Risk Factors Comparison 2024-03-12 to 2023-03-13 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

You should consider carefully all of the following risk factors and all the other information contained in this report, including the financial statements. If any of the following risks occur, our business, financial condition or results of operations may be materially and adversely affected. In that event, the trading price of our securities could decline, and you could lose all or part of your investment. The risk factors described below are not necessarily exhaustive and you are encouraged to perform your own investigation with respect to us and our business. Risks Related to Our Branded CPG Segment Rapid growth of natural...... Ingredients products. Risks Related to Our Business Industry competition, consolidation and costs may reduce sales and margins. We operate in a highly competitive industry and compete with companies that have greater capital resources, facilities and diversity of product lines. Increased competition for products could result in decreased demand for our products and ~~,~~ reduced volumes and / or prices, each of which would reduce our sales and margins and **could** have a material adverse effect on our business, financial condition and results of operations. Our Flavors & Ingredients customers are under pressure to reduce costs, which could cause them to reformulate their products and substitute cheaper ingredients for our products. ~~The ingredients industry is also undergoing consolidation. Consolidation may enable our customers to negotiate lower prices for our Flavors & Ingredients products.~~ These ~~customer and~~ industry pressures may result in lower sales of our Flavors & Ingredients products and / or lower margins on our Flavors & Ingredients sales. With respect to our Branded CPG segment, our competitors might also introduce new low- calorie sweeteners and other alternatives to sugar ~~. To the extