety of risks and other countervailing factors related to the merger agreement and the merger, including the following material factors:

the potential upside in Pinnacle's stand-alone strategic plan;

the possibility that the merger might not be consummated in a timely manner or at all due to a failure of certain conditions, including with respect to the required approval of the transaction by antitrust regulatory authorities;

the risks and costs to Pinnacle if the merger does not close in a timely manner or at all, including the potential negative impact on Pinnacle's ability to retain key employees, the diversion of management and employee attention and the potential disruptive effect on Pinnacle's day-to-day operations and Pinnacle's relationships with customers, suppliers and other third parties;

the restrictions on the conduct of Pinnacle's business prior to the closing of the merger, which may delay or prevent Pinnacle from undertaking business opportunities that may arise or any other action that it might otherwise take with respect to the operations and strategy of Pinnacle;

the risk that the parties may incur significant costs and delays resulting from seeking governmental consents and approvals necessary for closing of the merger;

the risk that regulatory agencies may not approve the merger or may impose terms and conditions on their approvals that would either materially impair the business operations of the combined company or adversely impact the ability of the combined company to realize the synergies that are expected to occur in connection with the merger;

the challenges inherent in the combination of two businesses of the size and complexity of Pinnacle and Conagra, including potential risks associated with achieving anticipated synergies and successfully integrating Pinnacle's business, operations and workforce with those of Conagra;

the fact that the exchange ratio included in the merger agreement provides for a fixed number of shares of Conagra common stock, meaning Pinnacle stockholders cannot be sure at the time they vote on the merger of the market value of the merger consideration they will receive, and the possibility that Pinnacle stockholders could be adversely affected by a decrease in the market price of Conagra common stock before the closing of the merger;

## **Table of Contents**

the provisions of the merger agreement that restrict Pinnacle's ability to solicit or participate in discussions or negotiations regarding alternative business combination transactions, subject to specified exceptions, and that require Pinnacle to negotiate with Conagra (if Conagra desires to negotiate) prior to Pinnacle being able to terminate the merger agreement to accept a superior proposal;

the possibility that Pinnacle's obligation to pay Conagra a termination fee of \$263,785,600 upon the termination of the merger agreement under certain circumstances could discourage other potential acquirers from making an alternative proposal to acquire Pinnacle;

the significant costs involved in connection with negotiating the merger agreement and completing the merger, including in connection with any litigation that may result from the announcement or pendency of the merger, and the fact that if the merger is not consummated, Pinnacle may be required to bear such costs;

the risk of litigation in connection with the execution of the merger agreement and the closing of the merger; and

the fact that the transaction, including the stock portion of the merger consideration, would be taxable to the holders of Pinnacle common stock that are U.S. holders for U.S. federal income tax purposes.

In addition, the Pinnacle board was aware of and considered the fact that Pinnacle's executive officers have financial interests in the merger that may be different from, or in addition to, those of Pinnacle stockholders generally, including those interests that are a result of employment and compensation arrangements with Pinnacle, as described more fully below in the section titled *Interests of Pinnacle's Directors and Executive Officers in the Merger*.

The foregoing discussion of the factors considered by the Pinnacle board is not intended to be exhaustive, but rather includes the material factors considered by the Pinnacle board. The Pinnacle board collectively reached the conclusion to adopt the merger agreement and recommend that the holders of Pinnacle common stock vote their Pinnacle common stock to adopt the merger agreement, in light of the various factors described above and other factors that the members of the Pinnacle board believed were appropriate. In view of the wide variety of factors considered by the Pinnacle board in connection with its evaluation of the merger and the complexity of these matters, the Pinnacle board did not consider it practical, and did not attempt, to quantify, rank or otherwise assign relative weights to the specific factors it considered in reaching its decision and did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to the ultimate determination of the Pinnacle board. Rather, the Pinnacle board made its recommendation based on the totality of the information available to it, including discussions with, and questioning of, Pinnacle's management and its financial and legal advisors. In considering the factors discussed above, individual members of the Pinnacle board may have given different weights to different factors.

This explanation of the Pinnacle board's reasons for recommending the approval of the merger agreement and other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors described in the section titled *Cautionary Information Regarding Forward-Looking Statements* contained in this proxy statement/prospectus.

## **Opinions of Pinnacle's Financial Advisors**

***Opinion of Pinnacle's Financial Advisor Evercore Group L.L.C.***

At a meeting of the Pinnacle board held on June 26, 2018, Evercore rendered to the Pinnacle board its oral opinion, subsequently confirmed in writing, that as of June 26, 2018 and based upon and subject to the assumptions, limitations, qualifications and conditions described in Evercore's written opinion, the merger consideration per share of Pinnacle common stock consisting of \$43.11 in cash without interest and 0.6494 of a share of Conagra common stock was fair, from a financial point of view, to the holders of shares of Pinnacle common stock entitled to receive such merger consideration.

- 78 -

## **Table of Contents**

*The full text of the written opinion of Evercore, dated as of June 26, 2018, which sets forth, among other things, the procedures followed, assumptions made, matters considered and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex B to this proxy statement and is incorporated by reference in its entirety into this proxy statement. You are urged to read this opinion carefully and in its entirety. Evercore's opinion was addressed to, and provided for the information and benefit of, the Pinnacle board in connection with its evaluation of the proposed merger. The opinion does not constitute a recommendation to the Pinnacle board or to any other persons in respect of the proposed merger, including as to how any holder of shares of Pinnacle common stock should vote or act in respect of the proposed merger. Evercore's opinion does not address the relative merits of the proposed merger as compared to other business or financial strategies that might be available to Pinnacle, nor does it address the underlying business decision of Pinnacle to engage in the proposed merger.*

In connection with rendering its opinion Evercore, among other things:

reviewed certain publicly available business and financial information relating to Pinnacle and Conagra that Evercore deemed to be relevant, including publicly available research analysts' estimates;

reviewed certain non-public historical financial statements and other non-public historical financial and operating data relating to Pinnacle and Conagra prepared and furnished to Evercore by management of Pinnacle;

reviewed (x) the 2018 Management Case (as defined herein) and (y) the Conagra Guidance, which was prepared and furnished to Evercore by management of Conagra and approved by management of Pinnacle for use by Evercore in connection with its opinion and analysis;

reviewed certain information regarding potential cost savings and operational synergies projected by managements of Pinnacle and Conagra to result from the proposed merger and furnished to Evercore by management of Pinnacle and approved by management of Pinnacle for Evercore's use in connection with its opinion and analyses (the "Expected Synergies");

discussed the past and current operations and current financial condition of Pinnacle and the 2018 Management Case with management of Pinnacle (including their views on the risks and uncertainties of achieving such projections);

discussed the past and current operations, and current financial condition of Conagra and the Conagra Guidance and the Expected Synergies with management of Pinnacle (including their views on the risks and uncertainties of achieving such projections and the Expected Synergies);

reviewed the reported trading prices and the historical trading activity of the Pinnacle common stock and Conagra common stock;

compared the financial performance of Pinnacle and Conagra and their respective stock market trading multiples with those of certain other publicly traded companies that Evercore deemed relevant;

compared the financial performance of Pinnacle and the valuation multiples relating to the proposed merger with those of certain other transactions that Evercore deemed relevant;

reviewed the merger agreement; and

performed such other analyses and examinations and considered such other factors that Evercore deemed appropriate.

For purposes of its analysis and opinion, Evercore assumed and relied upon, without undertaking any independent verification of, the accuracy and completeness of all of the information publicly available, and all of the information supplied or otherwise made available to, discussed with, or reviewed by Evercore, and Evercore assumed no liability therefor. With respect to the 2018 Management Case, the Conagra Guidance and the Expected Synergies, Evercore assumed that they were reasonably prepared on bases reflecting the best currently

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**Table of Contents**

available estimates and good faith judgments of, with respect to the 2018 Management Case and the Expected Synergies, Pinnacle's management and, with respect to the Conagra Guidance and the Expected Synergies, management of Conagra, as to the future financial performance of Pinnacle and Conagra, as applicable, and the Expected Synergies. Evercore expressed no view as to the 2018 Management Case, or the Conagra Guidance or the Expected Synergies or the assumptions on which they were based.

For purposes of rendering its opinion, Evercore assumed, in all respects material to its analysis, that the representations and warranties of each party contained in the merger agreement were true and correct, that each party would perform all of the covenants and agreements required to be performed by it under the merger agreement and that all conditions to the closing of the proposed merger would be satisfied without material waiver or modification thereof. Evercore further assumed that all governmental, regulatory or other consents, approvals or releases necessary for the closing of the proposed merger would be obtained without any material delay, limitation, restriction or condition that would have an adverse effect on Pinnacle or the closing of the proposed merger or materially reduce the benefits to the holders of shares of Pinnacle common stock of the proposed merger.

Evercore did not make or assume any responsibility for making any independent valuation or appraisal of the assets or liabilities of Pinnacle or Conagra, nor was Evercore furnished with any such valuations or appraisals, nor did Evercore evaluate the solvency or fair value of Pinnacle or Conagra under any state or federal laws relating to bankruptcy, insolvency or similar matters. Evercore's opinion is necessarily based upon information made available to Evercore as of June 26, 2018, and financial, economic, market and other conditions as they existed and as could be evaluated as of that date. Subsequent developments may affect Evercore's opinion and Evercore does not have any obligation to update, revise or reaffirm its opinion.

Evercore was not asked to pass upon, and expressed no opinion with respect to, any matter other than the fairness to the holders of shares of Pinnacle common stock, from a financial point of view, of the merger consideration. Evercore did not express any view on, and its opinion does not address, the fairness of the proposed merger to, or any consideration received in connection therewith by, the holders of any other securities, creditors or other constituencies of Pinnacle, nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Pinnacle, or any class of such persons, whether relative to the merger consideration or otherwise. Evercore assumed that any modification to the structure of the merger would not vary in any respect material to its analysis. Evercore's opinion does not address the relative merits of the merger as compared to other business or financial strategies that might be available to Pinnacle, nor does it address the underlying business decision of Pinnacle to engage in the proposed merger. In arriving at its opinion, Evercore was not authorized to solicit, and did not solicit, interest from any third party with respect to the acquisition of any or all of Pinnacle's common stock or any business combination or other extraordinary transaction involving Pinnacle. Evercore's opinion does not constitute a recommendation to the Pinnacle board or to any other persons in respect of the proposed merger, including as to how any holder of shares of Pinnacle common stock should vote or act in respect of the proposed merger. Evercore expresses no opinion as to the price at which shares of Pinnacle common stock or Conagra common stock will trade at any time. Evercore is not a legal, regulatory, accounting or tax expert and has assumed the accuracy and completeness of assessments by Pinnacle and its advisors with respect to legal, regulatory, accounting and tax matters.

Set forth below is a summary of the material financial analyses reviewed by Evercore with the Pinnacle board on June 26, 2018, in connection with rendering its opinion. The following summary, however, does not purport to be a complete description of the analyses performed by Evercore. The order of the analyses described and the results of these analyses do not represent relative importance or weight given to these analyses by Evercore. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data that existed on or before June 25, 2018, and is not necessarily indicative of current market conditions.

- 80 -



## **Table of Contents**

**The following summary of Evercore's financial analyses includes information presented in tabular format. In order to fully understand the analyses, the tables must be read together with the full text of each summary. The tables are not intended to stand-alone and alone do not constitute a complete description of Evercore's financial analyses. Considering the tables below without considering the full narrative description of Evercore's financial analyses, including the methodologies and assumptions underlying such analyses, could create a misleading or incomplete view of such analyses.**

### **Summary of Evercore's Financial Analysis**

#### ***Selected Public Company Trading Analysis***

Evercore reviewed and compared certain financial information regarding Pinnacle to corresponding financial multiples and ratios for the following selected publicly traded companies in the packaged food industry (the "selected companies"):

The Kraft Heinz Company

General Mills, Inc.

Conagra

McCormick & Company, Incorporated

The J. M. Smucker Company

Campbell Soup Company

B&G Foods, Inc.

Although none of the selected companies is directly comparable to Pinnacle, Evercore selected these companies based on its professional judgment because they are packaged food companies with business characteristics that for purposes of its analysis Evercore considered similar to the business characteristics of Pinnacle.

Evercore also reviewed financial multiples and ratios for the following additional publicly traded companies in the packaged food industry (the "additional selected companies"):

Kellogg Company

Hormel Foods Corporation

Post Holdings, Inc.

Although none of additional selected companies is directly comparable to Pinnacle, Evercore selected these additional companies based on its professional judgment because they are packaged food companies with business characteristics that for purposes of its analysis Evercore considered in some respects similar to the business characteristics of Pinnacle, but less similar than the selected companies listed above.

For Pinnacle and each of the selected companies and the additional selected companies identified above, Evercore calculated enterprise value (defined as equity market capitalization plus total debt, plus preferred equity and noncontrolling interest, less cash and cash equivalents) as a multiple of estimated earnings before interest, taxes, depreciation and amortization ( EBITDA ) for calendar years 2018 and 2019 derived from equity research analysts estimates for each company for calendar years 2018 and 2019. Evercore calculated the enterprise value of each company based on its closing share prices as of June 25, 2018 (and also, in the case of Pinnacle, as of April 19, 2018, the last trading day prior to the filing of Schedule 13D by Jana Partners announcing an approximately 9.5% beneficial ownership position in Pinnacle) and financial data regarding each company s total debt, preferred equity, noncontrolling interest, cash and cash equivalents as reflected in the most recent filings made by such company with the SEC. With respect to General Mills, Inc., total debt was calculated to take into account debt General Mills incurred in connection with its recent acquisition of Blue Buffalo Pet Products, Inc.

**Table of Contents**

For Pinnacle and each of the selected companies and the additional selected companies, Evercore also calculated the closing share prices as of June 25, 2018 (and also, in the case of Pinnacle, as of April 19, 2018) as a multiple of estimated earnings per share ( EPS ) for calendar years 2018 and 2019 obtained from equity research analysts consensus estimates for 2018 and 2019 obtained from FactSet.

The results of these calculations were as follows:

Company	Enterprise Value / EBITDA		Price/EPS	
	2018E	2019E	2018E	2019E
<b>Selected Companies</b>				
The Kraft Heinz Company	13.9x	13.5x	16.8x	16.0x
General Mills, Inc.	12.8x	12.0x	15.0x	14.3x
Conagra	12.1x	11.8x	17.8x	16.3x
McCormick & Company, Incorporated	16.8x	15.6x	21.5x	19.8x
The J. M. Smucker Company	9.9x	9.6x	13.0x	12.5x
Campbell Soup Company	10.7x	11.7x	14.9x	15.0x
B&G Foods, Inc.	12.0x	11.7x	15.9x	15.1x
<b>Mean</b>	<b>12.6x</b>	<b>12.3x</b>	<b>16.4x</b>	<b>15.6x</b>
<b>Median</b>	<b>12.1x</b>	<b>11.8x</b>	<b>15.9x</b>	<b>15.1x</b>
<b>Additional Selected Companies</b>				
Kellogg Company	12.6x	12.1x	15.5x	14.7x
Hormel Foods Corporation	14.2x	13.3x	19.7x	19.0x
Post Holdings, Inc.	10.4x	9.7x	19.0x	15.7x
<b>Overall Mean</b>	<b>12.5x</b>	<b>12.1x</b>	<b>16.9x</b>	<b>15.8x</b>
<b>Overall Median</b>	<b>12.4x</b>	<b>11.9x</b>	<b>16.3x</b>	<b>15.4x</b>
<b>Overall Maximum</b>	<b>16.8x</b>	<b>15.6x</b>	<b>21.5x</b>	<b>19.8x</b>
<b>Overall Minimum</b>	<b>9.9x</b>	<b>9.6x</b>	<b>13.0x</b>	<b>12.5x</b>
Pinnacle (as of June 25, 2018)	15.4x	14.5x	22.8x	20.9x
Pinnacle (as of April 19, 2018)	13.3x	12.6x	19.0x	17.4x

Based on the multiples it derived for the selected companies and the additional selected companies and its professional judgment and experience, Evercore applied an enterprise value/EBITDA multiple reference range of 11.0x to 14.0x to Pinnacle management's estimate of 2018 EBITDA for Pinnacle and an enterprise value/EBITDA multiple reference range of 10.5x to 13.5x to Pinnacle management's estimate of 2019 EBITDA for Pinnacle to derive ranges of implied enterprise values for Pinnacle. Evercore then deducted from the ranges of implied enterprise values Pinnacle management's estimate of Pinnacle's net debt (calculated as total debt plus noncontrolling interest less cash and cash equivalents) as of June 3, 2018 and divided the result by the number of fully diluted outstanding shares of common stock of Pinnacle, calculated based on information provided to Evercore by Pinnacle management, to derive implied per share equity value reference ranges for Pinnacle.

Based on the multiples it derived for the selected companies and the additional selected companies and its professional judgment and experience, Evercore also applied a price/EPS multiple reference range of 16.0x to 20.0x to Pinnacle management's estimate of 2018 EPS for Pinnacle and a price/EPS multiple reference range of 14.0x to 18.0x to Pinnacle management's estimate of 2019 EPS for Pinnacle and derived implied per share equity value reference ranges for Pinnacle by adding to the results approximately \$0.24 per share, reflecting an implied value per share of the

benefits of Pinnacle's tax net operating losses as of April 1, 2018 derived by Evercore using a discounted cash flow methodology (taking into account the amount of such tax net operating losses and applicable use limitations as provided by Pinnacle management) applying a discount rate of 7.25%, reflecting the midpoint of Pinnacle's weighted average cost of capital that Evercore derived.

- 82 -

**Table of Contents**

The implied per share equity value reference ranges derived by Evercore for the shares of Pinnacle common stock based on this analysis are set forth below:

**Implied Per Share Equity Value**

	Reference Range
EV / 2018E EBITDA	\$ 40.40 - \$57.38
EV / 2019E EBITDA	\$ 41.53 - \$59.62
Price / 2018E EPS	\$ 46.66 - \$58.26
Price / 2019E EPS	\$ 44.99 - \$57.77

Evercore compared these reference ranges to the closing price of Pinnacle common stock on April 19, 2018 of \$55.20, the last trading day prior to the filing of Schedule 13D by Jana Partners announcing an approximately 9.5% beneficial ownership position in Pinnacle, and an implied value for the merger consideration of \$68.00 per share, which was calculated by Evercore by adding the \$43.11 in cash merger consideration to an implied value of \$24.89 for the 0.6494 of a share of Conagra common stock included in the merger consideration.

***Precedent Transaction Analysis***

Evercore reviewed publicly available information related to selected precedent acquisition transactions involving publicly traded target companies in the packaged foods industry announced since 2013. For each selected precedent transaction, Evercore calculated the implied enterprise value (defined as the target company's implied equity value based on the consideration paid in the applicable transaction plus total debt, plus preferred equity and noncontrolling interest, less cash and cash equivalents, as last publicly disclosed by the target company in its filings with the SEC prior to the announcement of the applicable transaction) as a multiple of last twelve-month EBITDA ( LTM EBITDA ) for the target company at the time of the announcement of the applicable transaction as reflected in the target company's filings with the SEC. The precedent selected transactions reviewed by Evercore and the implied enterprise value to LTM EBITDA multiples calculated by Evercore with respect to those target companies were:

Month Announced	Target	Acquiror	Enterprise Value / LTM EBITDA multiples
April 2018	Ainsworth Pet Nutrition, LLC	The J. M. Smucker Company	20.0x
February 2018	Blue Buffalo Pet Products, Inc.	General Mills, Inc.	25.5x
December 2017	Snyder's-Lance, Inc.	Campbell Soup Company	21.1x
December 2017	Amplify Snack Brands, Inc.	The Hershey Company	19.8x
September 2017	Bob Evans Farms, Inc.	Post Holdings, Inc.	16.5x
July 2017	Reckitt Benckiser Group plc (Food Division)	McCormick & Company, Incorporated	19.5x
February 2017	Mead Johnson Nutrition Company	Reckitt Benckiser Group plc	17.7x
November 2016	Bellisio Parent LLC	Charoen Pokphand Foods plc	13.1x

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July 2016	The WhiteWave Foods Company	Danone S.A.	24.7x
November 2015	Boulder Brands, Inc.	Pinnacle	15.7x
October 2015	Diamond Foods, Inc.	Snyder s-Lance, Inc.	15.4x
March 2015	Kraft Goods Group, Inc.	H.J. Heinz Company	16.5x
February 2015	Big Heart Pet Brands	The J. M. Smucker Company	15.1x
July 2014	The Hillshire Brands Company	Tyson Foods, Inc.	16.7x
May 2014	Ragu / Bertolli Brands (Unilever)	Mizkan Group	15.8x

- 83 -

**Table of Contents**

<b>Month Announced</b>	<b>Target</b>	<b>Acquiror</b>	<b>Enterprise Value / LTM EBITDA multiples</b>
May 2014*	Pinnacle	The Hillshire Brands Company	12.3x
February 2013	H.J. Heinz Company	Berkshire Hathaway Inc./3G Capital	13.6x
<b>Mean</b>			<b>17.6x</b>
<b>Median</b>			<b>16.5x</b>
<b>Minimum</b>			<b>12.3x</b>
<b>Maximum</b>			<b>25.5x</b>

\* Transaction not consummated

Although none of the target companies above is directly comparable to Pinnacle and none of the precedent transactions is directly comparable to the merger, Evercore selected these transactions based on its professional judgment because they involve target companies that are packaged foods companies with business characteristics that for purposes of its analysis Evercore considered similar to the business characteristics of Pinnacle.

Based on the multiples it derived from the selected precedent transactions and its professional judgment and experience, Evercore selected a reference range of enterprise value to LTM EBITDA multiples of 14.0x to 20.0x and applied this range of multiples to Pinnacle's LTM EBITDA for the 12 month period ended of May 30, 2018, as provided to Evercore by management of Pinnacle, to derive a range of implied enterprise values for Pinnacle. Evercore then deducted from this range of implied enterprise values Pinnacle management's estimate of Pinnacle's net debt (calculated as total debt plus noncontrolling interest less cash and cash equivalents) as of June 3, 2018 and divided the result by the number of fully diluted outstanding shares of common stock of Pinnacle calculated based on information provided to Evercore by Pinnacle management to derive an implied per share equity value reference range for the shares of Pinnacle common stock of \$53.12 to \$85.21.

Evercore compared this reference range to the closing price of Pinnacle common stock on April 19, 2018 of \$55.20, the last trading day prior to the filing of Schedule 13D by Jana Partners LLC announcing an approximately 9.5% beneficial ownership position in Pinnacle, and an implied value for the merger consideration of \$68.00 per share.

***Discounted Cash Flow Analysis***

Evercore performed a discounted cash flow analysis to calculate ranges of implied present values per share of Pinnacle common stock as of June 30, 2018 utilizing estimates of the standalone, unlevered, after-tax free cash flows Pinnacle was expected to generate over the period from July 1, 2018 through 2022 based on the projected financial data reflected in the 2018 Management Case and also based on equity research analysts' estimates (the Street Case). For purposes of its discounted cash flow analyses, unlevered free cash flow was defined as earnings before interest and taxes, less taxes (adjusted for expensed capital expenditures), plus depreciation and amortization, less base capital expenditures and M&A growth capital expenditures, plus (less) changes in net working capital.

For purposes of this analysis, Evercore calculated ranges of terminal values for Pinnacle as of December 31, 2022 by applying an assumed perpetuity growth rate range of 2.0% to 2.5% to the estimates of terminal year unlevered free cash flow (which implied terminal year EBITDA multiples ranging from 12.4x to 15.1x based on 2018 Management Case and from 12.4x to 15.2x based on Street Case).

Evercore discounted Pinnacle's projected, unlevered free cash flows over the period from July 1, 2018 through 2022 as reflected in 2018 Management Case and in the Street Case and the ranges of terminal values for Pinnacle it calculated based on the 2018 Management Case and the Street Case, in each case, to a present value

- 84 -



**Table of Contents**

as of June 30, 2018 using discount rates ranging from 7.0% to 7.5% and mid-year discounting convention, to derive ranges of implied enterprise values for Pinnacle. The discount rates were based on Evercore's estimated range of Pinnacle's weighted average cost of capital. Evercore then added to the ranges an implied value as of June 30, 2018, of Pinnacle's tax net operating losses for the period from January 1, 2023 through December 31, 2027 that it derived taking into account the amount of such tax net operating losses and applicable use limitations as provided by Pinnacle management applying a discount rate of 7.25%, deducted Pinnacle management's estimate of Pinnacle's net debt (calculated as total debt plus noncontrolling interest less cash and cash equivalents) as of June 3, 2018 and divided the results by the fully diluted outstanding shares of common stock of Pinnacle calculated based on information provided to Evercore by Pinnacle management to derive the following implied equity values per share reference ranges for the shares of Pinnacle common stock:

<b>Projections</b>	<b>Implied Per Share Equity Value Reference Ranges</b>
2018 Management Case	\$ 61.80 - \$78.78
Street Case	\$ 56.93 - \$72.82

Evercore compared these reference ranges to the closing price of Pinnacle common stock on April 19, 2018 of \$55.20, the last trading day prior to the filing of Schedule 13D by Jana Partners LLC announcing an approximately 9.5% beneficial ownership position in Pinnacle, and an implied value for the merger consideration of \$68.00 per share.

For reference purposes only, Evercore performed sensitivity analyses to calculate ranges of illustrative equity values per share based on the 2018 Management Case (with the adjustments noted below) applying a perpetuity growth rate of 2.25% and a discount rate of 7.25%, each of which represented the midpoint of the ranges used by Evercore as described above. For purposes of its sensitivity analyses, Evercore utilized illustrative unlevered free cash flow amounts reflecting (i) compound annual growth rates, or CAGR, for Pinnacle's net sales over the period of 2017 to 2022 ranging from 1.0% below to 1.0% above the CAGR of Pinnacle's net sales reflected in the 2018 Management Case and (ii) alternatively (1) gross profit margins ranging from 1.0% below to 1.0% above the gross profit margins reflected in the 2018 Management Case and (2) selling, general and administrative expenses (SG&A), as a percentage of net sales ranging from 0.5% below to 0.5% above the percentages reflected in the 2018 Management Case. The ranges of illustrative equity values per share derived for the shares of Pinnacle common stock based on these sensitivity analyses are set forth below:

<b>Sensitivities</b>	<b>Illustrative Per Share Equity Value Ranges</b>
CAGR of Net Sales +/- 1.0% and Gross Profit Margin +/- 1.0%	\$ 61.39 - \$78.04
CAGR of Net Sales +/- 1.0% and SG&A as Percentage of Net Sales +/- 0.5%	\$ 63.40 - \$75.83

**Other Factors**

Evercore also reviewed and considered other factors, which were not considered part of its financial analyses in connection with rendering its advice, but were referenced for informational purposes, including, among other things, the last 52-week trading range and research analyst price targets. None of the foregoing constituted a valuation methodology for purposes of Evercore's financial analysis, and the foregoing were referenced for informational purposes only.

***Illustrative Present Value of Future Share Price Analysis***

Evercore performed a present value of illustrative future share price analysis of Pinnacle based on the 2018 Management Case. Evercore derived a range of potential illustrative future prices per share for Pinnacle as of the end of Pinnacle's 2021 fiscal year by applying a range of price/EPS multiples of 15.0x to 19.0x to EPS estimates for Pinnacle for its fiscal year 2021 derived from the 2018 Management Case assuming at the direction of Pinnacle management that Pinnacle would maintain an indebtedness/LTM EBITDA ratio of 4.0x at the end of

- 85 -

**Table of Contents**

each fiscal year and the incremental debt incurred to maintain this ratio would be used to repurchase outstanding shares of Pinnacle common stock. This range of potential illustrative future stock prices and the dividends estimated to be paid during the period from July 1, 2018 through the end of fiscal year 2021 were discounted to present value as of June 30, 2018 using discount rates of 8.0% to 9.0% and mid-year discounting convention, reflecting Evercore's estimated range of Pinnacle's cost of equity to derive a range of illustrative present values per share for the shares of Pinnacle common stock of \$57.00 to \$69.99.

***Last 52-Week Trading Range***

Evercore reviewed historical trading prices of shares of Pinnacle common stock during the twelve month period ended June 25, 2018, noting that the low and high closing prices during such period ranged from \$52.85 to \$67.00.

***Equity Research Analyst Price Targets***

Evercore reviewed selected public market trading price targets for the shares of Pinnacle common stock prepared and published by equity research analysts that were publicly available as of June 25, 2018, the last full trading day prior to the delivery by Evercore of its opinion to the Pinnacle board. These price targets reflect each analyst's estimate of the future public market trading price of the shares of Pinnacle common stock at the time the price target was published. At June 25, 2018, the range of selected equity analyst price targets for the shares of Pinnacle common stock was \$57.00 to \$72.00 per share of Pinnacle common stock. The public market trading price targets published by equity research analysts did not necessarily reflect current market trading prices for the shares of Pinnacle common stock and these estimates were subject to uncertainties, including the future financial performance of Pinnacle and future financial market conditions.

***Miscellaneous***

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by Evercore. In connection with the evaluation of the proposed merger by the Pinnacle board, Evercore performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary described above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Evercore's opinion. In arriving at its fairness determination, Evercore considered the results of all the analyses and did not draw, in isolation, conclusions from or with regard to any one analysis or factor considered by it for purposes of its opinion. Rather, Evercore made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all the analyses. In addition, Evercore may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above should not be taken to be the view of Evercore with respect to the actual value of the shares of Pinnacle common stock. Further, Evercore's analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies used, including judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Pinnacle or its advisors.

Evercore prepared these analyses for the purpose of providing an opinion to the Pinnacle board as to the fairness, from a financial point of view, of the merger consideration to the holders of shares of Pinnacle common stock entitled to receive such merger consideration. These analyses do not purport to be appraisals or to necessarily reflect the prices at which the business or securities actually may be sold. Any estimates contained in these analyses are not necessarily

indicative of actual future results, which may be significantly more or less favorable than those suggested by such estimates. Accordingly, estimates used in, and the results derived from,

- 86 -

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**Table of Contents**

Evercore's analyses are inherently subject to substantial uncertainty, and Evercore assumes no responsibility if future results are materially different from those forecasted in such estimates.

The issuance of the fairness opinion was approved by an Opinion Committee of Evercore.

Pursuant to the terms of Evercore's engagement letter with Pinnacle, Evercore is entitled to receive a fee of approximately \$29 million if the proposed merger is consummated, of which \$3 million was paid upon the delivery of Evercore's opinion. Pinnacle has agreed to reimburse Evercore for its reasonable and documented out of pocket expenses (including reasonable outside legal fees, expenses and disbursements) and to indemnify Evercore for certain liabilities arising out of its engagement.

During the two-year period prior to the date of its written opinion, neither Evercore nor its affiliates have provided financial advisory services to Pinnacle for which Evercore received fees, including the reimbursement of expenses. During the two-year period prior to the date of its written opinion, neither Evercore nor its affiliates have provided financial services to Conagra for which Evercore received fees, including the reimbursement of expenses. In the future, Evercore may provide financial or other services to Pinnacle and Conagra and in connection with any such services Evercore may receive compensation.

In the ordinary course of business, Evercore or its affiliates may actively trade the securities, or related derivative securities, or financial instruments of Pinnacle, Conagra and their respective affiliates, for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities or instruments.

Pinnacle engaged Evercore to act as a financial advisor based on Evercore's qualifications, experience and reputation. Evercore is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses in connection with mergers and acquisitions, leveraged buyouts, competitive biddings, private placements and valuations for corporate and other purposes.

***Opinion of Pinnacle's Financial Advisor Credit Suisse***

On June 26, 2018, Credit Suisse rendered its oral opinion to the Pinnacle board (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion to the Pinnacle board dated the same date) as to the fairness, from a financial point of view, as of June 26, 2018, to the holders of Pinnacle common stock other than the excluded holders of the merger consideration to be received by such holders in the merger pursuant to the merger agreement.

**Credit Suisse's opinion was directed to the Pinnacle board (in its capacity as such), and only addressed the fairness, from a financial point of view, to the holders of Pinnacle common stock other than the excluded holders of the merger consideration to be received by such holders in the merger pursuant to the merger agreement and did not address any other aspect or implication of the merger. The summary of Credit Suisse's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as *Annex C* to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Credit Suisse in preparing its opinion. However, neither Credit Suisse's written opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus is intended to be, and they do not constitute, advice or a recommendation to any holder of Pinnacle common stock as to how such holder should vote or act on any matter relating to the proposed merger.**

In arriving at its opinion, Credit Suisse:

reviewed the merger agreement;

- 87 -

**Table of Contents**

reviewed certain publicly available business and financial information relating to Pinnacle and Conagra;

reviewed certain other information relating to Pinnacle and Conagra, including the 2018 Management Case and the Conagra Guidance;

reviewed certain publicly available research analyst estimates with respect to Conagra (the Conagra Analyst Estimates ) which Conagra advised Pinnacle, and which Pinnacle directed Credit Suisse to assume, were consistent with the Conagra Guidance;

spoke with the management of Pinnacle and certain of its representatives regarding the business and prospects of Pinnacle and Conagra, respectively;

considered certain financial and stock market data of Pinnacle and Conagra, and compared that data with similar data for other companies with publicly traded equity securities in businesses Credit Suisse deemed similar to those of Pinnacle and Conagra, respectively;

considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions; and

considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which Credit Suisse deemed relevant.

In connection with its review, Credit Suisse did not independently verify any of the foregoing information, and Credit Suisse assumed and relied upon such information being complete and accurate in all respects material to its analyses and opinion. With respect to the 2018 Management Case, management of Pinnacle advised Credit Suisse and Credit Suisse assumed that such financial forecasts were reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of Pinnacle as to the future financial performance of Pinnacle. With Pinnacle's agreement Credit Suisse assumed that the Conagra Guidance was reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of Conagra as to the future financial performance of Conagra. Credit Suisse expressed no view or opinion with respect to the 2018 Management Case, the Conagra Guidance, the Conagra Analyst Estimates or the assumptions or methodologies upon which they were based and, at Pinnacle's direction, Credit Suisse assumed that the 2018 Management Case, the Conagra Guidance and the Conagra Analyst Estimates were a reasonable basis upon which to evaluate Pinnacle, Conagra and the merger and used and relied upon such information for purposes of its analyses and opinion.

For purposes of its analyses and opinion Credit Suisse, with Pinnacle's consent, assumed that in the course of obtaining any regulatory or third party consents, approvals or agreements in connection with the merger, no modification, delay, limitation, restriction or condition would be imposed that would have an adverse effect on Pinnacle, Conagra or the contemplated benefits of the merger, that the merger would be consummated in accordance with all applicable federal, state and local laws and regulations, and that the merger would be consummated in accordance with the terms of the merger agreement, without waiver, modification or amendment of any term, condition or agreement thereof material to Credit Suisse's analyses or opinion. In addition, Credit Suisse was not requested to make, and did not make, an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Pinnacle or Conagra, nor

was Credit Suisse furnished with any such evaluations or appraisals.

Credit Suisse's opinion only addressed the fairness, from a financial point of view, to the holders of Pinnacle common stock other than the excluded holders of the merger consideration to be received by such holders in the merger pursuant to the merger agreement and did not address any other aspect or implication of the merger or any agreement, arrangement or understanding entered into in connection therewith or otherwise or the fairness of the amount or nature of, or any other aspect relating to, any compensation or consideration to be received by or otherwise payable to any officers, directors, employees, security holders or affiliates of any party to the merger, or class of such persons, relative to the merger consideration or otherwise. Furthermore, Credit

- 88 -



## **Table of Contents**

Suisse did not provide any advice or express any opinion regarding matters that require legal, regulatory, accounting, insurance, tax, environmental, executive compensation or other similar professional advice. Credit Suisse assumed that Pinnacle had or would obtain such advice or opinions from appropriate professional sources. The issuance of Credit Suisse's opinion was approved by its authorized internal committee.

Credit Suisse's opinion was necessarily based upon information made available to it as of the date of the opinion and financial, economic, market and other conditions as they existed and could be evaluated on the date of the opinion. Credit Suisse did not undertake, and is under no obligation, to update, revise, reaffirm or withdraw its opinion, or otherwise comment on or consider events occurring or coming to its attention after the date of the opinion. Credit Suisse's opinion did not address the relative merits of the merger as compared to alternative transactions or strategies that might have been available to Pinnacle, nor did it address the underlying business decision of the Pinnacle board or Pinnacle to proceed with or effect the merger. Credit Suisse did not express any opinion as to what the value of shares of Conagra common stock actually would be when issued pursuant to the merger or the prices or ranges of prices at which Pinnacle common stock or Conagra common stock may be purchased or sold at any time. Credit Suisse assumed that the shares of Conagra common stock to be issued to holders of Pinnacle common stock in the merger would be approved for listing on the New York Stock Exchange prior to the closing of the merger.

Credit Suisse's opinion was for the information of the Pinnacle board in connection with its consideration of the merger and did not constitute a recommendation to the Pinnacle board with respect to the proposed merger or advice or a recommendation to any security holder of Pinnacle as to how such holder should vote or act on any matter relating to the proposed merger.

In preparing its opinion to the Pinnacle board, Credit Suisse performed a variety of analyses, including those described below. The summary of Credit Suisse's financial analyses is not a complete description of the analyses underlying Credit Suisse's opinion. The preparation of such an opinion is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytic methods employed and the adaptation and application of those methods to the unique facts and circumstances presented. As a consequence, neither Credit Suisse's opinion nor the analyses underlying its opinion are readily susceptible to partial analysis or summary description. Credit Suisse arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, analytic method or factor. Accordingly, Credit Suisse believes that its analyses must be considered as a whole and that selecting portions of its analyses, analytic methods and factors, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In performing its analyses, Credit Suisse considered business, economic, industry and market conditions, financial and otherwise, and other matters as they existed on, and could be evaluated as of, the date of its opinion. No company, business or transaction used in Credit Suisse's analyses for comparative purposes is identical to Pinnacle, Conagra or the merger. While the results of each analysis were taken into account in reaching its overall conclusion with respect to fairness, Credit Suisse did not make separate or quantifiable judgments regarding individual analyses. The reference ranges indicated by Credit Suisse's financial analyses are illustrative and not necessarily indicative of actual values nor predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, any analyses relating to the value of assets, businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold, which may depend on a variety of factors, many of which are beyond Pinnacle's control and the control of Credit Suisse. Much of the information used in, and accordingly the results of, Credit Suisse's analyses are inherently subject to substantial uncertainty.

Credit Suisse's opinion and analyses were provided to the Pinnacle board in connection with its consideration of the transaction and were among many factors considered by the Pinnacle board in evaluating the merger. Neither Credit Suisse's opinion nor its analyses were determinative of the merger consideration or of the views of the Pinnacle board with respect to the merger.

- 89 -

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**Table of Contents**

***Financial Analyses Pinnacle***

The following is a summary of the material financial analyses with respect to Pinnacle reviewed by Credit Suisse with the Pinnacle board in connection with the rendering of its opinion to the Pinnacle board on June 26, 2018. The analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the analyses. Considering the data in the tables below without considering the full narrative description of the analyses, as well as the methodologies underlying, and the assumptions, qualifications and limitations affecting, each analysis, could create a misleading or incomplete view of Credit Suisse's analyses.

Based on the merger consideration per share of Pinnacle common stock of \$43.11 in cash plus 0.6494 of a share of Conagra common stock and the closing price of Conagra common stock on June 25, 2018, the last trading day prior to the date of Credit Suisse's opinion, Credit Suisse calculated an implied value of the merger consideration of \$68.40 per share of Pinnacle common stock.

For purposes of its analyses, Credit Suisse reviewed a number of financial metrics including:

***Enterprise Value*** generally the value as of a specified date of the relevant company's outstanding equity securities (taking into account its options and other outstanding convertible securities) plus the value as of such date of its net debt (the value of its outstanding indebtedness, preferred stock and capital lease obligations less the amount of cash on its balance sheet).

***EBITDA*** generally the amount of the relevant company's earnings before interest, taxes, depreciation and amortization for a specified time period.

***Selected Companies Analysis***

Credit Suisse considered certain financial data for Pinnacle and selected companies with publicly traded equity securities Credit Suisse deemed relevant. The selected companies were selected because they were deemed to be similar to Pinnacle in one or more respects. The share prices for the selected companies used in the selected companies analysis described below were as of June 25, 2018. The estimates of Pinnacle's future financial performance used in the Selected Companies Analysis described below were based on the 2018 Management Case. Estimates of future financial performance for the selected companies listed below were based on publicly available research analyst estimates for those companies, as adjusted to reflect the full year impact of certain acquisitions by such companies.

The financial data reviewed included:

Enterprise Value as a multiple of estimated EBITDA for the fiscal year ended 2018, or 2018E EBITDA ;

Enterprise Value as a multiple of estimated EBITDA for the fiscal year ended 2019, or 2019E EBITDA ;

Stock price as a multiple of estimated earnings per share for the fiscal year ended 2018, or 2018E EPS ; and

Stock price as a multiple of estimated earnings per share for the fiscal year ended 2019, or 2019E EPS .

- 90 -

**Table of Contents**

The selected companies and corresponding multiples were:

	<b>Enterprise Value/ EBITDA</b>		<b>Price/ Earnings Per share</b>	
	<b>2018E</b>	<b>2019E</b>	<b>2018E</b>	<b>2019E</b>
Hormel Foods Corporation	14.2x	13.3x	19.7x	19.0x
McCormick & Company, Incorporated	16.8x	15.6x	21.5x	19.8x
Post Holdings, Inc.	10.4x	9.8x	19.0x	15.7x
Kellogg Company	12.5x	12.0x	15.5x	14.7x
General Mills, Inc.	12.3x	12.0x	15.0x	14.3x
Campbell Soup Company	11.6x	11.7x	15.0x	15.1x
B&G Foods, Inc.	12.0x	11.7x	15.9x	15.1x
The J. M. Smucker Company	11.0x	10.7x	13.0x	12.4x
The Kraft Heinz Company	13.9x	13.5x	16.8x	16.0x
Conagra	12.1x	11.8x	17.7x	16.2x

Taking into account the results of the selected companies analysis and its experience and professional judgment, Credit Suisse applied multiple ranges of 12.0x to 13.0x to Pinnacle's estimated 2018E EBITDA, 11.0x to 12.5x to Pinnacle's estimated 2019E EBITDA, 16.0x to 18.0x to Pinnacle's estimated 2018E EPS and 15.0x to 17.0x to Pinnacle's estimated 2019E EPS based on the 2018 Management Case. The selected companies analysis indicated an implied reference range per share of Pinnacle common stock of \$46.10 to \$54.31, as compared to the implied value of the merger consideration of \$68.40 per share of Pinnacle common stock.

**Selected Transactions Analysis**

Credit Suisse also considered the financial terms of certain business combinations and other transactions Credit Suisse deemed relevant. The selected transactions were selected because the target companies were deemed to be similar to Pinnacle in one or more respects. The financial data reviewed included the implied Enterprise Value (based on the consideration proposed to be paid in the selected transactions as of the date of announcement) as a multiple of EBITDA for the last twelve months, or LTM EBITDA.

The selected transactions and corresponding multiples were:

<b>Date Announced</b>	<b>Acquiror</b>	<b>Target</b>	<b>Enterprise Value/LTM EBITDA</b>
Dec-17	Campbell Soup Company	Snyder's-Lance, Inc.	20.9x
Dec-17	The Hershey Company	Amplify Snack Brands, Inc.	19.8x
Sep-17	Post Holdings, Inc.	Bob Evans Farms, Inc.	16.5x
Jul-17	McCormick & Company Inc.	Reckitt Benckiser's Food Division	19.5x
Feb-17	Reckitt Benckiser Group plc	Mead Johnson Nutrition Company	17.4x
Nov-16	Charoen Pokphand Foods Pcl	Bellisio Foods Inc	13.1x
Jul-16	Danone SA	WhiteWave Foods Co.	25.0x

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Nov-15	Pinnacle	Boulder Brands, Inc.	15.7x
Oct-15	Snyder s-Lance, Inc.	Diamond Foods, Inc.	15.4x
Mar-15	The H.J. Heinz Company/3G Capital	Kraft Foods Group, Inc.	16.5x
Jul-14	Tyson Foods, Inc.	The Hillshire Brands Company	16.7x
May-14	Mizkan Group	Ragú/Bertolli (Unilever)	15.8x
May-14	The Hillshire Brands Company	Pinnacle	12.3x
Feb-13	Berkshire Hathaway / 3G Capital	The H.J. Heinz Company	13.4x

- 91 -

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**Table of Contents**

Taking into account the results of the selected transactions analysis and its experience and professional judgment, Credit Suisse applied a multiple range of 15.0x to 18.0x to Pinnacle's LTM EBITDA as of March 2018. The selected transactions analysis indicated an implied reference range per share of Pinnacle common stock of \$59.96 to \$76.19, as compared to the implied value of the merger consideration of \$68.40 per share of Pinnacle common stock.

***Discounted Cash Flow Analysis***

Credit Suisse performed a discounted cash flow analysis of Pinnacle based on information provided by Pinnacle including the 2018 Management Case and Pinnacle management estimates of certain tax savings expected to be achieved as a result of the utilization of Pinnacle's net operating loss carryforwards. For purposes of this analysis stock-based compensation was treated as a cash expense per Pinnacle management. Credit Suisse calculated an implied terminal value range by applying a range of terminal value multiples of 12.00x to 13.00x to Pinnacle's fiscal year 2022 estimated EBITDA. Credit Suisse selected the range of terminal value EBITDA multiples based on its experience and professional judgment. Credit Suisse applied discount rates ranging from 6.00% to 7.00% to Pinnacle's unlevered free cash flows for the nine months ended December 31, 2018 and the four fiscal years ended December 31, 2022 (inclusive of Pinnacle management's estimates of expected tax savings from the utilization of Pinnacle's net operating losses) and the implied terminal values calculated as described above. The discounted cash flow analysis indicated an implied reference range per share of Pinnacle common stock of \$61.58 to \$70.65, as compared to the implied value of the merger consideration of \$68.40 per share of Pinnacle common stock.

***Financial Analyses Conagra***

Credit Suisse also performed a selected companies analysis with respect to Conagra which it reviewed with the Pinnacle board in connection with the rendering of its opinion to the Pinnacle board on June 26, 2018. The selected companies analysis summarized below includes information presented in tabular format. The table alone does not constitute a complete description of the analysis. Considering the data in the table below without considering the full narrative description of the analysis, as well as the methodologies underlying, and the assumptions, qualifications and limitations affecting, the analysis, could create a misleading or incomplete view of Credit Suisse's analysis.

For purposes of its analysis, Credit Suisse reviewed certain financial metrics including Enterprise Value and EBITDA, each as defined above.

***Selected Companies Analysis***

Credit Suisse considered certain financial data for Conagra and selected companies with publicly traded equity securities Credit Suisse deemed relevant. The selected companies were selected because they were deemed to be similar to Conagra in one or more respects. The share prices for the selected companies other than Pinnacle used in the selected companies analysis described below were as of June 25, 2018. The share price for Pinnacle used in the selected companies analysis described below was as of April 19, 2018, the date of the Schedule 13D filing by Jana. The estimates of Conagra's future financial performance described below were based on the Conagra Analyst Estimates. Estimates of future financial performance for the selected companies listed below were based on publicly available research analyst estimates for those companies, as adjusted to reflect the full year impact of certain acquisitions by such companies.

The financial data reviewed included:

Enterprise Value as a multiple of 2018E EBITDA;

Enterprise Value as a multiple of 2019E EBITDA;

- 92 -



**Table of Contents**

Stock price as a multiple of 2018E EPS; and

Stock price as a multiple of 2019E EPS.

The selected companies and corresponding multiples were:

	Enterprise Value/EBITDA		Price/ Earnings Per share	
	2018E	2019E	2018E	2019E
Hormel Foods Corporation	14.2x	13.3x	19.7x	19.0x
McCormick & Company, Incorporated	16.8x	15.6x	21.5x	19.8x
Post Holdings, Inc.	10.4x	9.8x	19.0x	15.7x
Kellogg Company	12.5x	12.0x	15.5x	14.7x
General Mills, Inc.	12.3x	12.0x	15.0x	14.3x
Campbell Soup Company	11.6x	11.7x	15.0x	15.1x
B&G Foods, Inc.	12.0x	11.7x	15.9x	15.1x
The J. M. Smucker Company	11.0x	10.7x	13.0x	12.4x
The Kraft Heinz Company	13.9x	13.5x	16.8x	16.0x
Pinnacle	13.3x	12.6x	19.1x	17.4x

Credit Suisse considered the following corresponding data with respect to Conagra based on the Conagra Analyst Estimates relative to the multiples indicated by the selected companies analysis with respect to Conagra:

	Enterprise Value/EBITDA		Price/Earnings Per share	
	2018E	2019E	2018E	2019E
Conagra	12.1x	11.8x	17.7x	16.2x

**Other Matters**

Pinnacle retained Credit Suisse as its financial advisor in connection with, among other things, evaluating strategic and financial alternatives available to Pinnacle including transactions that would result in the sale of all or a substantial portion of the assets or the capital stock of Pinnacle such as the proposed merger. Pinnacle selected Credit Suisse based on Credit Suisse's experience and reputation and Credit Suisse's knowledge of Pinnacle and its industry. Credit Suisse is an internationally recognized investment banking firm and is regularly engaged in the evaluation of businesses and securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. Credit Suisse has acted as financial advisor to Pinnacle in connection with the merger and will receive a fee for its services based upon the value of the merger, which is currently estimated to be approximately \$19.3 million, \$3 million of which became payable upon the delivery of its opinion and \$16.3 million of which is contingent upon the closing of the merger. Pinnacle has also agreed to reimburse Credit Suisse for certain of its expenses and to indemnify Credit Suisse and certain related parties for certain liabilities and other items arising out of or related to its engagement.

Credit Suisse and its affiliates have provided other financial advice and services, and may in the future provide financial advice and services, to Pinnacle and its affiliates for which Credit Suisse and its affiliates have received, and would expect to receive, compensation including, during the past two years, having acted as joint bookrunner of certain debt financings by Pinnacle in February 2017 and January 2016 for which Credit Suisse received aggregate fees of approximately \$5,000,000. Credit Suisse and/or its affiliates are also participants in Pinnacle's credit facility and may from time-to-time be a lender to Pinnacle thereunder. Credit Suisse and its affiliates may in the future provide financial advice and services to Conagra and its affiliates for which Credit Suisse and its affiliates would expect to receive compensation. Credit Suisse is a full service securities firm

## **Table of Contents**

engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, Credit Suisse and its affiliates may acquire, hold or sell, for its and its affiliates' own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of Pinnacle, Conagra and any other company that may be involved in the merger, as well as provide investment banking and other financial advice and services to such companies and their affiliates.

### **Certain Pinnacle Unaudited Management Financial Forecasts**

Other than annual guidance, including the guidance included in Pinnacle's earnings release dated May 3, 2018 (the 2018 earnings guidance), with respect to consolidated revenues, select other generally accepted accounting principles in the United States (GAAP) line items and certain other performance measures, which guidance Pinnacle presents as a range, Pinnacle does not, as a matter of course, publicly disclose forecasts as to future performance, earnings or other results due to the unpredictability of the underlying assumptions and estimates. However, Pinnacle has included below certain financial forecasts of Pinnacle that, to the extent described below, were furnished to the Pinnacle board, Pinnacle's financial advisors and Conagra (in the case of Conagra, for the fiscal years 2018 through 2020 only), in connection with the proposed merger.

These financial forecasts were not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial data, published guidelines of the SEC regarding forward-looking statements or GAAP. A summary of this information is presented below.

While the financial forecasts were prepared in good faith, no assurance can be made regarding future events. The estimates and assumptions underlying these financial forecasts involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among other things, the inherent uncertainty of the business and economic conditions affecting the industries in which Pinnacle operates, and the risk and uncertainties described under *Cautionary Information Regarding Forward-Looking Statements* contained in this proxy statement/prospectus, all of which are difficult to predict and many of which are outside the control of Pinnacle and, upon the closing of the merger, will be beyond the control of Conagra and the surviving corporation. Pinnacle stockholders are urged to review Pinnacle's SEC filings for a description of risk factors with respect to Pinnacle's business. There can be no assurance that the underlying assumptions will prove to be accurate or that the projected results will be realized and actual results likely will differ, and may differ materially, from those reflected in the financial forecasts, whether or not the merger is completed. The inclusion in this proxy statement/prospectus of the financial forecasts below should not be regarded as an indication that Pinnacle, Conagra, their respective boards of directors or their respective financial advisors considered, or now considers, these forecasts to be a reliable predictor of future results. The financial forecasts are not fact and should not be relied upon as being necessarily indicative of future results, and readers of this proxy statement/prospectus are cautioned not to place undue, if any, reliance on this information. The financial forecasts assume that Pinnacle would continue to operate as a standalone company and do not reflect any impact of the merger.

The financial forecasts include certain non-GAAP financial measures, including EBITDA, EBIT and unlevered free cash flow (in each case, as defined below). Pinnacle's management included forecasts of EBITDA and EBIT in the financial forecasts because Pinnacle's management believes EBITDA and EBIT provide useful information because they are commonly used by investors to assess financial performance and operating results of ongoing business operations, and because Pinnacle's management also believes that EBITDA and EBIT could be useful in evaluating the business, potential operating performance and cash flow of Pinnacle. Pinnacle's management included forecasts of

unlevered free cash flow in the financial forecasts because Pinnacle's management believes that unlevered free cash flow could be useful in evaluating the future cash flows generated by Pinnacle without including in such calculation any debt servicing costs.

- 94 -

## **Table of Contents**

Investors should also note that these non-GAAP financial measures presented in this proxy statement/prospectus are not prepared under any comprehensive set of accounting rules or principles and do not reflect all of the amounts associated with Pinnacle's results of operations as determined in accordance with GAAP. Investors should also note that these non-GAAP financial measures presented in this proxy statement/prospectus have no standardized meaning prescribed by GAAP and, therefore, have limits in their usefulness to investors. Because of the non-standardized definitions, the non-GAAP financial measures as used by Pinnacle in this proxy statement/prospectus and the accompanying footnotes may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures used by Pinnacle in its other filings with the SEC or by Pinnacle's competitors and other companies.

Due to the inherent limitations of non-GAAP financial measures, investors should consider non-GAAP measures only as a supplement to, not as a substitute for or as a superior measure to, measures of financial performance prepared in accordance with GAAP. The footnotes to the tables below provide certain supplemental information with respect to the calculation of these non-GAAP financial measures. All of the financial forecasts summarized in this section were prepared by Pinnacle's management. Neither Deloitte & Touche LLP (Pinnacle's independent registered public accounting firm) nor any other independent registered public accounting firm has examined, compiled or otherwise performed any procedures with respect to the prospective financial information contained in these financial forecasts and, accordingly, neither Deloitte & Touche LLP nor any other independent registered public accounting firm has expressed any opinion or given any other form of assurance with respect thereto and no independent registered public accounting firm assumes any responsibility for the prospective financial information and disclaim any association with the prospective financial information. The Deloitte & Touche LLP reports incorporated by reference in this proxy statement/prospectus relate to the historical financial information of Pinnacle. Those reports do not extend to the financial forecasts and should not be read to do so.

By including in this proxy statement/prospectus the financial forecasts below, neither Pinnacle nor Conagra nor any of their respective representatives has made or makes any representation to any person regarding the ultimate performance of Pinnacle compared to the information contained in the financial forecasts. Accordingly, the financial forecasts should not be construed as financial guidance, nor relied upon as such, and the financial forecasts may differ in important respects from the 2018 earnings guidance, which are presented as a range. Further, the inclusion of the financial forecasts in this proxy statement/prospectus does not constitute an admission or representation by Pinnacle that this information is material. The financial forecasts summarized in this section reflected the estimates and judgments available to Pinnacle's management at the time they were prepared and have not been updated to reflect any changes since such financial forecasts were prepared. Neither Pinnacle, Conagra nor, after the closing of the merger, the surviving corporation undertakes any obligation, except as required by law, to update or otherwise revise the financial forecasts to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, or to reflect changes in general economic or industry conditions.

The summary of the financial forecasts is not included in this proxy statement/prospectus to induce any stockholder to vote in favor of the adoption of the merger agreement or any other proposals to be voted on at the special meeting, but because the financial forecasts were made available to the Pinnacle board, Pinnacle's financial advisor and certain parties potentially interested in a transaction with Pinnacle, including Conagra.

In March 2018, Pinnacle's management prepared the 2018 Initial Management Case. In May 2018, as part of Pinnacle's ordinary course budget review, Pinnacle's management updated the 2018 Management Case to reflect operating results for fiscal 2018 and a revised estimate for Pinnacle's operating results for the full 2018 fiscal year (such updated prospective financial information, the 2018 Management Case). This update included the following revisions for the estimated 2018 fiscal year: (i) an approximately \$10 million increase in net sales, (ii) an approximately \$3 million

decrease in EBIT, (iii) an approximately \$3 million decrease in EBITDA and (iv) an approximately \$15 million increase in unlevered free cash flow. The update also included an approximately \$7 million increase in unlevered free cash flow for the estimated 2019 fiscal year. The 2018

- 95 -

**Table of Contents**

Management Case did not differ from the 2018 Initial Management Case for the estimated fiscal years 2020 through 2022. The projections contained in the 2018 Management Case for the fiscal years 2018 through 2022 were prepared by Pinnacle's management in good faith based on Pinnacle management's reasonable estimates and assumptions with respect to Pinnacle's future financial performance at the time such forecasts were prepared and speak only as of that time.

The 2018 Management Case was approved by Pinnacle for use by Evercore and Credit Suisse in connection with rendering their respective advice and opinions to the Pinnacle board, including the associated financial analyses.

The following table sets forth a summary of the 2018 Management Case:

	<b>Fiscal Year ending December 31,</b>				
	<b>2018E</b>	<b>2019E</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>
	<i>(Dollars in millions)</i>				
<b>Net Sales</b>	\$ 3,174	\$ 3,259	\$ 3,340	\$ 3,459	\$ 3,607
<b>Net Earnings</b>	\$ 348	\$ 388	\$ 425	\$ 463	\$ 504
<b>EBITDA<sup>(1)</sup></b>	692	738	797	852	918
<b>EBIT<sup>(2)</sup></b>	583	624	678	727	786
<b>Unlevered free cash flow<sup>(3)</sup></b>	\$ 436	\$ 474	\$ 536	\$ 567	\$ 613

- (1) Pinnacle's EBITDA represents net income before deducting interest expense, taxes, depreciation and amortization, further adjusted to exclude certain non-cash items, non-recurring items and certain other adjustment items, treating equity-based compensation as an expense. EBITDA is a non-GAAP financial measure and should not be considered as an alternative to net income or operating income as a measure of operating performance or cash flows or as a measure of liquidity.
- (2) Pinnacle's EBIT represents net income before deducting for net interest expense and income tax expense. EBIT is a non-GAAP financial measure and should not be considered as an alternative to net income or operating income as a measure of operating performance or cash flows or as a measure of liquidity.
- (3) Pinnacle's unlevered free cash flow is calculated as Pinnacle's EBIT, less cash taxes, plus depreciation and amortization, and less capital expenditures and net change in net working capital. Unlevered free cash flow is a non-GAAP financial measure and should not be considered as an alternative to net income or operating income as a measure of operating performance or cash flows or as a measure of liquidity.

**Treatment of Pinnacle Equity Awards**

At the effective time of the merger, subject to all required withholding taxes:

**Pinnacle options**

Each outstanding Pinnacle option that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled stock appreciation right relating to a number of shares of Conagra common stock (rounded down to the nearest whole share) equal to (i) the number of shares of Pinnacle common stock subject to the unvested Pinnacle option immediately prior to the effective time of the merger multiplied by (ii) the equity award exchange ratio, at a base price per share (rounded up to the nearest whole cent) equal to

(x) the exercise price of such Pinnacle option divided by (y) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle option immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle option that is vested immediately prior to the effective time of the merger will automatically be canceled in exchange for the right to receive an amount, solely in cash, equal to

- 96 -



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**Table of Contents**

the number of shares of Pinnacle common stock subject to such Pinnacle option immediately prior to the effective time of the merger multiplied by the excess, if any, of the equity award cash-out consideration over the exercise price per share of such Pinnacle option;

**Pinnacle RSUs**

Each outstanding Pinnacle RSU that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled restricted stock unit relating to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (1) the number of shares of Pinnacle common stock subject to the unvested Pinnacle RSU immediately prior to the effective time of the merger multiplied by (2) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle RSU immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle RSU that is vested immediately prior to the effective time of the merger will be canceled and converted into the right to receive an amount in cash equal to the equity award cash-out consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents;

**Pinnacle PSUs**

Each outstanding Pinnacle PSU that is unvested immediately prior to the effective time of the merger will be canceled and converted into a time-based cash-settled restricted stock unit related to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (1) the number of shares of Pinnacle common stock subject to the unvested Pinnacle PSU immediately prior to the effective time of the merger, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, multiplied by (2) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle PSU immediately prior to the effective time of the merger (other than performance-based vesting conditions and subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described below);

Each outstanding Pinnacle PSU that is vested immediately prior to the effective time of the merger will be canceled and converted into the right to receive an amount in cash equal to the product of (x) the number of shares of Pinnacle common stock underlying such Pinnacle PSU, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger and (y) the equity award cash-out consideration plus an amount in cash equal to any accumulated and unpaid dividend equivalents with respect to such vested Pinnacle PSU;

**Pinnacle PSAs**

Each outstanding unvested Pinnacle performance-based restricted share award will be deemed to be two separate awards, the Pinnacle PSA portion of which will become vested based on actual performance as

determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, and the performance share unit portion, which will be treated as an unvested Pinnacle PSU as set forth above; and

Each vested Pinnacle PSA (including the portion that vests in accordance with the foregoing) will be canceled and converted into the right to receive the merger consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents.

- 97 -

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**Table of Contents**

**Interests of Pinnacle's Directors and Executive Officers in the Merger**

In considering the proposals to be voted on at the special meeting, you should be aware that Pinnacle's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Pinnacle stockholders generally. These interests include, among others, the treatment of outstanding equity awards pursuant to the merger agreement, potential severance benefits and other payments and rights to ongoing indemnification and insurance coverage described below. The members of the Pinnacle board were aware of and considered these interests in reaching the determination to approve the merger agreement and recommend that the holders of Pinnacle common stock vote their shares to adopt the merger agreement.

***Certain Assumptions***

Except as otherwise specifically noted, for purposes of quantifying the potential payments and benefits described in this section, the following assumptions were used:

the value of the merger consideration is \$64.91 for each share of Pinnacle common stock, based on the average closing price per share of Pinnacle common stock over the five business days following June 27, 2018, the first public announcement of the transaction (the "five-day average");

the effective time of the merger is December 31, 2018, which is the assumed date of the closing of the merger (the "assumed merger closing date") solely for purposes of the disclosure in this section;

each executive officer or director, as applicable, experienced a qualifying termination of service immediately following (but on the same day as) the effective time of the merger;

quantification of outstanding equity awards is calculated based on the outstanding equity awards held by each director or executive officer as of July 13, 2018, and assuming applicable performance goals are achieved at maximum levels; and

the amounts set forth in the tables below regarding executive officer compensation are based on compensation levels as of July 13, 2018.

***Treatment of Shares of Common Stock***

For information regarding beneficial ownership of shares Pinnacle common stock, other than the equity-based awards described below but including vested Pinnacle options, by each of Pinnacle's directors and named executive officers and all of such directors and executive officers as a group, please see the section titled "*Security Ownership of Certain Beneficial Owners and Management*" contained in this proxy statement/prospectus. Each of Pinnacle's directors and executive officers will be entitled to receive, for each share of Pinnacle common stock he or she holds, the same per share merger consideration in the same manner as other stockholders.

***Treatment of Pinnacle Equity Awards***

As described further in the section titled *The Merger Agreement Treatment of Pinnacle Equity Awards* contained in this proxy statement/prospectus, (i) each Pinnacle option, Pinnacle RSU and Pinnacle PSU that is outstanding and vested immediately prior to the effective time of the merger will be paid in a lump sum cash amount upon the effective time of the merger; (ii) each outstanding Pinnacle option, Pinnacle RSU and Pinnacle PSU that is outstanding and unvested immediately prior to the effective time of the merger will be converted at the effective time of the merger into an unvested cash-settled award representing a number of Conagra common shares; and (iii) each Pinnacle performance-based restricted share award will be deemed to be two separate awards the PSA portion, which will accelerate vesting and be cashed out for the merger consideration at the effective time of the merger, and the performance share unit portion, which will be treated as an unvested Pinnacle PSU as described above.

**Table of Contents**

Any awards converted as described above and held by Pinnacle's directors or employees (including the executive officers) will vest and be paid on an accelerated basis in the event the director or executive officer's service is terminated under any of the following circumstances, in each case, within 24 months following the effective time of the merger (a) by Conagra without cause; (b) due to death or disability; or (c) by the employee due to Conagra's requiring, without such employee's consent, that such employee relocate his or her office location at least fifty miles from his or her then-current office location. In general, Pinnacle equity awards currently provide for accelerated vesting upon a termination only under the circumstances described in subsections (a) and (b) above, in each case, only within *12 months* following a change in control of Pinnacle.

The following table sets forth the number of unvested Pinnacle options, Pinnacle RSUs, Pinnacle PSUs and Pinnacle PSAs held by each of Pinnacle's directors and executive officers as of July 13, 2018, the latest practicable date to determine such amounts before the filing of this proxy statement/prospectus, assuming any applicable performance goals are achieved at maximum levels, and the cash amounts payable (on a pre-tax basis) in respect thereof, assuming the cash-out treatment described above applies. The amounts reflected in the table below exclude any grants that may be made following July 13, 2018 and any Pinnacle options, Pinnacle RSUs, Pinnacle PSUs and Pinnacle PSAs that are vested or are expected to vest in accordance with their terms prior to December 31, 2018 (the assumed merger closing date). Pinnacle options are valued based on the difference, if any, between the per share exercise price of such Pinnacle option and \$64.91, which is the value of the merger consideration for each share of Pinnacle common stock based on the five-day average. Pinnacle RSUs, Pinnacle PSUs and Pinnacle PSAs are valued based on \$64.91, which is the value of the merger consideration for each share of Pinnacle common stock based on the five-day average. Payments in respect of all Pinnacle options, Pinnacle RSUs and Pinnacle PSUs held by Pinnacle's directors and executive officers are *double-trigger* in that they will be paid only if the holder experiences a qualifying termination of service on or following the effective time of the merger, or if the awards otherwise vest in accordance with their terms. Payments in respect of Pinnacle PSAs held by Pinnacle's executive officers are *single-trigger* in that their vesting will accelerate and they will be converted into the merger consideration at the effective time of the merger pursuant to the terms of the merger agreement.

Name	Unvested Pinnacle Options		Unvested Pinnacle RSUs		Unvested Pinnacle PSUs		Unvested Pinnacle PSAs	
Roger Deromedi			3,039	\$ 197,261				
Ionnis Skoufalos			2,337	\$ 151,695				
Mark Jung			2,337	\$ 151,695				
Muktesh Pant			2,337	\$ 151,695				
Raymond Silcock			2,337	\$ 151,695				
Ann Fandozzi			2,337	\$ 151,695				
Jane Nielsen			2,337	\$ 151,695				
Mark Clouse	762,798	\$ 12,404,535			222,086	\$ 14,415,602	84,214	\$ 5,466,331
Craig Steeneck	154,902	\$ 2,001,948			48,925	\$ 3,175,722	11,613	\$ 753,800
Mark Schiller	151,365	\$ 1,944,312	3,813	\$ 247,502	70,877	\$ 4,600,626	11,111	\$ 721,215
Daniel Poland	37,276	\$ 402,954	24,185	\$ 1,569,848	12,436	\$ 807,221		
Mary Beth DeNooyer	81,156	\$ 1,018,209			26,518	\$ 1,721,283	5,126	\$ 332,729
Michael Kelley Maggs	65,686	\$ 851,201			20,713	\$ 1,344,481	4,981	\$ 323,317
Michael Barkley	68,714	\$ 885,148			21,727	\$ 1,410,300	5,049	\$ 327,731

***Executive Severance Benefit Plan***

Each of the executive officers participate in Pinnacle's Executive Severance Benefit Plan, which we refer to as the severance plan. The severance plan provides for severance payments and other benefits in the event of a qualifying termination, which constitutes a termination of employment by Pinnacle without cause or by the executive officer for good reason (each as described below), in each case, within 24 months following a change in control of Pinnacle. The closing of the merger will constitute a change of control of Pinnacle for purposes of the severance plan.

- 99 -

## **Table of Contents**

For purposes of the severance plan, following a change in control of Pinnacle (a) *cause* generally means the executive's (i) willful failure to make reasonable attempts to substantially perform duties as assigned by Pinnacle after a written demand for substantial performance, (ii) willful failure to comply with the material terms of the executive's employment pursuant to a written agreement, (iii) willful engagement in gross misconduct that is materially and demonstrably injurious to Pinnacle or (iv) conviction or plea of guilty or nolo contendere to a felony; and (b) *good reason* generally means, without the executive's written consent, (i) a material reduction in the executive's then-current base salary or target annual bonus, (ii) a material diminution in the executive's authorities, duties or responsibilities, or the assignment of duties inconsistent with the executive's then-current authorities, duties or responsibilities, (iii) requiring the executive to be based at an office location which is at least 50 miles from the executive's office location and which increases such executive's travel time from his or her then-current residence or requiring the executive to travel on business to a substantially greater degree than required prior to the change in control or (iv) the failure of any successor of Pinnacle to expressly assume the severance plan.

In the event of a qualifying termination within 24 months following a change in control of Pinnacle, each executive officer would be entitled to receive: (a) cash payments equal to three times (in the case of Mr. Clouse) or two and one quarter times (in the case of each other executive officer) the sum of (x) the executive's annual base salary and (y) the executive's target annual cash bonus, payable over three years (in the case of Mr. Clouse) and two and one quarter years (in the case of each other executive officer); (b) a pro-rated annual bonus for the fiscal year in which the termination occurred based on actual performance, payable at the time annual bonuses are otherwise paid; (c) subsidized health and welfare benefits (excluding life insurance) premiums for 18 months following such qualifying termination; and (d) outplacement services. The estimated aggregate value of the cash severance payments and benefits Pinnacle's executive officers would receive pursuant to the severance plan in the event of a qualifying termination within 24 months following the effective time of the merger is \$21,650,708. The foregoing estimate is based on compensation and benefit levels in effect as of July 13, 2018.

Receipt of such payments and benefits under the severance plan is conditioned upon the applicable executive officer executing a release and non-competition agreement, which includes non-compete, employee non-solicit, customer non-solicit and non-disparagement restrictions for two years (in the case of Mr. Clouse) and one and one half years (in the case of each other executive officer) following termination of employment and confidentiality provisions that apply indefinitely. In the event the executive officer violates any of the covenants, the executive officer would forfeit his or her rights to future payments under the severance plan and may be required to reimburse Pinnacle in an amount equal to the after-tax amount previously paid to such executive.

In addition, the severance plan provides that in the event that any payment or benefit (regardless of whether payable under the severance plan or otherwise and including the acceleration of equity awards) payable to the executive officers in connection with his or her separation from Pinnacle would constitute a parachute payment within the meaning of Section 280G of the Code, then such payments are only reduced below the limit under Section 280G of the Code if the executive officer would end up in a better financial position than receiving the full amount and paying the 20% excise tax. Additionally, it was agreed that certain employees of Pinnacle (including the executive officers) may be eligible to receive Section 280G gross-up payments if the aggregate value of all parachute payments payable to such employee equal or exceed 110% of such employee's base amount (as such terms are defined in Section 280G of the Code). As of the date of this proxy statement/prospectus, no determinations have been made as to whether any executive officer will receive a gross-up payment or the amount of any such potential payment to any particular individual.

### ***Continuing Employee Benefits***

The merger agreement provides that for a period of not less than one year following the effective time of the merger, Conagra will, and will cause the surviving corporation to, provide each individual who was an employee of Pinnacle or any of its subsidiaries immediately prior to the effective time of the merger (a continuing employee ) with (a) a base salary or regular hourly wage and annual incentive opportunities that are no less

- 100 -



## **Table of Contents**

favorable in the aggregate than such continuing employee's base salary or regular hourly wage and annual incentive opportunities as in effect immediately prior to the effective time of the merger, (b) severance benefits that are no less favorable than those that would have been provided to such continuing employee under Pinnacle's severance plans and (c) other employee benefits (including the value of equity-based awards but excluding defined benefit plan and retiree welfare benefits) that are substantially similar in the aggregate to those provided to such continuing employee immediately prior to the effective time of the merger. Conagra will also assume the severance plan (as described above) and will honor all obligations thereunder in accordance with its terms.

### ***Indemnification and Directors and Officers Insurance***

Pursuant to the terms of the merger agreement, members of the Pinnacle board and officers of Pinnacle will be entitled to certain ongoing indemnification and coverage under directors' and officers' liability insurance policies following the merger. For a more detailed description of the provisions of the merger agreement relating to director and officer indemnification and insurance, please see the section titled *The Merger Agreement Indemnification and Directors and Officers Insurance* contained in this proxy statement/prospectus.

### ***Quantification of Payments and Benefits***

In accordance with Item 402(t) of Regulation S-K, the table below sets forth for each of Pinnacle's named executive officers estimates of the amounts of compensation that are based on or otherwise relate to the merger and that will or may become payable to the named executive officer either immediately at the effective time of the merger (in other words, on a single-trigger basis) or in the event of a qualifying termination of employment within 24 months following the merger (in other words, on a double-trigger basis). The holders of Pinnacle common stock are being asked to approve, on a non-binding, advisory basis, the merger-related compensation for these named executive officers. Because the vote to approve such compensation is advisory only, it will not be binding on Pinnacle, Pinnacle's board or Conagra. Accordingly, if the proposal to adopt the merger agreement is approved by the holders of Pinnacle common stock and the merger is completed, the merger-related compensation will be payable regardless of the outcome of the vote to approve such compensation, subject only to the conditions applicable thereto, which are described in the footnotes to the tables below and above under *Interests of Pinnacle's Directors and Executive Officers in the Merger*.

The potential payments in the tables below are quantified in accordance with Item 402(t) of Regulation S-K. The estimated values are based on (a) an assumption that the merger is completed on December 31, 2018, (b) per share merger consideration of \$64.91, which is the value of the merger consideration for each share of Pinnacle common stock based on the five-day average, (c) the named executive officers' salary and total eligible bonus levels as in effect as of July 13, 2018, (d) the number of unvested Pinnacle options, Pinnacle RSUs, Pinnacle PSUs and Pinnacle PSAs held by the named executive officers as of July 13, 2018, the latest practicable date to determine such amounts before the filing of this proxy statement/prospectus, and excluding any additional grants that may occur following such date and any Pinnacle options, Pinnacle RSUs, Pinnacle PSUs and Pinnacle PSAs that are vested or are expected to vest in accordance with their terms prior to December 31, 2018, (e) an assumption that performance goals applicable to the Pinnacle PSUs and Pinnacle PSAs are achieved at maximum levels and (f) an assumption that each named executive officer's employment is terminated by Conagra without cause immediately following (but on the same day as) the effective time of the merger. In addition, the amounts indicated below are estimates based on multiple assumptions that may or may not actually occur, including assumptions described in this proxy statement/prospectus, and do not reflect certain compensation actions that may occur before the effective time of the merger. As a result, the actual amounts, if any, to be received by a named executive officer may materially differ from the amounts set forth below.

The amounts shown below do not attempt to quantify any reduction that may be required as a result of a Section 280G best-net cutback or any gross-up to which a named executive officer may become entitled; therefore, actual payments to the named executive officers may be more or less than the amounts indicated below.

- 101 -

**Table of Contents****Potential Payments to Named Executive Officers<sup>(1)</sup>**

<b>Name</b>	<b>Cash (\$)<sup>(2)</sup></b>	<b>Equity (\$)<sup>(3)</sup></b>	<b>Perquisites /Benefits (\$)<sup>(4)</sup></b>	<b>Total (\$)</b>
Mark Clouse	\$ 7,000,000	\$ 32,286,468	\$ 18,000	\$ 39,304,468
Craig Steeneck	\$ 3,211,509	\$ 5,931,470	\$ 18,000	\$ 9,160,979
Mark Schiller	\$ 3,174,918	\$ 7,513,655	\$ 18,000	\$ 10,706,573

- (1) Although Christopher Boever and D. Michael Wittman are considered named executive officers of Pinnacle for purposes of Item 402(t) of Regulation S-K, each of Messrs. Boever and Wittman terminated employment in 2018 and no longer hold any Pinnacle equity awards and are not otherwise entitled to any merger-related compensation.
- (2) The estimated amounts shown in this column represent (a) three times (in the case of Mr. Clouse) and two and one quarter times (in the case of each of Messrs. Steeneck and Schiller) the sum of (i) the executive's annual base salary and (ii) the executive's target annual cash bonus, payable over three years (in the case of Mr. Clouse) and two and one quarter years (in the case of each of Messrs. Steeneck and Schiller) and (b) a pro-rated annual bonus for the fiscal year in which such termination occurs, assuming a termination date of December 31, 2018 and achievement of applicable goals at target. These payments are double-trigger, as they will only be payable in the event of a qualifying termination within 24 months following the effective time of the merger. Payment of such cash severance is conditioned upon the named executive officer executing a general waiver and release and non-competition agreement, as described above under *Executive Severance Benefit Plan*.
- (3) The estimated amounts shown in this column represent the aggregate intrinsic value of the named executive officers' outstanding unvested Pinnacle options (the excess, if any, of the per share merger consideration of \$64.91, which is the value of the merger consideration for each share of Pinnacle common stock based on the five-day average, over the applicable exercise price) and the aggregate value of outstanding unvested Pinnacle RSUs, Pinnacle PSUs and Pinnacle PSAs, assuming achievement of applicable performance goals at maximum levels. The estimated payments in respect of the named executive officers' unvested Pinnacle options, Pinnacle RSUs and Pinnacle PSUs as shown in the following table are double-trigger benefits in that they will be paid to the named executive officer only if the named executive officer experiences a qualifying termination within 24 months following the effective time of the merger. The estimated payments in respect of the named executive officers' unvested Pinnacle PSAs are single-trigger benefits in that their vesting will accelerate and they will be converted into the merger consideration at the effective time of the merger pursuant to the terms of the merger agreement.

<b>Name</b>	<b>Double-Trigger</b>		<b>Single-Trigger</b>		<b>Total (\$)</b>
	<b>Value of Unvested Options (\$)</b>	<b>Value of Unvested RSUs (\$)</b>	<b>Value of Unvested Pinnacle PSUs (\$)</b>	<b>Value of Unvested Pinnacle PSAs (\$)</b>	
Mark Clouse	12,404,535		14,415,602	5,466,331	32,286,468
Craig Steeneck	2,001,948		3,175,722	753,800	5,931,470
Mark Schiller	1,944,312	247,502	4,600,626	721,215	7,513,655

(4)

The estimated amounts shown in this column represent subsidized health and welfare benefits (excluding life insurance) premiums for 18 months, which is the maximum period under the severance plan. The severance plan also entitles the named executive officer to outplacement services; however, because the severance plan does not specify a dollar amount for such services, such value is not included in the table. These are double-trigger benefits in that they will be paid to the named executive officer only if the named executive officer experiences a qualifying termination within 24 months following the effective time of the merger, and are conditioned upon the named executive officer executing a general waiver and release and non-competition agreement, as described above under *Executive Severance Benefit Plan* .

- 102 -

**Table of Contents****Financing of the Merger and Indebtedness Following the Merger**

In connection with the execution of the merger agreement, Conagra entered into a bridge commitment letter with the Goldman Lenders pursuant to which, among other things, the Goldman Lenders committed to provide bridge debt financing for the merger, consisting of a \$9.0 billion senior unsecured bridge credit facility. The commitments under the bridge credit facility were subsequently reduced by the \$1.3 billion new term loan facility entered into on July 11, 2018 with a syndicate of financial institutions described below, with the remaining commitments under the bridge credit facility also syndicated across a group of financial institutions. The funding of the new term loan facility is anticipated to occur simultaneously with the closing of the merger. The total available amount of the bridge credit facility is also subject to reduction in equivalent amounts upon the completion of any issuance of debt or equity securities by Conagra (subject to specified exceptions) and upon other specified events, as provided in the bridge commitment letter. The obligation of the lenders under the bridge credit facility to enter into and make available to Conagra borrowings under the bridge credit facility is subject to a number of customary conditions, including execution and delivery of certain definitive documentation and absence of a material adverse effect (as defined in the merger agreement). If necessary, the terms of the bridge credit facility, including any conditions thereto and covenants thereunder, will be set forth in various definitive documentation to be entered into by the parties thereto.

Conagra intends to replace the availability under the bridge credit facility with permanent or alternative financing. Specifically, in connection with the merger, Conagra expects to incur up to \$8.3 billion of long-term debt (which includes any funding under the new term loan facility), the proceeds of which would be used to fund the payment of the cash portion of the merger consideration, the repayment of Pinnacle debt, the refinancing of certain Conagra debt, and the payment of related fees and expenses. The permanent financing is also expected to include approximately \$600 million of incremental cash proceeds from the issuance of equity and/or divestitures. In connection with the permanent financing, on June 27, 2018, Conagra entered into certain deal-contingent rate swap transactions, which swaps are contingent upon the closing of the merger agreement and hedge against an increase in interest rates between the signing of the merger agreement and the incurrence of the permanent financing.

*New Term Loan Facility*

On July 11, 2018, Conagra entered into a Term Loan Agreement, referred to as the Term Loan Agreement, with a syndicate of banks led by Bank of America, N.A. ( BofA ), as administrative agent, providing for term loans to Conagra in an aggregate principal amount of up to \$1.3 billion.

The new term loan facility provided for under the Term Loan Agreement is unsecured and provides for a \$650 million tranche of three-year terms loans and a \$650 million tranche of five-year term loans. Conagra anticipates borrowing in full under the Term Loan Agreement simultaneously with the closing of the merger to fund a portion of the cash consideration of the merger. The three-year tranche loans and the five-year tranche loans mature on the third and fifth anniversaries, respectively, of the funding of such loans, which are anticipated to occur simultaneously with the closing of the merger.

The term loans will bear interest at, at Conagra's election, either (a) LIBOR plus a percentage spread (ranging from 1% to 1.625% for three-year tranche loans and 1.125% to 1.75% for five-year tranche loans) based on Conagra's senior unsecured long-term indebtedness ratings or (b) the alternate base rate, described in the Term Loan Agreement as the greatest of (i) BoA's prime rate, (ii) the federal funds rate plus 0.50% and (iii) one-month LIBOR plus 1.00%, plus a percentage spread (ranging from 0% to 0.625% for three-year tranche loans and 0.125% to 0.75% for five-year tranche loans) based on Conagra's senior unsecured long-term indebtedness ratings.

The Term Loan Agreement contains customary affirmative and negative covenants for unsecured investment grade credit facilities of this type and financial covenants requiring compliance with a maximum leverage ratio and a minimum interest coverage ratio. These covenants were negotiated in a manner that was intended to accommodate the merger and related transactions. Conagra may voluntarily prepay term loans under the Term Loan Agreement, in whole or in part, without premium or penalty, subject to certain conditions.

- 103 -

## **Table of Contents**

The Term Loan Agreement contains events of default customary for unsecured investment grade credit facilities with corresponding grace periods. If an event of default occurs and is continuing, the lenders may terminate and/or suspend their obligations to make loans under the Term Loan Agreement and/or accelerate amounts due under the Term Loan Agreement and exercise other rights and remedies. In the case of certain events of default related to insolvency and receivership, the commitments of the lenders will be automatically terminated and all outstanding obligations of Conagra under the Term Loan Agreement will become immediately due and payable.

The foregoing description of the new term loan facility does not purport to be a complete description of its terms, and is qualified in all respects by reference to the complete text of the agreement, which was filed as an exhibit to Conagra's Current Report on Form 8-K filed with the SEC on July 17, 2018, and is incorporated by reference herein.

### *Revolving Credit Facility*

On July 11, 2018, Conagra entered into an Amended and Restated Revolving Credit Agreement with a syndicate of banks led by BofA, as administrative agent, providing for a revolving credit facility in a maximum aggregate principal amount outstanding at any one time of \$1.6 billion (subject to increase to a maximum aggregate principal amount of \$2.1 billion) (the new revolving credit facility).

The new revolving credit facility matures on July 11, 2023 and is unsecured. Conagra may borrow funds under the new revolving credit facility on a variety of interest rate terms depending on Conagra's then applicable senior unsecured long-term debt rating. Conagra has agreed to pay a facility fee, payable quarterly, at rates that range from 0.09% to 0.25% (based on Conagra's senior unsecured long-term debt ratings), and customary administrative agent fees and fees in respect of letters of credit.

The new revolving credit facility contains customary affirmative and negative covenants for unsecured investment grade credit facilities of this type and financial covenants requiring compliance with a maximum leverage ratio and a minimum interest coverage ratio. These covenants were negotiated in a manner that was intended to accommodate the merger and related transactions. In addition, the new revolving credit facility contains events of default customary for unsecured investment grade credit facilities with corresponding grace periods, the occurrence and continuance of which could result in the acceleration of Conagra's obligations thereunder or the exercise by the lender of other rights and remedies.

The foregoing description of the new revolving credit facility does not purport to be a complete description of its terms, and is qualified in all respects by reference to the complete text of the agreement, which was filed as an exhibit to Conagra's Current Report on Form 8-K filed with the SEC on July 17, 2018, and is incorporated by reference herein.

### **Closing and Effective Time of the Merger**

Unless the parties agree otherwise in writing, the closing of the merger will take place on the third business day following the satisfaction or waiver of all conditions to the closing of the merger. The merger will be effective when the parties file a Certificate of Merger with the Secretary of State of the State of Delaware, unless the parties agree to a later time and so specify that time in the Certificate of Merger. The parties currently anticipate closing the merger by the end of calendar 2018, though there can be no assurances of the actual timing of the closing.

### **Accounting Treatment of the Merger**

The merger will be accounted for using the acquisition method of accounting with Conagra considered the acquirer of Pinnacle. Conagra will record assets acquired, including identifiable intangible assets, and liabilities

- 104 -



## **Table of Contents**

assumed from Pinnacle at their respective fair values at the effective date of the merger. Any excess of the purchase price (as described under Note 2 under *Unaudited Pro Forma Condensed Combined Financial Information Notes to the Unaudited Pro Forma Condensed Combined Financial Information* contained in this proxy statement/prospectus) over the net fair value of such assets and liabilities will be recorded as goodwill.

The financial condition and results of operations of Conagra following the merger will include the results of operations of Pinnacle after the closing of the merger, but will not be restated retroactively to reflect the historical financial condition or results of operations of Pinnacle. The earnings of Conagra after the closing of the merger will reflect acquisition accounting adjustments, including the effect of changes in the carrying value of Pinnacle's assets and liabilities on Conagra's depreciation expense, amortization expense and interest expense. Indefinite-lived intangible assets and goodwill will not be amortized but will be tested for impairment at least annually, and all tangible and intangible assets including goodwill will be tested for impairment when certain indicators are present.

## **Regulatory Approvals Required for the Merger**

The following is a summary of the material regulatory requirements for the closing of the merger. There can be no guarantee if or when any of the consents or approvals required for the merger will be obtained or as to any conditions that such consents and approvals may contain. Conagra and Pinnacle intend to make all required filings as promptly as practicable. The management of each of Conagra and Pinnacle currently believe that the necessary regulatory approvals can be obtained by the end of calendar 2018; however, there can be no assurances that such approvals will be obtained in accordance with this timing or at all. For further information, please see the section titled *Risk Factors* contained in this proxy statement/prospectus.

The merger is subject to the requirements of the HSR Act and the rules promulgated by the FTC, which prevent transactions such as the merger from being completed until (i) certain information and materials are furnished to the DOJ and the FTC and (ii) the applicable waiting period is terminated or expires.

In addition, the closing of the merger is subject to the requirements of Part IX of the Competition Act (Canada), which prevent transactions such as the merger from being completed until (i) certain information and materials are furnished to the Canadian Commissioner of Competition appointed under the Competition Act (Canada), and (ii) the applicable waiting period is terminated or expires (provided that the Canadian Competition Tribunal has not issued an order temporarily or permanently prohibiting closing), unless the requirement to submit the required information and materials is waived by the Canadian Commissioner of Competition.

There can be no assurance that the required regulatory approval noted above will be obtained on a timely basis.

Conagra and Pinnacle also intend to make all required filings under the Securities Act and the Exchange Act relating to the merger and obtain all other approvals and consents which may be necessary to give effect to the merger.

## **NYSE Listing of Shares of Conagra Common Stock; Delisting and Deregistration of Shares of Pinnacle Common Stock**

It is a condition to the closing of the merger that the shares of Conagra common stock issuable as merger consideration be approved for listing on NYSE, subject to official notice of issuance. It is expected that following the merger, shares of Conagra common stock will continue to trade on NYSE under the symbol *CAG*.

If the merger is completed, shares of Pinnacle common stock will be delisted from NYSE and deregistered under the Exchange Act, and, accordingly, Pinnacle will no longer be a public company or be required to file periodic reports

with the SEC with respect to shares of Pinnacle common stock.

- 105 -

**Table of Contents**

**THE MERGER AGREEMENT**

**Explanatory Note Regarding the Merger Agreement**

The following summarizes material provisions of the merger agreement, which is included as *Annex A* to this proxy statement/prospectus and is incorporated herein by reference in its entirety. The rights and obligations of Conagra and Pinnacle are governed by the express terms and conditions of the merger agreement and not by this summary or any other information contained in this proxy statement/prospectus. Pinnacle stockholders are urged to read the merger agreement carefully and in its entirety as well as this proxy statement/prospectus before making any decisions regarding the merger.

The merger agreement is included with this proxy statement/prospectus only to provide you with information regarding the terms of the merger agreement, and not to provide you with any other factual information regarding Conagra, Pinnacle or their respective subsidiaries or businesses. The merger agreement contains representations and warranties by each of the parties to the merger agreement. These representations and warranties have been made solely for the benefit of the other parties to the merger agreement and:

have been made only for purposes of the merger agreement;

have been qualified by certain documents filed with, or furnished to, the SEC by Conagra or Pinnacle, as applicable, prior to the date of the merger agreement;

have been qualified by confidential disclosures made to Pinnacle or Conagra, as applicable, in connection with the merger agreement;

are subject to materiality qualifications contained in the merger agreement which may differ from what may be viewed as material by investors;

were made only as of the date of the merger agreement or such other date as is specified in the merger agreement; and

have been included in the merger agreement for the purpose of allocating risk between Conagra and Merger Sub, on the one hand, and Pinnacle, on the other hand, rather than establishing matters as facts.

You should not rely on the representations and warranties or any descriptions thereof as characterizations of the actual state of facts or condition of Conagra, Pinnacle or any of their respective subsidiaries or businesses. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the merger agreement, which subsequent information may or may not be fully reflected in Conagra's or Pinnacle's public disclosures.

Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read together with the information provided elsewhere in this proxy statement/prospectus

and in the documents incorporated by reference into this proxy statement/prospectus. See the section titled *Where You Can Find More Information* contained in this proxy statement/prospectus.

This summary is qualified in its entirety by reference to the merger agreement.

**Form and Effects of the Merger; Organizational Documents of the Surviving Corporation; Directors and Officers**

The merger agreement provides for the merger of Merger Sub, with and into Pinnacle. Pinnacle will be the surviving corporation in the merger and will become a direct wholly owned subsidiary of Conagra.

At the effective time of the merger, the certificate of incorporation of Pinnacle as in effect immediately prior to the effective time of the merger will be amended and restated in its entirety to read as set forth in Exhibit A to

- 106 -

## **Table of Contents**

the merger agreement (and will be the certificate of incorporation of the surviving corporation) until thereafter amended as provided therein or by applicable law. The bylaws of Merger Sub in effect immediately prior to the effective time of the merger will be the bylaws of the surviving corporation until thereafter amended as provided therein or by applicable law.

The directors of Merger Sub at the effective time of the merger will be the directors of the surviving corporation, from and after the effective time of the merger, until their successors have been duly elected or appointed and qualified, or until their earlier death, resignation or removal in accordance with the certificate of incorporation and bylaws of the surviving corporation. The officers of Merger Sub immediately prior to the effective time of the merger will continue as the officers of the surviving corporation from and after the effective time of the merger until their successors have been duly appointed or until their earlier death, resignation or removal in accordance with the certificate of incorporation and bylaws of the surviving corporation.

## **Closing and Effective Time of the Merger**

Unless otherwise mutually agreed in writing between Conagra and Pinnacle, the closing of the merger will take place at 10:00 a.m. (Central Time) on the third business day following the day on which the last to be satisfied or waived of the conditions set forth in the merger agreement (other than those conditions that by their nature are to be satisfied at or immediately prior to the closing, but subject to fulfillment or waiver of those conditions) is satisfied or waived by the party entitled to benefit in accordance with the merger agreement.

At or promptly following the closing of the merger, Conagra and Pinnacle will cause a certificate of merger to be duly executed, acknowledged and filed with the Secretary of State of the State of Delaware as provided in Section 251 of the DGCL, and make any other filings, recordings or publications require to be made by Pinnacle or Merger Sub under the DGCL. The merger will become effective at the time when the certificate of merger has been duly filed with the Secretary of State of the State of Delaware, or at such later date or time as may be agreed by Conagra and Pinnacle in writing and specified in the certificate of merger.

## **Merger Consideration**

At the effective time of the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger (other than excluded shares) will be converted into, and become exchangeable for, the right to receive (i) \$43.11 in cash and (ii) 0.6494 shares of Conagra common stock. Conagra will not issue any fractional shares of Conagra common stock in the merger and a Pinnacle stockholder who otherwise would have received a fraction of a share of Conagra common stock will receive a cash payment in lieu thereof, without interest, rounded down to the nearest whole cent, equal to the fraction of a share of Conagra common stock (after taking into account all shares of Pinnacle common stock held by such holder at the effective time of the merger and rounded to the nearest one-thousandth when expressed in decimal form) to which such holder would otherwise be entitled, multiplied by the average of the closing prices per share of Conagra common stock on NYSE for the ten full trading days ending on the second business day immediately preceding the date on which the effective time of the merger occurs.

If the merger is completed, Pinnacle stockholders who do not vote in favor of the adoption of the merger agreement, who continuously hold their shares of Pinnacle common stock through the effective time and who properly demand appraisal of their shares of Pinnacle common stock in compliance with the requirements of Section 262 of the DGCL will be entitled to exercise appraisal rights in connection with the merger under Section 262 of the DGCL. This means that holders of shares of Pinnacle common stock who may exercise appraisal rights and who also have properly exercised, perfected and not waived, withdrawn or lost those appraisal rights are entitled to have their shares appraised

by the Delaware Court of Chancery and to receive payment in cash of the fair value of their shares of Pinnacle common stock, exclusive of any elements of value arising from the accomplishment or expectation of the merger, together with interest (subject to certain exceptions) to be paid on the amount determined to be fair value, if any, as determined by the Delaware Court of

- 107 -

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**Table of Contents**

Chancery, so long as those holders comply exactly with the procedures established by Section 262 of the DGCL. For additional information about appraisal rights, see the section titled *Appraisal Rights* contained in this proxy statement/prospectus.

If, between the date of the merger agreement and the effective time of the merger, the issued and outstanding shares of Pinnacle common stock or securities convertible or exchangeable into or exercisable for shares of Pinnacle common stock or the issued and outstanding shares of Conagra common stock or securities convertible or exchangeable into or exercisable for shares of Conagra common stock changes into a different number of shares or a different class by reason of any reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, merger, issuer tender or exchange offer, or other similar transaction, then the merger consideration will be equitably adjusted, without duplication, to proportionally reflect such change.

Based upon the closing sale price of shares of Conagra common stock on NYSE of \$[ ] on [ ], 2018, the last practicable trading date prior to the date of this proxy statement/prospectus, the value of the merger consideration was approximately \$[ ].

**Payment of the Merger Consideration**

Conagra will select an exchange agent reasonably acceptable to Pinnacle (the exchange agent ) to make payment of the merger consideration as contemplated by the merger agreement. At or prior to the effective time of the merger, Conagra will deposit or cause to be deposited with the exchange agent the funds and shares of Conagra common stock necessary to pay the merger consideration pursuant to the merger agreement.

As promptly as practicable after the effective time of the merger, Conagra will instruct the exchange agent to mail to each holder of record of book-entry Pinnacle shares not held through DTC (i) a letter of transmittal or transfer of the book-entry Pinnacle shares to the exchange agent and (ii) instructions advising such stockholder how to surrender its shares of Pinnacle common stock or transfer the book-entry Pinnacle shares to the exchange agent in exchange for the merger consideration.

After the effective time of the merger, each holder of Pinnacle common stock will be entitled to receive the merger consideration (i) upon surrender to the exchange agent of shares of Pinnacle common stock that are certificates, by physical surrender of such certificates in accordance with the terms of the letter of transmittal and accompanying instructions, (ii) upon the transfer of shares of Pinnacle common stock that are book-entry Pinnacle shares not held through DTC, in accordance with the terms of the letter of transmittal and accompanying instructions, or (iii) upon the transfer of shares of Pinnacle common stock that are book-entry Pinnacle shares held through DTC, including by delivery of an agent's message, in accordance with DTC's customary procedures and such other procedures as agreed by Conagra, the exchange agent and DTC. Interest will not be paid or accrue in respect of any of the merger consideration, and the amount of any merger consideration paid to stockholders of Pinnacle may be reduced by the amount of applicable withholding taxes.

From and after the effective time of the merger, there will be no further transfers on the stock transfer books of Pinnacle of shares of Pinnacle common stock that were outstanding immediately prior to the effective time of the merger. If, after the effective time of the merger, any certificate or book-entry Pinnacle shares is presented to the surviving corporation, Conagra or the exchange agent for transfer, it will be canceled and exchanged for the aggregate merger consideration to which the stockholder thereof is entitled, pursuant to and in accordance with the merger agreement.





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**Table of Contents**

**Treatment of Pinnacle Equity Awards**

At the effective time of the merger, subject to all required withholding taxes:

*Pinnacle options*

Each outstanding Pinnacle option that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled stock appreciation right relating to a number of shares of Conagra common stock (rounded down to the nearest whole share) equal to (1) the number of shares of Pinnacle common stock subject to the unvested Pinnacle option immediately prior to the effective time of the merger multiplied by (2) the equity award exchange ratio, at a base price per share (rounded up to the nearest whole cent) equal to (x) the exercise price of such Pinnacle option divided by (y) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle option immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described above);

Each outstanding Pinnacle option that is vested immediately prior to the effective time of the merger will automatically be canceled in exchange for the right to receive an amount, solely in cash, equal to the number of shares of Pinnacle common stock subject to such Pinnacle option immediately prior to the effective time of the merger multiplied by the excess, if any, of the equity award cash-out consideration over the exercise price per share of such Pinnacle option;

Pinnacle RSUs

Each outstanding Pinnacle RSU that is unvested immediately prior to the effective time of the merger will be converted into a cash-settled restricted stock unit relating to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (1) the number of shares of Pinnacle common stock subject to the unvested Pinnacle RSU immediately prior to the effective time of the merger multiplied by (2) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle RSU immediately prior to the effective time of the merger (subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described above);

Each outstanding Pinnacle RSU that is vested immediately prior to the effective time of the merger will be canceled and converted into the right to receive an amount in cash equal to the equity award cash-out consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents;

Pinnacle PSUs

Each outstanding Pinnacle PSU that is unvested immediately prior to the effective time of the merger will be canceled and converted into a time-based cash-settled restricted stock unit related to a number of shares of Conagra common stock (rounded up to the nearest whole share) equal to (1) the number of shares of

Pinnacle common stock subject to the unvested Pinnacle PSU immediately prior to the effective time of the merger, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, multiplied by (2) the equity award exchange ratio, and otherwise subject to substantially the same terms and conditions as were applicable to such unvested Pinnacle PSU immediately prior to the effective time of the merger (other than performance-based vesting conditions and subject to certain changes to vesting terms, including those that impact the Pinnacle executive officers, as are further described above);

Each outstanding Pinnacle PSU that is vested immediately prior to the effective time of the merger will be canceled and converted into the right to receive an amount in cash equal to the product of (x) the

## **Table of Contents**

number of shares of Pinnacle common stock underlying such Pinnacle PSU, based on actual performance, as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger and (y) the equity award cash-out consideration plus an amount in cash equal to any accumulated and unpaid dividend equivalents with respect to such vested Pinnacle PSU;

### **Pinnacle PSAs**

Each outstanding unvested Pinnacle performance-based restricted share award will be deemed to be two separate awards, the Pinnacle PSA portion of which will become vested based on actual performance as determined by the Pinnacle board and reasonably agreed to by the Conagra board immediately prior to the effective time of the merger, and the performance share unit portion, which will be treated as an unvested Pinnacle PSU as set forth above; and

Each vested Pinnacle PSA (including the portion that vests in accordance with the foregoing) will be canceled and converted into the right to receive the merger consideration and an amount in cash equal to any accumulated and unpaid dividend equivalents.

## **Representations and Warranties**

The merger agreement contains a number of representations and warranties made by Pinnacle with respect to Pinnacle and its subsidiaries and Conagra and Merger Sub, with respect to Conagra and Merger Sub, including representations and warranties relating to:

corporate organization, good standing and similar matters;

capital structure and equity securities;

corporate power and authority to execute and deliver the merger agreement and to consummate the transactions contemplated by the merger agreement;

authorization of the merger agreement, the merger and the other transactions contemplated by the merger agreement and enforceability of the merger agreement;

required governmental filings and consents in connection with the execution, delivery and performance of the merger agreement and the closing of the merger and the other transactions contemplated by the merger agreement;

absence of (i) breach or violation of, or default under, the charter documents, (ii) with or without notice, lapse of time or both, breach or violation of, a termination (or right of termination) or default under, the creation or acceleration of any obligations under, the loss of any benefits under, or the creation of a lien on

any of the assets of Pinnacle or any of its subsidiaries pursuant to any contract binding upon Pinnacle or any of its subsidiaries or pursuant to any law to which Pinnacle or any of its subsidiaries is subject, and (iii) any change in the rights or obligations of any party under any contract binding upon Pinnacle or any of its subsidiaries;

conflicts with, violation or breach of or defaults under the charter documents and certain contracts in connection with the execution, delivery and performance of the merger agreement and the closing of the merger and the other transactions contemplated by the merger agreement;

accuracy of reports and financial statements filed with the SEC;

disclosure controls and procedures and internal controls over financial reporting;

absence of certain changes or events and the conduct of business in the ordinary course of business since December 31, 2017;

legal proceedings;

**Table of Contents**

absence of undisclosed liabilities;

compliance with applicable laws (including anti-corruption laws and trade laws), court orders and certain regulatory matters;

permits and licenses;

the inapplicability of state takeover statutes or similar provisions in Pinnacle's charter and the absence of stockholders rights agreements;

environmental matters and compliance with environmental laws;

tax matters;

labor matters;

intellectual property and IT security;

broker's, finder's and similar fees payable in connection with the merger and the other transactions contemplated by the merger agreement;

material customers and material suppliers;

compliance with U.S. Food and Drug Administration (the "FDA"), USDA and FTC regulations and the absence of recalls and other adverse events related to Pinnacle's products; and

related party agreements.

In addition, Conagra made certain representations and warranties with respect to financing and Pinnacle made certain representations and warranties with respect to Pinnacle and its subsidiaries regarding:

employee compensation and benefits matters;

matters relating to the Employee Retirement Income Security Act of 1974, as amended;

insurance;

material contracts;

hedging arrangements;

real and personal property; and

information privacy.

Significant portions of the representations and warranties of Pinnacle, Conagra and Merger Sub are qualified as to materiality or Material Adverse Effect. Under the merger agreement, a Material Adverse Effect with respect to Conagra or Pinnacle is defined to mean any event, change, effect, development, state of facts, condition, circumstance or occurrence that, individually or in the aggregate with all other events, changes, effects, developments, states of facts, conditions, circumstances and occurrences, (a) would, or would reasonably be expected to, prevent or materially impede the ability of Conagra or Pinnacle, as applicable, to consummate the merger and the other transactions contemplated by the merger agreement prior to the end date or (b) is, or would reasonably be expected to be, materially adverse to the business, results of operations, properties, assets, liabilities, operations or financial condition of Conagra or Pinnacle, as applicable, and their respective subsidiaries, taken as a whole; provided that none of the following (or the results thereof) will be taken into account, either alone or in combination, in determining whether a Material Adverse Effect has occurred for purposes of clause (b) of this definition:

any changes in general U.S. or global economic conditions;\*

any changes in the general conditions of the industries in which Conagra or Pinnacle, as applicable, and their respective subsidiaries operate;\*

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**Table of Contents**

any decline in the market price or trading volume of the Conagra or Pinnacle common stock, in and of itself (provided that the exception in this clause will not prevent the underlying events, changes, effects, developments, states of facts, conditions, circumstances and occurrences giving rise to or contributing to such decline from being taken into account in determining whether there has been a Material Adverse Effect);

any failure, in and of itself, by Conagra or Pinnacle, as applicable, to meet any internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics for any period (provided that the exception in this clause shall not prevent the underlying events, changes, effects, developments, states of facts, conditions, circumstances and occurrences giving rise to or contributing to such failure from being taken into account in determining whether there has been a Material Adverse Effect);

the negotiation, execution and delivery of the merger agreement or the public announcement or pendency of the merger or any of the other transactions contemplated by the merger agreement;

compliance with the terms of, or the taking of any action required by, the merger agreement;

any change in applicable law or U.S. generally acceptable accounting principles ( GAAP ) or authoritative interpretations thereof;\*

the outbreak or escalation of hostilities, any acts of war (whether or not declared), military activity, civil disobedience or terrorism (other than cyber terrorism);\*

earthquakes, floods, hurricanes, tornados or other natural disasters;\*

any action taken by one party or its subsidiaries at the other party's written request; or

any change or prospective change in Conagra's or Pinnacle's credit ratings (provided that the exception in this clause shall not prevent the underlying events, changes, effects, developments, states of facts, conditions, circumstances and occurrences giving rise to or contributing to such change or prospective change from being taken into account in determining whether there has been a Material Adverse Effect);

except, in the case of the five bullets marked with an asterisk above, to the extent that Conagra or Pinnacle, as applicable, and their respective subsidiaries, taken as a whole, are disproportionately adversely affected thereby in any material respect as compared to other participants in the industries or geographies in which Conagra or Pinnacle, as applicable, and their respective subsidiaries operate.

The representations and warranties of Pinnacle, Conagra and Merger Sub will expire upon the effective time of the merger.

### **Conduct of Business Pending the Merger**

Each of Conagra and Pinnacle has undertaken certain covenants in the merger agreement restricting the conduct of their respective businesses between the date of the merger agreement and the effective time of the merger.

Unless Conagra otherwise approves in writing (such approval not to be unreasonably withheld, conditioned or delayed) and except as contemplated by the merger agreement, as required by applicable laws, orders or governmental entities, or as previously disclosed in writing to Conagra, Pinnacle has agreed that during the period from the date of the merger agreement until the effective time of the merger, Pinnacle and its subsidiaries will conduct their businesses in the ordinary and usual course, consistent with past practice, and use commercially reasonable efforts to:

preserve their business organizations intact and maintain existing relations and goodwill with governmental entities, customers, suppliers, distributors, creditors, lessors, insurers, employees unions and business associates;

- 112 -



**Table of Contents**

maintain in effect all licenses and contracts that do not expire by their terms prior to the effective time of the merger;

keep available the services of their present officers, employees and agents;

maintain their material tangible assets in good working order; and

in the ordinary course of business consistent with past practice, timely file all tax returns and pay all taxes shown as due on such tax returns or that are otherwise required to be paid by or on behalf of Pinnacle or any of its subsidiaries.

In addition, Pinnacle has agreed that, subject to the exceptions listed above, it will not, and will cause its subsidiaries not to, do the following:

adopt or propose any change in its certificate of incorporation or bylaws or other applicable governing instruments, or terms of any security of Pinnacle or any subsidiary, other than in immaterial respects in relation to any subsidiary of Pinnacle;

merge or consolidate itself or any of its subsidiaries with any other person or restructure, reorganize or completely or partially liquidate;

acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, securities or assets (A) constituting a business or (B) otherwise outside of the ordinary course of business, in each case with a value or purchase price in excess of \$3,000,000 individually or \$10,000,000 in the aggregate in any transaction or series of related transactions, other than, with respect to clause (B), acquisitions pursuant to contracts in effect as of the date of the merger agreement that have disclosed to Conagra prior to the date of the merger agreement;

issue, sell, pledge, dispose of, grant, transfer or encumber (or authorize any of the foregoing) any shares of their capital stock or securities convertible or exchangeable into or exercisable for any shares of such capital stock, or any options, warrants or other rights of any kind to acquire any shares of such capital stock or such convertible or exchangeable securities;

make any loans, advances or capital contributions to or investments in any person (other than loans or advances between or among Pinnacle and any of its direct or indirect wholly owned subsidiaries) in excess of \$5,000,000 in the aggregate;

declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock (except for dividends paid by any direct or indirect wholly

owned subsidiary of Pinnacle to Pinnacle or to any other direct or indirect wholly owned subsidiary of Pinnacle that are made in compliance with the Fourth Amended and Restated Credit Agreement, dated as of March 15, 2018, by and among Pinnacle Foods Finance LLC, Peak Finance Holdings LLC, the guarantors party thereto, Barclays Bank PLC, Bank of America, N.A., as administrative agent, collateral agent and swingline lender and the other lenders party thereto, as amended by the First Amendment thereto dated as of May 30, 2018 (the "Pinnacle credit agreement"), the Indenture, dated as of January 15, 2016, by and among Pinnacle Foods Finance LLC, Pinnacle Foods Finance Corp., the guarantors listed therein and Wilmington Trust, National Association, as supplemented by the First Supplemental Indenture, dated as of January 15, 2016, by and among Pinnacle Foods Finance LLC, Pinnacle Foods Finance Corp., the guarantors listed therein and Wilmington Trust, National Association, as trustee (the "Pinnacle indenture") and the other contractual obligations of Pinnacle and its subsidiaries; provided that, in each case solely to the extent in compliance with the above-mentioned Pinnacle credit agreement, the Pinnacle indenture and the other contractual obligations of Pinnacle and its subsidiaries, Pinnacle may continue to declare and pay regular quarterly cash dividends to its stockholders in an amount not in excess of the amount disclosed to Conagra prior to the date of the merger agreement, in accordance with Pinnacle's past practice and Pinnacle may give effect to dividend equivalent rights with respect to outstanding grants under its stock plans, in the ordinary course of business consistent with past practice;

- 113 -

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**Table of Contents**

enter into any agreement with respect to the voting of its capital stock;

reclassify, split, combine, subdivide or redeem, purchase or otherwise acquire, directly or indirectly, any shares of its capital stock or securities convertible or exchangeable into or exercisable for any shares of its capital stock;

incur any indebtedness, or issue or sell any debt securities or warrants or other rights to acquire any debt securities of Pinnacle or its subsidiaries, except for (A) indebtedness incurred in the ordinary course of business consistent with past practices pursuant to the revolving, swingline or letter of credit facilities of Pinnacle credit agreements in an aggregate amount not to exceed \$50,000,000 (provided that \$40,000,000 of such amount shall be limited to seasonal purchases for agricultural purposes) outstanding at any time (in addition to amounts outstanding thereunder as of April 1, 2018), provided that no indebtedness incurred by Pinnacle or any of its subsidiaries shall have any voting rights associated therewith, (B) intercompany indebtedness among Pinnacle and its wholly owned subsidiaries, (C) guarantees by Pinnacle or any wholly owned subsidiary of Pinnacle of indebtedness of Pinnacle or any other wholly owned subsidiary of Pinnacle, (D) indebtedness in respect of letters of credit, performance bonds or similar credit support instruments, overdraft facilities or cash management programs, in each case issued, made or entered into in the ordinary course of business, (E) indebtedness in respect of certain interest rate, currency or commodity derivatives or hedging transactions;

redeem, repay, defease or cancel any indebtedness other than as required in accordance with its terms, borrowings under Pinnacle's revolving credit agreement, as directed by Conagra in accordance with the merger agreement or repayments of borrowings under Pinnacle's credit agreement in the ordinary course of business;

(A) make or authorize any payment of, accrual or commitment for, capital expenditures in excess of \$7,500,000 in the aggregate more than the amount listed on the budget (or with respect to the 2019 fiscal year, the forecast) previously made available to Conagra or (B) implement or effect any process, strategy or program intended to, or that could reasonably be expected to, reduce selling, general and administrative costs or expenses in excess of \$1,000,000;

(A) other than in the ordinary course of business, amend, modify, terminate or waive any material right under any material contract, (B) other than in the ordinary course of business consistent with past practice, enter into any contract that would have been a material contract had it been entered into prior to the merger agreement, or (C) enter into contracts that would have been a material contract pursuant to certain clauses of the definition of material contract in the merger agreement had it been entered into prior to the merger agreement;

(A) make any material changes with respect to accounting policies or procedures, except as required by changes in GAAP that become effective after the date of the merger agreement, (B) change its fiscal year or (C) make any material change in internal accounting controls or disclosure controls and procedures that could reasonably be expected to negatively affect Pinnacle;

settle, propose to settle or compromise any action before a governmental entity if such settlement, proposed settlement or compromise (A) with respect to the payment of monetary damages, involves the payment of monetary damages by Pinnacle or its subsidiaries that exceed \$3,000,000 in the aggregate, (B) that imposes any material equitable or non-monetary relief, penalty or restriction on Pinnacle or any of its subsidiaries (or, after the effective time of the merger, on Conagra or any of Conagra's subsidiaries), (C) that would reasonably be expected to affect the rights or defenses available to Pinnacle or any of its subsidiaries in any related or similar claims that, individually or in the aggregate, are material to Pinnacle and its subsidiaries, taken as a whole, or (D) that involves the admission of wrongdoing by Pinnacle or any subsidiary of Pinnacle or would result in an actual or potential violation of any criminal law;

(A) make, change or rescind any tax election that, individually or in the aggregate, would reasonably be expected to materially and adversely affect the tax liability of Pinnacle or any of its subsidiaries,

- 114 -

**Table of Contents**

(B) adopt or change any material tax accounting method, (C) adopt or change any tax accounting period that, individually or in the aggregate, would reasonably be expected to materially and adversely affect the tax liability of Pinnacle or any of its subsidiaries, (D) amend any material tax Return, (E) settle, compromise, concede or abandon any tax liability, claim or assessment or enter into any closing agreement with respect to taxes, in each case that exceeds \$1,000,000 individually or \$5,000,000 in the aggregate (together with (x) all other settlements, compromises, concessions, or abandonments with respect to any tax liability, claim or assessment or (y) closing agreements entered into, made or taken with respect to taxes, in each case of clauses (x) and (y), on or after the date of the merger agreement), (F) surrender any right to claim a refund of material taxes, (G) waive or extend any statute of limitations with respect to a material amount of taxes, or (H) seek or obtain any ruling from a governmental entity with respect to taxes;

transfer, sell, lease, license, mortgage, pledge, surrender, encumber, divest, cancel, abandon or allow to lapse or expire or otherwise dispose of, or grant or permit any lien on, any of their material properties, except licenses, operations, assets, product lines or businesses or those of any of its subsidiaries, including any equity interests of any of its subsidiaries (other than with respect to equity interests of any of its subsidiaries) (A) in connection with goods or services provided in the ordinary course of business consistent with past practice, (B) for sales of obsolete assets, (C) for sales, leases, licenses or other dispositions of assets with a fair market value not in excess of \$10,000,000 in the aggregate, or (D) pursuant to contracts in effect prior to the date of the merger agreement that have been provided to Conagra prior to the date of the merger agreement;

except as required by any Pinnacle labor agreements in effect as of the date of the merger agreement or the terms of any Pinnacle benefit plan existing as of the date of the merger agreement, (A) increase or accelerate the payment of any benefits of any current or former directors, officers, employees, or independent contractors or consultants (who are natural persons) of Pinnacle or its subsidiaries other than increases to employees who have a title below that of vice president in the ordinary course of business consistent with past practice, (B) pay or award, or commit to pay or award, any compensation, bonuses, incentive compensation or other benefits (or accelerate the payments, rights or benefits) payable to any director, officer, consultant or independent contractor (who is a natural person) or employee other than salary, wage rate or annual bonus increases to employees who have a title below that of vice president in the ordinary course of business consistent with past practice, (C) accelerate the time of funding or payment of, or increase the amount required to fund, any Pinnacle benefit plan, or fund any rabbi trust or similar arrangement associated with or intended to satisfy liabilities under any Pinnacle benefit plan, (D) forgive any loans, or issue any loans (other than routine travel advances issued in the ordinary course of business) to any of its or its subsidiaries' directors, officers, employees, consultants or independent contractors, (E) grant any new awards under any Pinnacle benefit plan, (F) enter into, establish, adopt, amend or terminate any Pinnacle benefit plan or any other agreement or arrangement which would be a Pinnacle benefit plan if it were in effect on the date of the merger agreement, (G) adopt, enter into, modify or amend or terminate any Pinnacle labor agreement, (H) hire any employee of Pinnacle or any of its subsidiaries other than the hiring of employees to replace employees or to fill open positions, in either case, with base pay not in excess of \$250,000, (I) terminate the employment of any executive officer other than for cause or due to disability (in either case, as determined by Pinnacle in the ordinary course of business), or (J) engage in any action, or fail to take any action, that could cause a partial or complete withdrawal, or could give rise to any liability with respect to a partial or complete withdrawal, pursuant to any multiemployer plan under ERISA;

effectuate a plant closing or mass layoff as those terms are defined in the Worker Adjustment and Retraining Notification Act or any similar state or local law;

take or omit to take any action if such action or omission would reasonably be expected to result in any of the closing conditions set forth in the merger agreement not being satisfied; or

agree, authorize or commit to do any of the foregoing.

- 115 -

**Table of Contents**

Conagra has agreed that, unless Pinnacle consents in writing (which consent may not be unreasonably withheld, conditioned or delayed) and except as contemplated by the merger agreement, as required by applicable laws, orders or governmental entities, or as previously disclosed in writing to Conagra, it will not, and will cause its subsidiaries not to, do the following:

adopt or propose any change in its certificate of incorporation or bylaws, or the terms of any security of Conagra;

reclassify, split, combine, subdivide or redeem, directly or indirectly, any of its capital stock;

declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock or repurchase any shares of Conagra common stock at a premium; provided that, in each case solely to the extent in compliance with the credit agreements, indentures and other contractual obligations of Conagra and its subsidiaries, Conagra may continue to declare and pay regular quarterly cash dividends to its stockholders not in excess of the amounts disclosed to Pinnacle prior to the date of the merger agreement, in each case in accordance with Conagra's past practice and Conagra may give effect to dividend equivalent rights with respect to outstanding grants under Conagra's equity award plans;

restructure, reorganize or completely or partially liquidate (except for any such transactions among its wholly owned subsidiaries);

acquire by merging or consolidating with, or by purchasing a substantial portion of the assets of or equity in, or by any other manner, any person or any business or division thereof, or otherwise acquire any assets, unless such acquisition or the entering into a definitive agreement relating to or the consummation of such transaction would not reasonably be expected to (A) impose any delay in the obtaining of, or increase in any material respect the risk of not obtaining, any authorizations, consents, orders, declarations or approvals of any governmental entity necessary to consummate the merger or the expiration or termination of any applicable waiting or approval period, (B) increase the risk in any material respect of any governmental entity entering an order prohibiting the closing of the merger, or (C) increase in any material respect the risk of not being able to remove any such order on appeal or otherwise;

issue, sell, pledge, dispose of, grant, transfer, encumber, or authorize the issuance, sale, pledge, disposition, grant, transfer, lease, license, guarantee or encumbrance of, any shares of Conagra capital stock or any of its subsidiaries, or securities convertible or exchangeable into or exercisable for any shares of such capital stock, or any options, warrants or other rights of any kind to acquire any shares of such capital stock or such convertible or exchangeable securities, other than the issuance of (A) any shares of Conagra common stock upon the settlement of any grant made under any Conagra stock plan, (B) any securities of a subsidiary of Conagra to Conagra or any other subsidiary of Conagra, or (C) any grants under the Conagra stock plan;

take or omit to take any action if such action or omission would reasonably be expected to result in any of the closing conditions set forth in the merger agreement not being satisfied; or

agree, authorize or commit to do any of the foregoing.

**No Solicitation; Board Recommendation**

In the merger agreement, Pinnacle agreed not to, and to cause its subsidiaries and its and their respective officers, directors, employees, investment bankers, attorneys, accountants and other advisors or representatives not to, directly or indirectly:

initiate, solicit or knowingly encourage or facilitate the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, any acquisition proposal;

- 116 -



## Table of Contents

enter into, engage in, maintain, continue or otherwise participate in any discussions or negotiations with, or furnish or otherwise make available any non-public information or data to, any third party regarding an acquisition proposal; or

enter into any agreement in principle, letter of intent, term sheet, merger agreement, acquisition agreement, option agreement, memorandum of understanding or other contract (other than a customary confidentiality agreement (provided that such confidentiality agreement contains confidentiality provisions that are no less favorable in the aggregate to Pinnacle than those contained in the confidentiality agreement between Pinnacle and Conagra that are applicable to Pinnacle (except that such confidentiality agreement need not contain a standstill or similar obligations to the extent that Conagra, concurrently with the entry by Pinnacle or any of its subsidiaries into such confidentiality agreement, is released from any standstill and other similar obligations in the confidentiality agreement between Pinnacle and Conagra)) (an acceptable confidentiality agreement)) relating to, or that would reasonably be expected to lead to, an acquisition proposal.

Pinnacle agreed to, and to cause its subsidiaries and its and their respective representatives to, cease immediately and cause to be terminated any and all existing activities, discussions or negotiations, if any, with any third party and/or its representatives, with respect to any acquisition proposal, or any inquiry, proposal or offer that would reasonably be expected to lead to, any acquisition proposal, and promptly seek to have each third party to whom confidential information has been furnished or otherwise made available by or on behalf of Pinnacle or any of its subsidiaries within the 12-month period preceding the date of the merger agreement in connection with, or for the purpose of evaluating, an acquisition proposal promptly return or destroy all such confidential information so furnished or otherwise made available.

The merger agreement provides that, notwithstanding the restrictions described above, Pinnacle, or any of its representatives, may in any event (i) seek to clarify the terms and conditions of any unsolicited inquiry or proposal to determine whether such inquiry or proposal constitutes a *bona fide* acquisition proposal and (ii) inform a third party that makes an acquisition proposal of the restrictions described in this section.

In addition, notwithstanding the restrictions described above, if, at any time prior to the adoption of the merger agreement by the holders of shares of Pinnacle common stock, (i) Pinnacle receives a *bona fide* acquisition proposal that did not result from a breach by Pinnacle or its subsidiaries or representatives of the non-solicitation provisions of the merger agreement and (ii) the Pinnacle board determines in good faith, after consultation with its outside legal counsel and financial advisor, that such acquisition proposal constitutes or would reasonably be expected to result in a superior proposal, then, before (but not after) the adoption of the merger agreement by the holders of shares of Pinnacle common stock, Pinnacle, directly or indirectly through its representatives, may:

engage in negotiations or discussions with such third party making the acquisition proposal and its representatives regarding an acquisition proposal; and

furnish to such third party or its representatives information, including non-public information, relating to, and afford access to the business, properties, assets, books and records of, Pinnacle and any of its subsidiaries, pursuant to an acceptable confidentiality agreement; provided that Pinnacle must promptly provide to Conagra any such information that is provided to any such third party that was not previously provided to or made available to Conagra; and provided, further, that Pinnacle and its subsidiaries must, and must cause their respective representatives to, promptly (and in any event within 24 hours) following the

time (if any) that the Pinnacle board determines in good faith that such acquisition proposal does not constitute and would not reasonably be expected to result in a superior proposal, terminate such negotiations, discussion and information access and seek to have such third party promptly return or destroy all confidential information made available to such third party.

Except in the circumstances described in the following paragraph, the Pinnacle board or any committee thereof, may not, directly or indirectly: (i) fail to include its recommendation that the holders of shares of

- 117 -

## Table of Contents

Pinnacle common stock adopt the merger agreement in the proxy statement/prospectus with respect to the merger, (ii) withhold or withdraw (or qualify or modify in a manner adverse to the Conagra and Merger Sub) such recommendation or its approval of the merger agreement or the merger or publicly propose to do so, (iii) make any public recommendation in connection with a tender offer or exchange offer other than a recommendation against such offer or as expressly permitted by the merger agreement, or fail to recommend against acceptance of such a tender or exchange offer by the close of business on the earlier of (A) the 10th business day after the commencement of such tender offer or exchange offer pursuant to Rule 14e-2 under the Exchange Act and (B) the second business day prior to the special meeting at which the merger agreement is to be voted upon or (iv) adopt, approve, recommend to its stockholders, endorse or otherwise declare advisable any acquisition proposal or resolve or agree or publicly propose to take any such actions (each such action being referred to herein as an adverse recommendation change ).

Prior to the time the holders of Pinnacle common stock vote to adopt the merger agreement, the Pinnacle board may, after complying with the procedure described in the following paragraph:

- (i) effect an adverse recommendation change if (and only if) (A) an intervening event occurs and (B) the Pinnacle board determines in good faith, after consultation with Pinnacle's outside legal counsel, that the failure to make an adverse recommendation change in response to such intervening event would be inconsistent with the exercise of its fiduciary duties to the stockholders of Pinnacle under applicable law, or
- (ii) (A) effect an adverse recommendation change or (B) cause Pinnacle to enter into an alternative acquisition agreement with respect to an acquisition proposal and terminate the merger agreement (as described below under *Termination of the Merger Agreement* ), in each case if (and only if) (x) Pinnacle receives a *bona fide* acquisition proposal that did not result from a breach by Pinnacle of the non-solicitation restrictions described herein that is not withdrawn and (y) the Pinnacle board determines in good faith, after consultation with its outside legal counsel and financial advisor, that such acquisition proposal constitutes a superior proposal; provided that any purported termination of the merger agreement is subject to the prior or concurrent payment by Pinnacle of the termination fee (as described below under *Termination Fee; Liability for Breach* ).

The Pinnacle board may not take any action described in the preceding paragraph unless it has first (i) caused Pinnacle to provide Conagra at least five business days' prior written notice of its intent to make an adverse recommendation change or cause Pinnacle to enter into an alternative acquisition agreement, which written notice must (x) in the case of an action contemplated by clause (i) of the preceding paragraph, specify in reasonable detail the circumstances related to the intervening event and the Pinnacle board's determination with respect thereto, or (y) in the case of an action contemplated by clause (ii) of the preceding paragraph, (A) state that Pinnacle has received an unsolicited superior proposal, (B) specify the material terms and conditions of such superior proposal, (C) identify the person making such superior proposal, and (D) enclose the most recent draft of any agreements intended to be entered into in connection with such superior proposal; (ii) caused Pinnacle and its representatives to negotiate, to the extent Conagra so wishes to negotiate, in good faith during such five business day period following delivery of such notice with Conagra concerning any revisions to the terms of the merger agreement that Conagra wishes to propose in response to the intervening event or superior proposal, as applicable; (iii) following the end of such notice, determined in good faith after consultation with its outside legal counsel and financial advisor, that (x) in the case of an action contemplated by clause (i) of the preceding paragraph, the failure to effect an adverse recommendation change in response to such intervening event continues to be inconsistent with the exercise of its fiduciary duties to the stockholders of Pinnacle under applicable law after taking into account any changes to which Conagra has committed in writing to make to the merger agreement, or (y) in the case of an action contemplated by clause (ii) of the preceding paragraph, such acquisition proposal continues to constitute a superior proposal after taking into account any changes to which Conagra has committed in writing to make to the merger agreement, and (iv) in the event of any revisions to the financial or other material terms of any applicable superior proposal, Pinnacle delivers to Conagra a new notice

describing such revisions (including copies of the most recent draft of any agreements implementing such revisions) and gives Conagra an additional opportunity to negotiate changes to the terms of the merger agreement (except that the notice period need only be three business days).

- 118 -

## **Table of Contents**

Pinnacle has also agreed to notify Conagra promptly (but in no event later than 24 hours) after receipt by Pinnacle (or any of its representatives) of any acquisition proposal, or any inquiry, proposal or offer that would reasonably be expected to lead to an acquisition proposal, or any request for information relating to Pinnacle or any of its subsidiaries or for access to the business, properties, assets, books or records of Pinnacle or any of its subsidiaries, in each case by any person that is reasonably likely to be considering or seeking to make, or has made within the 12 months preceding the date of the merger agreement, an acquisition proposal, which notice will include the material terms and conditions of any such acquisition proposal, inquiry, proposal, offer or request, copies of any material written communications and draft documentation received relating to such acquisition proposal and indicating the name of the person making such acquisition proposal, inquiry, proposal, offer or request. Thereafter, Pinnacle will keep Conagra reasonably informed, on a timely basis, of the status and material terms of any such acquisition proposal, inquiry, proposal, offer or request (including any amendments thereto) and the status of any discussions or negotiations with such person or its representatives and provide copies of all material written communications and draft documentation received relating to such acquisition proposal.

An acquisition proposal as used herein means (a) any inquiry, proposal or offer from any third party with respect to a merger, joint venture, partnership, consolidation, dissolution, liquidation, tender offer, recapitalization, reorganization, share exchange, business combination or similar transaction involving Pinnacle and/or any of its subsidiaries with respect to assets that constitute 15% or more of the assets, revenues or net income of Pinnacle and its subsidiaries, taken as a whole, or (b) any acquisition by a third party resulting in, or inquiry, proposal or offer (including any tender offer or exchange offer) from a third party that if consummated would result in, a third party becoming the beneficial owner of, directly or indirectly, in one transaction or a series of related transactions, (i) 15% or more of the total voting power of, or of any class of, equity securities of Pinnacle or any of the subsidiaries of Pinnacle, or (ii) 15% or more of the consolidated total assets (including equity securities of the subsidiaries of Pinnacle), revenues or net income of Pinnacle, in each case other than the transactions contemplated by the merger agreement.

An intervening event means any material change, development or occurrence with respect to Pinnacle or Conagra, as applicable that (a) first becomes known to the Pinnacle board after the date of the merger agreement and was not reasonably foreseeable by the Pinnacle board as of the date of the merger agreement, or (b) if known (or reasonably foreseeable) as of the date of the merger agreement, the consequences of such change, development or occurrence were not known to or reasonably foreseeable by the Pinnacle board as of the date of the merger agreement; provided, however, that in no event will any of the following constitute or be deemed to contribute to or otherwise be taken into account in determining whether there has been, an intervening event: (i) the receipt, existence or terms of any acquisition proposal or any proposal or offer that would reasonably be expected to lead to an acquisition proposal, or the consequences of any of the foregoing, (ii) any changes in general U.S. or global economic conditions, (iii) any changes in the general conditions of the industries in which Pinnacle and its subsidiaries or Conagra and its subsidiaries operate, (iv) the outbreak or escalation of hostilities, any acts of war (whether or not declared), military activity, civil disobedience or terrorism, (v) earthquakes, floods, hurricanes, tornados or other natural disasters, (vi) any change in applicable law or GAAP (or authoritative interpretations thereof) after the date of the merger agreement, (vii) any change in the market price or trading volume of shares of Pinnacle common stock or shares of Conagra common stock, in and of itself, (viii) Pinnacle or Conagra, or any of their respective subsidiaries, meeting or exceeding any applicable internal or published projections, forecasts, estimates or predictions of revenues, earnings or other financial or operating metrics for any period, (ix) any failure, in and of itself, by Pinnacle or Conagra to meet any applicable internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics for any period, and (x) any change or prospective change in Pinnacle's or Conagra's credit ratings (provided that the exceptions in clauses (vii), (viii), (ix) and (x) shall not prevent the underlying events, changes, effects, developments, states of facts, conditions, circumstances and occurrences giving rise to or contributing to the applicable event from being taken into account in determining whether there has been an intervening event).



## **Table of Contents**

A superior proposal as used herein means a *bona fide* written acquisition proposal (but substituting 50% for all references to 15% in the definition of such term) that did not result from a violation of the non-solicitation provisions of the merger agreement and that the Pinnacle board has determined in its good faith judgment, after consultation with its outside legal counsel and financial advisor, and taking into account the terms and conditions and all other relevant factors (including all legal, financial and regulatory aspects of the proposal, the certainty of financing or available proceeds for such a proposed transaction, and the person making the proposal), would be more favorable to Pinnacle stockholders from a financial point of view than the transactions contemplated by the merger agreement (after taking into account (a) any revisions to the terms of the merger agreement that Conagra has committed in writing to make pursuant to its matching rights and (b) the certainty of completion and the time likely to be required to consummate such acquisition proposal).

Nothing described above limits Pinnacle or the Pinnacle board's ability to (i) take and disclose to its stockholders a position contemplated by Rule 14d-9, Rule 14e-2(a) and Item 1012(a) of Regulation M-A promulgated under the Exchange Act or to make any legally required disclosure to stockholders with regard to the transactions contemplated by the merger agreement (provided that neither Pinnacle nor the Pinnacle board may effect an adverse recommendation change except under the circumstances described above); (ii) issue a stop, look and listen communication pursuant to Rule 14d-9(f) under the Exchange Act or (iii) disclose that the Pinnacle board or any committee thereof has determined that an acquisition proposal constitutes a superior proposal, that the Pinnacle board or any committee thereof intends to make an adverse recommendation change or that Pinnacle intends to terminate the merger agreement to enter into an alternative acquisition agreement and in each case any material facts and circumstances relating thereto.

### **Efforts to Obtain Pinnacle Stockholder Approval**

Pinnacle has agreed to (a) as soon as reasonably practicable following the date on which the registration statement of which this proxy statement/prospectus forms a part is declared effective under the Securities Act and the SEC staff advises that it has no further comments on the prospectus/proxy statement, Pinnacle may duly call and give notice of, and commence mailing of the prospectus/proxy statement to the holders of shares of Pinnacle common stock as of the record date established for the special meeting to consider and vote upon the adoption of this Agreement, (b) as soon as reasonably practicable (but in any event within 35 calendar days) following the commencement of the mailing of the prospectus/proxy statement pursuant to clause (a) above, convene and hold the special meeting, and (c) unless there has been an adverse recommendation change permitted by and in accordance with the merger agreement, use its reasonable best efforts to solicit proxies from its stockholders in favor of the adoption of the merger agreement and take all other actions necessary or advisable to secure Pinnacle stockholder approval.

Notwithstanding this section, Pinnacle may adjourn or postpone the special meeting to a later date to the extent Pinnacle believes in good faith, after consultation with Conagra, that such adjournment or postponement is reasonably necessary (i) to ensure that any required supplement or amendment to the prospectus/proxy statement is provided to the holders of shares of Pinnacle common stock within a reasonable amount of time in advance of the special meeting, (ii) to allow reasonable additional time to solicit additional proxies necessary to obtain stockholder approval, (iii) to ensure that there are sufficient shares of Pinnacle common stock represented (either in person or by proxy) and voting to constitute a quorum necessary to conduct the business of the special meeting, or (iv) otherwise where required to comply with applicable law. Subject to the merger agreement, the Pinnacle board shall recommend the adoption of the merger agreement at the special meeting and, unless there has been an adverse recommendation change permitted by and in accordance with the merger agreement, shall include the company recommendation in the prospectus/proxy statement and take all lawful action necessary, proper or advisable on its part to solicit such adoption.





**Table of Contents**

**Efforts to Complete the Merger**

Conagra and Pinnacle have agreed to cooperate and to use their respective reasonable best efforts to:

take or cause to be taken all actions, and do or cause to be done, and assist and cooperate with the other party in doing, all things reasonably necessary, proper or advisable to consummate and make effective the merger and other transactions contemplated by the merger agreement as soon as practicable, including preparing and filing as promptly as practicable all documentation to effect all necessary notices, reports and other filings;

obtain as promptly as practicable all consents, registrations, approvals, permits and authorizations necessary or advisable to be obtained from any third party and/or any governmental entity in order to consummate the merger or any of the other transactions contemplated by the merger agreement, including filing a Notice and Report Form with the FTC and the Antitrust Division of the DOJ pursuant to the HSR Act as promptly as the parties may mutually agree, acting in good faith;

execute and deliver any additional instruments necessary to consummate the transactions contemplated by the merger agreement; and

defend or contest in good faith any action brought by a third party or governmental entity that could otherwise prevent, impede, interfere with, hinder or delay in any material respect the consummation of the transactions contemplated by the merger agreement.

In addition, Conagra and Pinnacle have agreed to:

each request early termination of the waiting period with respect to the merger under the HSR Act;

make the appropriate filings under Part IX of the Competition Act (Canada) with respect to the transactions contemplated by the merger agreements at such time as the parties may mutually agree, acting in good faith;

supply as promptly as reasonably practicable any additional information or documentary material that may be requested pursuant to the HSR Act or other applicable law; and

in the case of Conagra, take and cause Conagra's affiliates, to take all actions necessary to satisfy as promptly as practicable all reasonable conditions, undertakings and requirements as may be necessary or appropriate to obtain expeditiously all required consents, authorizations, orders and approvals from governmental entities.

To the extent necessary to accomplish the foregoing and subject to certain limitations, Conagra and Pinnacle have agreed to use their respective reasonable best efforts to jointly propose, negotiate, commit to and effect, by consent decree, hold separate order or otherwise, the sale, divestiture or disposition of, or prohibition or limitation on the

ownership or operation by Conagra and Pinnacle or any of their respective subsidiaries of, any portion of the business, properties or assets of Conagra, Pinnacle or any of their respective subsidiaries; provided, however, that neither Conagra nor Pinnacle will be required to propose, commit to or effect any action that is not conditioned upon the closing of the merger; provided further, that Conagra shall not be required to propose, commit to or effect any sale, divestiture, hold separate arrangement or similar disposition of, or behavioral remedy in respect of, any assets or business of either Conagra or Pinnacle (or group of such assets or businesses) that, in the aggregate, generated net sales in excess of \$300,000,000 during the most recent fiscal year of Conagra or Pinnacle, as applicable, immediately preceding the date of the merger agreement. Pinnacle, Conagra and Merger Sub and any of their respective affiliates shall not take any action with the intention to, or that would reasonably be expected to, hinder or delay the expiration or termination of any applicable waiting period under the HSR Act or under any other antitrust laws, or the obtaining of approval of the DOJ, FTC or any other applicable governmental entity of any jurisdiction of the other required antitrust approvals, as necessary.

Conagra will have the principal responsibility for devising and implementing the strategy for obtaining any and all necessary antitrust consents or approvals and will have the right to direct all matters with any

## **Table of Contents**

governmental entity consistent with its obligations hereunder; provided that Conagra will consult and cooperate with Pinnacle with respect to such strategy and will consider Pinnacle's views in good faith. Each party will permit the other parties to review in advance, and to the extent practicable each of Conagra and Pinnacle will consult with the other on and consider in good faith the views of the other in connection with, any proposed substantive communication to any governmental entity in connection with the merger agreement or the transactions contemplated thereby. In exercising the foregoing rights, each of the parties shall act reasonably and as promptly as practicable. In addition, neither Conagra nor Pinnacle will, and will cause their respective subsidiaries not to, commit to or agree with any governmental entity to stay, toll or extend any applicable waiting period under the HSR Act or any other antitrust laws or enter into a timing agreement with any governmental entity, without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed and Conagra will be permitted to pull and refile any filing made under the HSR Act or any other antitrust laws prior to the end date with the prior written consent of Pinnacle, which consent shall not be unreasonably withheld, conditioned or delayed.

### **Fees Payable by Pinnacle and Conagra**

Whether or not the merger is consummated, all costs and expenses incurred in connection with the merger agreement, the merger and the other transactions contemplated by the merger agreement will be paid by the party incurring such expense, except (a) that expenses incurred in connection with (i) the filing fee for the registration statement of which this proxy statement/prospectus forms a part and printing and mailing this proxy statement/prospectus and the registration statement and (ii) all statutory filing fees under the HSR Act shall be shared equally by Conagra and Pinnacle and (b) as otherwise expressly set forth in the merger agreement. For a description of certain fees and expenses incurred by the parties in connection with this proxy statement/prospectus, see the section titled *Special Meeting of Pinnacle Stockholders Solicitation of Proxies*.

### **Indemnification and Directors and Officers Insurance**

Under the merger agreement, from and after the effective time of the merger, Conagra will indemnify and hold harmless each present and former director and officer of Pinnacle or any of its subsidiaries and each other person who, at the request or for the benefit of Pinnacle or any of its subsidiaries, is or was previously serving as a director or officer or fiduciary of any other person or any benefit plan of Pinnacle or any benefit plan of any of the subsidiaries of Pinnacle (in each case, when acting in such capacity), determined as of the effective time of the merger (the indemnified parties), from and against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages, penalties, amounts paid in settlement (including all interest, assessments and other charges) or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of matters existing or occurring at or prior to the effective time of the merger, whether asserted or claimed prior to, at or after the effective time of the merger, to the fullest extent that Pinnacle or the applicable subsidiary of Pinnacle would have been permitted under Delaware law and under its certificate of incorporation or bylaws or other governing documents in effect on the date of the merger agreement to indemnify such person.

In addition, from and after the effective time of the merger, Conagra will advance fees, costs and expenses (including attorney's fees and disbursements) as incurred to the fullest extent permitted under applicable law; provided that the person to whom expenses are advanced provides an undertaking to repay such advances if it is ultimately determined by a final and nonappealable judicial determination that such person is not entitled to indemnification pursuant to the merger agreement or applicable law.

Any indemnified party wishing to claim indemnification under the preceding paragraph, upon learning of any such claim, action, suit, proceeding or investigation, must promptly notify Conagra thereof, but the failure to so notify will

not relieve Conagra or the surviving corporation of any liability it may have to such indemnified party except to the extent such failure materially prejudices the indemnifying party.

- 122 -

## **Table of Contents**

Conagra agreed to, for six years after the effective time of the merger, cause to be maintained in effect provisions in the surviving corporation's certificate of incorporation and bylaws (or in such documents of any successor to the business of the surviving corporation) regarding elimination of liability of directors, indemnification of directors, officers, employees, fiduciaries and agents and advancement of fees, costs and expenses that are no less advantageous to the intended beneficiaries than the corresponding provisions in existence on the date of the merger agreement. Conagra will also cause the surviving corporation and its subsidiaries to honor and comply with their respective obligations under any indemnification agreement with any indemnified party in effect as of (and disclosed to Conagra prior to) the date of the merger agreement, and not amend, repeal or otherwise modify any such agreement in any manner that would adversely affect any right of any indemnified party thereunder.

The parties agreed that, prior to the effective time of the merger, Pinnacle will, and if Pinnacle is unable to, Conagra will cause the surviving corporation as of the effective time of the merger to, obtain and fully pay for tail insurance policies for the extension of the directors' and officers' liability coverage of Pinnacle's existing directors' and officers' insurance policies with a claims period of at least six years from and after the effective time of the merger with respect to any claim related to any period of time at or prior to the effective time of the merger from an insurance carrier with the same or better credit rating as Pinnacle's current insurance carrier with respect to directors' and officers' liability insurance (collectively, D&O insurance) with benefits and levels of coverage no less favorable in any material respect to the indemnified parties than Pinnacle's existing policies with respect to matters existing or occurring at or prior to the effective time of the merger (including in connection with the merger agreement or the transactions contemplated thereby); provided, however, that in no event will Pinnacle expend for such policies a premium amount in excess of the amount disclosed by Pinnacle to Conagra in connection with the merger agreement. If Pinnacle and the surviving corporation for any reason fail to obtain such tail insurance policies as of the effective time of the merger, the surviving corporation will, and Conagra will cause the surviving corporation to, continue to maintain in effect for a period of at least six years from and after the effective time of the merger the D&O insurance in place as of the date of the merger agreement with benefits and levels of coverage no less favorable in any material respect to the indemnified parties than that provided in Pinnacle's existing policies as of the date of the merger agreement, or the surviving corporation will, and Conagra will cause the surviving corporation to, use its reasonable best efforts to purchase comparable D&O insurance for such six-year period with benefits and levels of coverage at least as favorable to the indemnified parties as provided in Pinnacle's existing policies as of the date of the merger agreement), provided, however, that in no event will Conagra or the surviving corporation be required to expend for such policies an annual premium amount in excess of the amount disclosed by Pinnacle to Conagra in connection with the merger agreement; and, provided further that if the annual premium of such insurance coverage exceed such amount, the surviving corporation will obtain a policy with the greatest coverage available for a cost not exceeding such amount.

## **Financing**

Prior to the effective time of the merger, Pinnacle has agreed to use, and cause its subsidiaries to use, its and their reasonable best efforts to cause its and their respective representatives to provide Conagra all cooperation reasonably requested by Conagra, as more fully set forth in the merger agreement, in connection with arranging, obtaining, effectuating and syndicating any financing or refinancing transactions undertaken by Conagra or its subsidiaries in connection with the transactions contemplated by the merger agreement.

## **Certain Additional Covenants**

The merger agreement contains certain other covenants and agreements, including covenants relating to:

cooperation between Conagra and Pinnacle in the preparation of this proxy statement/prospectus;

confidentiality and access by each party to certain information about the other party during the period prior to the effective time of the merger;

- 123 -

**Table of Contents**

the use of reasonable best efforts by Conagra to cause the shares of Conagra common stock to be issued in the merger to be approved for listing on NYSE;

cooperation between Conagra and Pinnacle and the use of reasonable best efforts by Pinnacle to enable the delisting by the surviving corporation of the shares of Pinnacle common stock from NYSE and the deregistration of the shares of Pinnacle common stock under the Exchange Act as promptly as practicable after the effective time;

cooperation between Conagra and Pinnacle in connection with public announcements;

the use of reasonable best efforts by Pinnacle to cooperate with, and provide reasonable assistance to, Conagra in connection with making any Conagra financing arrangements in connection with the merger; and

cooperation between Conagra and Pinnacle in the defense or settlement of any stockholder litigation relating to the merger.

**Conditions to the Closing of the Merger**

The respective obligations of Conagra and Pinnacle to complete the merger are subject to the satisfaction or waiver at or prior to the effective time of the merger of the following conditions:

the receipt of the Pinnacle stockholder approval;

the authorization of the shares of Conagra common stock to be issued as merger consideration for listing on NYSE, subject to official notice of issuance;

the expiration or termination of any waiting period applicable to the merger under the HSR Act and the receipt of Canadian antitrust approval;

the absence of any applicable law, whether temporary, preliminary or permanent, by any court or other governmental entity in the United States or other jurisdiction previously disclosed by Pinnacle to Conagra in connection with the merger agreement that is in effect and restrains, enjoins or otherwise prohibits the closing of the merger or the other transactions contemplated by the merger agreement; and

the effectiveness of the registration statement, of which this proxy statement/prospectus forms a part, under the Securities Act and no stop order suspending the effectiveness of the registration statement shall have been issued (and not rescinded), and no proceeding for that purpose shall be pending before the SEC.

In addition, each of Pinnacle's and Conagra's obligations to complete the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of the other party being true and correct to the extent specified in the merger agreement;

the other party having performed or complied with, in all material respects, all of its obligations under the merger agreement required to be performed or complied with by it at or prior to the closing of the merger and each party shall have received at the closing a certificate on behalf of the other party by an executive officer to the effect that the conditions in this section have been satisfied; and

the absence, since the date of the merger agreement, of any event, change, effect, development, state of facts, condition, circumstance or occurrence that, individually or in the aggregate, has had, or would reasonably be expected to have, a Material Adverse Effect on the other party and each party shall have received at the closing a certificate on behalf of the other party by an executive officer to the effect that the conditions in this section have been satisfied.

- 124 -



**Table of Contents**

**Termination of the Merger Agreement**

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time of the merger, whether before or after receipt of the Pinnacle stockholder approval, under the following circumstances:

by mutual written consent of Conagra and Pinnacle by action of their respective boards of directors;

by either Conagra or Pinnacle:

if the merger is not consummated by April 1, 2019 (the end date ), except that, if on the end date, the conditions to closing related to antitrust clearance or other regulatory approval have not been satisfied, but all other conditions to closing have been satisfied or waived, then such date will be automatically extended to June 26, 2019;

if the Pinnacle stockholder approval is not obtained at the special meeting or at any adjournment or postponement thereof; or

if any order permanently restraining, enjoining or otherwise prohibiting the closing of the merger shall become final and non-appealable;

provided that the right to terminate the merger agreement hereunder will not be available to any party that has breached in any material respect its obligations under the merger agreement in any manner that will have proximately contributed to the occurrence of the failure of a condition to, or the occurrence of, the closing of the merger;

by Pinnacle, whether before or after the Pinnacle stockholder approval, if there has been a breach any representation, warranty, covenant or agreement made by Conagra or Merger Sub in the merger agreement, such that (i) a condition set forth in the portions of the merger agreement detailing the conditions to obligations of Conagra relating to representations and warranties and the performance of obligations of Conagra and Merger Sub would not be satisfied and (ii) such breach is not curable or, if curable by the end date, Conagra (A) has not commenced good faith efforts to cure such breach or failure to perform within 30 calendar days following receipt by Conagra of written notice of such breach or failure to perform from Pinnacle stating Pinnacle's intention to terminate the merger agreement pursuant to the merger agreement and the basis for such termination or (B) is not thereafter continuing to take good faith efforts to cure such breach or failure to perform;

by Pinnacle, prior to receipt of the Pinnacle stockholder approval, in connection with entering into an alternative acquisition agreement in accordance with the non-solicitation provisions of the merger agreement;

by Conagra, if the Pinnacle board makes an adverse recommendation change; or

by Conagra, if there has been a breach any representation, warranty, covenant or agreement made by Pinnacle in the merger agreement, such that (i) a condition set forth in the portions of the agreement detailing the conditions to obligations of Pinnacle relating to representations and warranties and the performance of obligations of Pinnacle would not be satisfied and (ii) such breach is not curable or, if curable by the end date, Pinnacle (A) has not commenced good faith efforts to cure such breach or failure to perform within 30 calendar days following receipt by Pinnacle of written notice of such breach or failure to perform from Conagra stating Conagra's intention to terminate the merger agreement pursuant to the merger agreement and the basis for such termination or (B) is not thereafter continuing to take good faith efforts to cure such breach or failure to perform.

**Termination Fee; Liability for Breach**

Pinnacle will pay to Conagra a termination fee of \$263,785,600 if:

Pinnacle terminates the merger agreement prior to the adoption of the merger agreement by the holders of shares of Pinnacle common stock in order to enter into an alternative acquisition agreement;

## **Table of Contents**

Conagra terminates the merger agreement because the Pinnacle board makes an adverse recommendation change; or

(A) (x) Conagra or Pinnacle terminates because the holders of shares of Pinnacle common stock fail to approve the merger agreement at the special meeting or the end date has arrived or (y) Conagra terminates because Pinnacle breaches any of its representations, warranties, covenants or agreements in the merger agreement and such breach is not curable or, if curable by the end date, Pinnacle has not commenced good faith efforts to cure such breach or failure to perform within 30 calendar days following receipt of written notice of such breach or failure to perform stating Conagra's intention to terminate the merger agreement and the basis for such termination or is not thereafter continuing to take good faith efforts to cure such breach or failure to perform, (B) an acquisition proposal has been publicly announced after the date of the merger agreement but prior to the date the merger agreement is terminated, and (C) within 12 months following the date of such termination, (1) the Pinnacle board recommends that stockholders vote in favor of, or tender into, an acquisition proposal, (2) Pinnacle enters into an alternative acquisition agreement providing for the consummation of an acquisition proposal, or (3) an acquisition proposal is consummated (provided that for purposes of this clause (C), the term acquisition proposal shall have the meaning as set forth above under *Solicitation; Board Recommendation* except that all references to 15% shall be deemed to be references to 50%).

No

The parties have agreed that in no event shall Pinnacle be required to pay the termination fee on more than one occasion, and if Conagra receives the full amount of the termination fee from Pinnacle, such payment will be the sole and exclusive remedy of Conagra against Pinnacle and its subsidiaries and their respective former, current or future partners, stockholders, managers, members, affiliates and representatives and none of Pinnacle, any of its subsidiaries or any of their respective former, current or future partners, stockholders, managers, members, affiliates or representatives will have any further liability or obligation relating to or arising out of the merger agreement or the transactions contemplated thereby.

## **Employee Matters**

The merger agreement provides that for a period of not less than one year following the effective time of the merger, Conagra will, and will cause the surviving corporation to, provide each individual who was an employee of Pinnacle or any of its subsidiaries immediately prior to the effective time of the merger, other than an employee who is covered by a collective bargaining agreement or similar labor agreement (a continuing employee) with (a) a base salary or regular hourly wage and annual incentive opportunities that are no less favorable in the aggregate than such continuing employee's base salary or regular hourly wage and annual incentive opportunities as in effect immediately prior to the effective time of the merger, (b) severance benefits that are no less favorable than those that would have been provided to such continuing employee under Pinnacle's severance plans and (c) other employee benefits (including the value of equity-based awards but excluding defined benefit plan and retiree welfare benefits) that are substantially similar in the aggregate to those provided to such continuing employee immediately prior to the effective time of the merger. Conagra will also assume the severance plan (as described above in the section titled *The Merger Agreement Proposal Interests of Pinnacle's Directors and Executive Officers in the Merger Executive Severance Benefit Plan*) and will honor all obligations thereunder in accordance with its terms.

## **Withholding Taxes**

Conagra, Merger Sub, the surviving corporation or the exchange agent will be entitled to deduct and withhold from the consideration, or other amount, payable or otherwise deliverable to any person pursuant to the merger agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code

or under any provision of state, local or foreign tax law. Any amount deducted or withheld pursuant to the merger agreement and paid over to the appropriate taxing authority will be treated as having been paid to the person in respect of which such deduction or withholding was made.

- 126 -

## **Table of Contents**

### **Amendments and Waivers**

At any time prior to the effective time of the merger agreement, the merger agreement may be amended, modified or supplemented in writing by the parties, by action of the board of directors of the respective parties; provided that (a) after the Pinnacle stockholder approval has been obtained there will be no amendment or waiver that would require the further approval of the stockholders of Pinnacle or the stockholders of Conagra, respectively, under applicable law without such approval having first been obtained and (b) certain provisions of the merger agreement may not be amended, modified or supplemented in a manner adverse to the financing sources without the prior written consent of the financing sources.

The parties may waive the conditions to each of the parties' obligations to consummate the merger which are for the sole benefit of such party and may be waived by such party in whole or in part to the extent permitted by applicable law; provided that certain provisions of the merger agreement may not be waived in a manner adverse to the financing sources without the prior written consent of the financing sources.

### **Governing Law**

The merger agreement will be (and except as contemplated in the merger agreement, all actions, claims, suits or proceedings in equity, in contract, in tort, or otherwise, that may be based upon, arise out of or relate to the merger agreement, the negotiation of the merger agreement or the performance of the merger agreement or the transactions contemplated by the merger agreement) interpreted, construed and governed by and in accordance with the law of the State of Delaware without regard to the conflict of law principles thereof to the extent that such principles would have the effect of applying the laws of, or directing a matter to, another jurisdiction.

### **Specific Enforcement**

The parties agreed that irreparable damage would occur in the event that any of the provisions of the merger agreement were not performed in accordance with their specific terms or were otherwise breached. The parties accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of the merger agreement and to specifically enforce the terms and provisions of the merger agreement in the Delaware Court of Chancery, without the necessity of proving the inadequacy of money damages as a remedy (and each party hereby waives any requirement for the securing or posting of any bond in connection with such remedy), this being in addition to any other remedy to which such party is entitled at law or in equity, and that the right of specific enforcement is an integral part of the transactions contemplated by the merger agreement and without that right neither Pinnacle nor Conagra would have entered into the merger agreement. The parties agreed not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, and not to assert that a remedy of monetary damages would provide an adequate remedy or that the parties otherwise have an adequate remedy at law.

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**Table of Contents**

**MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES**

**General**

The following discussion summarizes the material U.S. federal income tax consequences to holders of Pinnacle common stock of the merger. This discussion is based on the Code, the U.S. Treasury Regulations promulgated thereunder and judicial and administrative rulings, all as in effect as of the date of this proxy statement/prospectus, and all of which are subject to change or varying interpretation, possibly with retroactive effect. Any such changes could affect the accuracy of the statements and conclusions set forth herein. This discussion does not address any aspects of state, local, or non-U.S. laws or federal laws, such as estate tax or gift tax laws, other than those relating to U.S. federal income taxation and is not a complete analysis or description of all of the possible tax consequences of the merger. In addition, this discussion does not address the tax consequences of transactions effectuated before, after or at the same time as the merger, whether or not they are in connection with the merger, including, without limitation, the exercise or cancellation of options to purchase stock.

This discussion addresses only holders that own their shares of Pinnacle common stock as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment purposes). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a holder in light of such holder's particular circumstances, including any tax consequences arising under the Medicare tax on net investment income (under Section 1411 of the Code) or to a holder that is subject to special treatment under U.S. federal income tax law, including, for example:

a bank or other financial institution;

a tax-exempt entity;

an insurance company;

a person holding shares as part of a straddle, hedge, constructive sale, integrated transaction, or conversion transaction;

an entity or arrangement classified as a partnership for U.S. federal income tax purposes or other pass-through entity such as a subchapter S corporation (or an investor in such an entity or arrangement);

a U.S. expatriate;

a person who is liable for the alternative minimum tax;

a broker-dealer or trader in securities;

a U.S. Holder (as defined below) whose functional currency is not the U.S. dollar;

a holder who owns or has owned (directly, indirectly or constructively) 5% or more of Pinnacle shares (by vote or value) or otherwise exercises control over Pinnacle's corporate affairs;

a grantor trust;

a regulated investment company;

a real estate investment trust;

a trader in securities who has elected the mark-to-market method of accounting for its securities;

a controlled foreign corporation or passive foreign investment company; and

a person who received Pinnacle common stock through the exercise of employee stock options, through a tax qualified retirement plan, or otherwise as compensation.

No ruling has been requested from the Internal Revenue Service (the "IRS") in connection with the merger or related transactions. Accordingly, the discussion below neither binds the IRS nor precludes it from adopting a contrary position. Furthermore, no opinion of counsel has been or will be rendered with respect to the tax consequences of the merger or related transactions.

## **Table of Contents**

For purposes of this discussion, a **U.S. Holder** is any beneficial owner of Pinnacle common stock that, for U.S. federal income tax purposes, is:

an individual citizen or resident of the United States;

a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if (1) its administration is subject to the primary supervision of a court within the United States and one or more U.S. persons, within the meaning of Section 7701(a)(30) of the Code, have the authority to control all substantial decisions of the trust or (2) it has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person for U.S. federal income tax purposes.

A **Non-U.S. Holder** is any beneficial owner of Pinnacle common stock that, for U.S. federal income tax purposes, is an individual, corporation, estate, or trust that is not a U.S. Holder.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Pinnacle common stock, the tax treatment of a partner in that partnership generally will depend on the status of the partner and the activities of the partnership. If you are a partner in a partnership that holds Pinnacle common stock, you are urged to consult your tax advisor regarding the U.S. federal income tax consequences to you of the merger.

**ALL HOLDERS OF PINNACLE COMMON STOCK ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES TO THEM OF THE MERGER.**

## **U.S. Holders**

The merger will be a taxable transaction for U.S. federal income tax purposes. Therefore, a U.S. Holder generally will recognize capital gain or loss equal to the difference, if any, between (1) the sum of any cash received by such U.S. Holder in the merger, including any cash received in lieu of fractional shares of Conagra common stock, and the fair market value as of the effective time of the merger of any shares of Conagra common stock received by such U.S. Holder in the merger and (2) the U.S. Holder's adjusted tax basis in its Pinnacle common stock.

Capital gains of a non-corporate U.S. Holder will be eligible for the preferential U.S. federal income tax rates applicable to long-term capital gains if the U.S. Holder has held its Pinnacle common stock for more than one year as of the effective time of the merger. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired different blocks of shares of Pinnacle common stock at different times or different prices, the U.S. Holder must determine its tax basis and holding period separately for each block of Pinnacle common stock.

A U.S. Holder's aggregate tax basis in any shares of Conagra common stock received in the merger will equal the fair market value of such stock as of the effective time of the merger. A U.S. Holder's holding period in any shares of Conagra common stock received in the merger will begin the day after the day on which the effective time of the



merger occurs.

**U.S. Holders who hold shares of both Pinnacle and Conagra at the time of the merger may be subject to different treatment in the merger, as described below under *Potential Application of Section 304 of the Code* .**

- 129 -

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**Table of Contents**

**We recommend that U.S. Holders consult their own tax advisors as to the particular tax consequences of the merger, including the effect of U.S. federal, state and local tax laws or foreign tax laws.**

**Non-U.S. Holders**

Subject to the discussion below under the sections titled *Potential Application of Section 304 of the Code* and *Information Reporting and Backup Withholding*, a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on the exchange of Pinnacle common stock for any shares of Conagra common stock and/or cash in the merger unless:

any gain recognized on the exchange is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States (and, if an applicable income tax treaty so requires, is attributable to a U.S. permanent establishment or fixed place of business of the Non-U.S. Holder); or

the Non-U.S. Holder is an individual who is present in the United States for 183 days or more during the taxable year that includes the merger and certain other conditions are satisfied.

If the Non-U.S. Holder's gain is described in the first bullet, then the Non-U.S. Holder will generally be subject to U.S. federal income tax under the rules described above as if it were a U.S. Holder of Pinnacle common stock and, in the case of a foreign corporation, may be subject to an additional branch profits tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty).

If the Non-U.S. Holder is described in the second bullet, then such Non-U.S. Holder will generally be subject to U.S. federal income tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty) on the gain, which may be offset by certain U.S. source capital losses of the Non-U.S. Holder.

Non-U.S. Holders are urged to consult their own tax advisors regarding the potential applicability of these rules as well as any income tax treaty that may be applicable in their particular circumstances.

**Non-U.S. Holders who hold shares of both Pinnacle and Conagra at the time of the merger may be subject to different treatment in the merger, as described below under *Potential Application of Section 304 of the Code*.**

**Notwithstanding the above, all Non-U.S. Holders may be subject to withholding at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty) on the full amount of cash consideration received in the merger, as described below under *Potential Application of Section 304 of the Code*.**

**We recommend that Non-U.S. Holders consult their own tax advisors as to the particular tax consequences of the merger, including the effect of U.S. federal, state and local tax laws or foreign tax laws.**

**Potential Application of Section 304 of the Code**

Section 304 of the Code will apply to the merger if Pinnacle stockholders who own 50% or more of the Pinnacle common stock, by vote or value, before the merger own, immediately after the merger, 50% or more of the Conagra common stock, by vote or value. Certain constructive attribution rules apply to determine ownership for purposes of the ownership tests described in this paragraph. If Section 304 of the Code applies to the merger, to the extent a holder of Pinnacle common stock would otherwise be treated for U.S. federal income tax purposes as selling Pinnacle

common stock to Conagra for cash, such holder will instead be treated as receiving the cash consideration from Conagra in a deemed redemption of shares of Conagra common stock deemed issued to such holder. Because the application of Section 304 of the Code to the merger depends on the ownership of Pinnacle common stock and Conagra shares at the time of the merger and is determined after the application of various

- 130 -

## Table of Contents

constructive ownership rules, we are not able to determine whether Section 304 applies to the merger. Further, it may not be possible to establish with certainty following the closing whether or not Section 304 of the Code applied to the merger because the ownership information necessary to make such determination may not be available. However, we believe it is possible Section 304 of the Code will apply to the transaction. **We recommend that holders that own (including by attribution) Conagra common stock consult their own tax advisors, including with regard to any actions that may be taken to mitigate the potential application of Section 304 of the Code.**

If Section 304 of the Code applies to the merger, the deemed redemption of Conagra stock in connection with the merger generally would be treated as having the effect of a distribution of a dividend in the event that the receipt of the cash consideration by a holder is not substantially disproportionate with respect to such holder or is essentially equivalent to a dividend under the tests set forth in Section 302 of the Code. The determination of whether a holder's receipt of the cash consideration is not substantially disproportionate generally requires a comparison of (x) the percentage of the outstanding Pinnacle common stock that the holder is deemed actually and constructively to have owned immediately before the merger and (y) the percentage of the outstanding Pinnacle common stock that is actually and constructively owned by such holder immediately after the merger (including indirectly as a result of owning stock in Conagra and taking into account any shares of Conagra common stock actually and constructively owned by such holder prior to the merger, or otherwise acquired in connection with the transaction). The deemed redemption will generally result in a substantially disproportionate exchange with respect to a holder if the percentage described in clause (y) above is less than 80% of the percentage described in clause (x) above. Whether the deemed redemption results in an exchange that is not essentially equivalent to a dividend with respect to a holder will depend on such holder's particular circumstances. Generally, if such deemed redemption results in a meaningful reduction in the holder's percentage stock ownership of Pinnacle, as determined by comparing the percentage described in clause (y) above to the percentage described in clause (x) above, such deemed redemption will be considered not essentially equivalent to a dividend. The IRS has indicated in a revenue ruling that a minority shareholder in a publicly traded corporation will experience a meaningful reduction if the minority shareholder (i) has a minimal percentage stock interest, (ii) exercises no control over corporate affairs, and (iii) experiences any reduction in its percentage stock interest. In applying the above tests, a holder may, under constructive ownership rules, be deemed to own stock that is owned by other persons or stock underlying a holder's option to purchase stock, in addition to the stock actually owned by the holder. In addition, as noted above, in applying the substantially disproportionate and not essentially equivalent to a dividend tests to a holder, sales (or purchases) of Conagra common stock made by such holder (or by persons whose shares are attributed to such holder) in connection with the merger will be taken into account. If such deemed redemption is not substantially disproportionate with respect to such holder or is essentially equivalent to a dividend, the deemed redemption would be taxable as a dividend (in an amount equal to the cash consideration received) to the extent of the holder's allocable share of the earnings and profits of (a) Conagra and (to the extent the cash consideration received by such holder exceeds the holder's allocable share of Conagra's current and accumulated earnings and profits) (b) Pinnacle. To the extent that the amount of cash consideration exceeds Conagra's and Pinnacle's current and accumulated earnings and profits, the distribution would first be treated as a tax-free return of capital, causing a reduction in the holder's adjusted tax basis in its Pinnacle common stock, and to the extent the amount of the distribution exceeds such tax basis, the excess would be taxed as capital gain recognized on a sale or exchange of such holder's Pinnacle common stock. The amount of any such gain would be taxed as described above under *U.S. Holders* and *Non-U.S. Holders*, as applicable.

For U.S. Holders, dividends are generally taxable as ordinary income. However, non-corporate U.S. Holders may be eligible for a reduced rate of taxation on dividends, including dividends arising by operation of Section 304. For corporate U.S. Holders, dividends (a) may be eligible for a dividends-received deduction and (b) may be subject to the extraordinary dividend provisions of the Code, subject in each case to certain requirements and limitations.



## **Table of Contents**

Subject to the discussion below under the sections titled *Information Reporting and Backup Withholding* and *FATCA Withholding*, for Non-U.S. Holders, the receipt of any amounts treated as a dividend generally will be subject to U.S. withholding tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty), unless such dividend is effectively connected with a Non-U.S. Holder's conduct of a trade or business within the United States (and, if an applicable income tax treaty so requires, is attributable to a U.S. permanent establishment or fixed place of business of the Non-U.S. Holder). However, because application of Section 304 of the Code to the merger is uncertain and because the application of Section 304 depends on a holder's particular circumstances, withholding agents may not be able to determine whether a holder is treated as receiving a dividend for U.S. federal income tax purposes. Therefore, withholding agents may withhold against all Non-U.S. Holders at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty) on the full amount of the cash consideration received. If a withholding agent withholds a portion of the cash consideration to be received by a Non-U.S. Holder that is exempt from such withholding, the Non-U.S. Holder may apply for a refund.

In order to obtain a reduced rate of withholding under a tax treaty, a Non-U.S. Holder claiming such reduced rates will be required to deliver a properly completed IRS Form W-8BEN or W-8BEN-E (or other applicable form) to the applicable withholding agent before cash consideration is paid pursuant to the merger. Non-U.S. Holders may seek a refund from the IRS of amounts withheld on distributions in excess of their allocable share of Conagra's and Pinnacle's current and accumulated earnings and profits, to the extent such amounts are not otherwise subject to U.S. federal income tax.

**Section 304 of the Code and the regulations and guidance thereunder are complex. We recommend that a holder that actually or constructively owns, or expects to own at the time of the merger, both Pinnacle common stock and Conagra common stock consult its own tax advisors with respect to the application of Section 304 in its particular circumstances (including as to its tax basis in the shares subject to Section 304). In addition, we strongly encourage all Non-U.S. Holders to consult their own tax advisors regarding their particular facts and circumstances, the procedures for claiming treaty benefits or otherwise establishing an exemption from U.S. withholding tax with respect to any portion of the cash consideration payable to them pursuant to the merger, and any actions that may be taken to mitigate any potential adverse tax consequences.**

### **Information Reporting and Backup Withholding**

Any shares of Conagra common stock and/or cash received by a U.S. Holder or a Non-U.S. Holder in the merger may be subject to information reporting and backup withholding. To avoid backup withholding, a U.S. Holder that does not otherwise establish an exemption should timely complete and return to Conagra or the exchange agent an IRS Form W-9, certifying under penalties of perjury that such U.S. Holder is a United States person (within the meaning of the Code), that the taxpayer identification number provided is correct and that such U.S. Holder is not subject to backup withholding. A Non-U.S. Holder generally may establish an exemption from backup withholding by certifying its non-U.S. person status under penalties of perjury on a properly completed applicable IRS Form W-8.

Any amounts withheld under the backup withholding rules are not additional tax and may be allowed as a refund or credit against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

### **FATCA Withholding**

Under Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance issued thereunder ( *FATCA* ), a Non-U.S. Holder is subject to a 30% withholding tax on dividends paid on shares of Pinnacle and Conagra common stock, including payments treated as dividends by application of Section 304 of the Code,

unless (i) if the Non-U.S. Holder is a non-financial foreign entity , it provides the

- 132 -

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**Table of Contents**

applicable payor or financial institution with certain documentation relating to its substantial U.S. owners or otherwise certifies that it does not have any substantial U.S. owners, (ii) if the Non-U.S. Holder is a foreign financial institution, it enters into an agreement with the Department of Treasury to, among other things, report certain information regarding its accounts with or interests held by certain United States persons and by certain non-U.S. entities that are wholly or partially owned by United States persons, and it establishes its compliance with these rules by providing to the applicable payor or financial institution with an IRS Form W-8BEN, IRS Form W-8BEN-E or other applicable IRS Form W-8 (or appropriate successor form) or (iii) the Non-U.S. Holder otherwise qualifies for an exemption from these rules and establishes such exemption by providing the applicable payor or financial institution with an IRS Form W-8BEN, IRS Form W-8BEN-E or other applicable IRS Form W-8 (or appropriate successor form). The rules relating to FATCA described above may be modified by an applicable intergovernmental agreement between the United States and the jurisdiction in which the Non-U.S. Holder is resident. Non-U.S. Holders are urged to consult their tax advisers regarding how FATCA may apply to them as a result of the merger, including in light of the potential application of Section 304 of the Code to the merger.

We will not pay any additional amounts to Non-U.S. Holders with respect to any amounts withheld, including pursuant to FATCA.

THE PRECEDING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL INCOME TAX EFFECTS RELEVANT THERETO OR A DISCUSSION OF ANY OTHER TYPE OF TAXES. ALL HOLDERS OF PINNACLE COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE MERGER, INCLUDING TAX RETURN REPORTING REQUIREMENTS, THE APPLICABILITY AND EFFECT OF NON-U.S., FEDERAL, STATE, LOCAL, AND OTHER APPLICABLE TAX LAWS, AND THE EFFECT OF ANY PROPOSED CHANGES IN THE TAX LAWS.



**Table of Contents**

**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

The following unaudited pro forma condensed combined financial information is based on the historical consolidated financial information of Conagra and Pinnacle and has been prepared to reflect the merger and related financing transactions. In connection with the merger, Conagra entered into the \$9.0 billion bridge credit facility. The commitments under the bridge credit facility were subsequently reduced by the \$1.3 billion new term loan facility entered into on July 11, 2018 with a syndicate of financial institutions. Conagra intends to replace the availability under the bridge credit facility with permanent or alternative financing. Specifically, in connection with the merger, Conagra expects to incur up to \$8.3 billion of long-term debt (which includes any funding under the new term loan facility), the proceeds of which would be used to fund the payment of the cash portion of the merger consideration, the repayment of Pinnacle debt, the refinancing of certain Conagra debt, and the payment of related fees and expenses. The permanent financing is also expected to include approximately \$600 million of incremental cash proceeds from the issuance of equity and/or divestitures.

The unaudited pro forma condensed combined financial information is provided for informational purposes only. The unaudited pro forma condensed combined financial information is not necessarily indicative of operating results that would have been achieved had the merger been completed as of May 28, 2017 and does not intend to project the future financial results of Conagra after the merger. The unaudited pro forma condensed combined balance sheet does not purport to reflect what Conagra's or Pinnacle's financial condition would have been had the merger closed on May 27, 2018 or for any future or historical period. The unaudited pro forma condensed combined financial information does not reflect the cost of any integration activities or the benefits from the merger and the synergies that may be derived.

Conagra's fiscal year ends in May, while Pinnacle's fiscal year ends in December. The unaudited pro forma condensed combined balance sheet combines the audited consolidated balance sheet of Conagra as of May 27, 2018 and the interim unaudited consolidated balance sheet of Pinnacle as of April 1, 2018. The full-year unaudited pro forma condensed combined statement of operations for the fiscal year ended May 27, 2018 combines the audited consolidated statement of operations of Conagra for the fiscal year ended May 27, 2018 with the consolidated statement of operations of Pinnacle for the four quarterly periods ended April 1, 2018. The statement of operations of Pinnacle for the four quarterly periods ended April 1, 2018 was determined by adding Pinnacle's unaudited consolidated statement of operations for the three months ended April 1, 2018 to Pinnacle's statement of operations for the fiscal year ended December 31, 2017, and subtracting Pinnacle's unaudited consolidated statement of operations for the three months ended March 26, 2017.

The unaudited pro forma condensed combined financial information should be read in conjunction with the following information:

Notes to the unaudited pro forma condensed combined financial information.

Conagra's Current Report on Form 8-K filed on June 27, 2018, including the exhibits thereto, which is incorporated herein by reference.

Audited financial statements of Conagra as of and for the fiscal year ended May 27, 2018, which are included in Conagra's Annual Report on Form 10-K for the fiscal year ended May 27, 2018, which is

incorporated herein by reference.

Audited financial statements of Pinnacle as of and for the fiscal year ended December 31, 2017, which are included in Pinnacle's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, which is incorporated herein by reference.

Unaudited financial statements of Pinnacle as of and for the three months ended April 1, 2018 and March 26, 2017, which are included in Pinnacle's Quarterly Report on Form 10-Q for the fiscal quarter ended April 1, 2018, which is incorporated herein by reference.

- 134 -

**Table of Contents****Unaudited Pro Forma Condensed Combined Balance Sheet****As of May 27, 2018****(in millions)**

	<b>Conagra Brands Historical</b>	<b>Pinnacle Historical</b>	<b>Pro Forma Adjustments</b>		<b>Pro Forma</b>
<b>Current assets</b>					
Cash and cash equivalents	\$ 128	\$ 78	\$ 128	3(a)	\$ 334
Receivables, less allowance for doubtful accounts	583	301			884
Inventories	997	477	27	3(d)	1,501
Prepaid expenses and other current assets	187	18			205
Current assets held for sale	44				44
<b>Total current assets</b>	<b>1,939</b>	<b>874</b>	<b>155</b>		<b>2,968</b>
<b>Property, plant and equipment, net</b>					
Goodwill	1,620	740	129	3(e)	2,489
Brands, trademarks and other intangibles, net	4,503	2,176	3,714	2, 3(g)	10,393
Other assets	1,285	2,463	2,223	3(h)	5,971
Noncurrent assets held for sale	906	170			1,076
	137				137
	\$ 10,390	\$ 6,423	\$ 6,221		\$ 23,034
<b>Current liabilities</b>					
Notes payable	\$ 277	\$ 2	\$ (279)	3(b)	\$
Current installments of long-term debt	307	53	(353)	3(b)	7
Accounts payable	915	328			1,243
Accrued payroll	164	43	24	3(j)	231
Other accrued liabilities	673	168	(55)	3(b,f,k,o)	786
<b>Total current liabilities</b>	<b>2,336</b>	<b>594</b>	<b>(663)</b>		<b>2,267</b>
<b>Senior long-term debt, excluding current installments</b>					
Subordinated debt	3,036	2,704	5,617	3(b)	11,357
Other noncurrent liabilities	196				196
	1,065	719	489	3(i,j)	2,273
<b>Total liabilities</b>	<b>6,633</b>	<b>4,017</b>	<b>5,443</b>		<b>16,093</b>
<b>Commitments and contingencies</b>					
<b>Common stockholders' equity</b>					
Common stock	2,840	1	78	3(l,n)	2,919

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Additional paid-in-capital	1,180	1,453	(356)	3(l,m,n)	2,277
Retained earnings	4,745	1,010	(1,150)	3(f,k,l,o)	4,605
Accumulated other comprehensive income (loss)	(111)	(27)	(2)	3(b,l)	(140)
Less treasury stock, at cost	(4,978)	(32)	2,208	3(l,m)	(2,802)
Total Conagra Brands, Inc. common stockholders' equity	3,676	2,405	778		6,859
Noncontrolling interests	81	1			82
Total stockholders' equity	3,757	2,406	778		6,941
	\$ 10,390	\$ 6,423	\$ 6,221		\$ 23,034

- 135 -

**Table of Contents****Unaudited Pro Forma Condensed Combined Statement of Operations****For the Fiscal Year Ended May 27, 2018****(in millions, except per share data)**

	<b>Conagra Brands Historical</b>	<b>Pinnacle Historical (p)</b>	<b>Pro Forma Adjustments</b>		<b>Pro Forma</b>
Net sales	\$ 7,938	\$ 3,157	\$		\$ 11,095
Costs and expenses:					
Cost of goods sold	5,587	2,293	(16)	3(e)	7,864
Selling, general and administrative expense	1,317	411	9	3(h,o)	1,737
Interest expense, net	159	130	244	3(b)	533
Income (loss) from continuing operations before income taxes and equity method investment earnings	875	323	(237)		961
Income tax expense (benefit)	175	(243)	(67)	3(c)	(135)
Equity method investment earnings	97				97
Income (loss) from continuing operations	797	566	(170)		1,193
Less: Net income attributable to noncontrolling interests	3				3
Net Income (loss) from continuing operations attributable to Conagra Brands, Inc.	\$ 794	\$ 566	\$ (170)		\$ 1,190
Per share amounts:					
Basic	\$ 1.97				\$ 2.39
Diluted	\$ 1.95				\$ 2.38
Average shares outstanding:					
Basic	404		93	3(m,n)	497
Diluted	407		93	3(m,n)	500

**Table of Contents****Notes to Unaudited Pro Forma Condensed Combined Financial Information****1. Basis of Presentation**

The unaudited pro forma condensed combined financial information presented herein is based on the historical consolidated financial information of Conagra and Pinnacle, as previously provided in or derived from filings with the SEC. The unaudited pro forma condensed combined balance sheet as of May 27, 2018 assumes the merger and related financings were completed on that date. The unaudited pro forma condensed combined statement of operations for the year ended May 27, 2018 assumes the merger and related financings were completed on May 28, 2017, the beginning of Conagra's fiscal year.

Pro forma adjustments reflected in the unaudited pro forma condensed combined balance sheet are based on items that are directly attributable to the merger and related financings and that are factually supportable. Pro forma adjustments reflected in the unaudited pro forma condensed combined statement of operations are based on items directly attributable to the merger and related financings, and that are factually supportable and expected to have a continuing impact on Conagra.

At this time, Conagra has not performed detailed valuation analyses to determine the fair values of Pinnacle's assets and liabilities; accordingly, the unaudited pro forma condensed combined financial information includes a preliminary allocation of the purchase price based on assumptions and estimates that, while considered reasonable under the circumstances, are subject to changes, and which may be material. Additionally, Conagra has not yet performed the due diligence necessary to identify all of the adjustments required to conform Pinnacle's accounting policies to Conagra's or to identify other items that could significantly impact the purchase price allocation or the assumptions and adjustments made in preparation of this unaudited pro forma condensed combined financial information. Upon completion of detailed valuation analyses, there may be additional increases or decreases to the recorded fair values of Pinnacle's assets and liabilities, including, but not limited to brands, trademarks and other intangible assets and assumed debt that will give rise to future amounts of depreciation and amortization expense that are not reflected in the information contained in this unaudited pro forma condensed combined financial information. Accordingly, once the necessary due diligence has been performed, the final purchase price has been determined and the purchase price allocation has been completed, actual results may differ materially from the information presented in this unaudited pro forma condensed combined financial information. Additionally, the unaudited pro forma condensed combined statement of operations does not reflect the cost of any integration activities or benefits from the merger and synergies that may be derived from any integration activities, both of which may have a material effect on the consolidated results of operations in periods following the completion of the merger.

Certain amounts in Pinnacle's historical financial statements have been reclassified to conform to Conagra's presentation, primarily consolidating certain liabilities and expenses into the comparable captions.

**2. Estimated Merger Consideration and Preliminary Purchase Price Allocation**

The estimated merger consideration for the purpose of this unaudited pro forma condensed combined financial information is \$8.0 billion. The calculation of estimated merger consideration is as follows (in millions):

Estimated cash paid for outstanding Pinnacle common stock <sup>(1)</sup>	\$ 5,138
Estimated aggregate value of Conagra common stock issued for outstanding Pinnacle common stock <sup>(2)</sup>	2,798
Estimated consideration for Pinnacle's equity award <sup>(3)</sup>	61

**Total estimated merger consideration**

\$ 7,997

- (1) Represents the total assumed cash consideration paid to Pinnacle stockholders of \$43.11 per share of Pinnacle common stock. For purposes of preparing this unaudited pro forma combined financial

- 137 -

**Table of Contents**

information, Conagra has assumed that funding for the merger comes from a combination of the existing available domestic cash of the combined business as of the closing of the merger, the net proceeds from the issuance of approximately 16 million shares of Conagra common stock prior to the closing of the merger, and a portion of the net proceeds of the debt to be issued by Conagra prior to the closing of the merger.

- (2) Represents 0.6494 shares of Conagra common stock for each share of Pinnacle common stock. Based on Pinnacle's outstanding shares at July 13, 2018, Conagra estimates issuing approximately 77 million shares of Conagra common stock to Pinnacle stockholders at the effective time of the merger.

For purposes of this presentation only, the value of each share of Conagra common stock is based on its closing price on the NYSE of \$36.15 on July 20, 2018.

- (3) Represents estimated merger consideration due to holders of Pinnacle's outstanding equity awards. All outstanding vested Pinnacle stock options, approximately \$29 million, will be canceled in exchange for cash consideration at closing. All outstanding unvested Pinnacle equity awards, approximately \$104 million, will be converted into Conagra cash-settled stock appreciation rights or cash-settled restricted stock units, otherwise subject to substantially the same terms and conditions and will be liability-classified awards. Approximately \$32 million of the fair value of Pinnacle's unvested equity awards issued is attributable to pre-combination service and is considered as merger consideration. Conagra estimates that approximately \$72 million of the unvested equity awards represents post-combination compensation expense to be recognized based on the vesting terms of the replacement awards which will be subject to further change based on changes in the fair value of Conagra common stock through the remaining service period. See footnote 3(a,j) for further information.

The following table sets forth a preliminary allocation of the estimated merger consideration to the estimated fair values of the assets acquired and liabilities assumed as if the merger occurred on May 27, 2018, with the excess recorded to goodwill:

**(millions)**

Tangible assets acquired:	
Inventories	\$ 504
Property, plant and equipment	869
Other current assets	397
Other assets	170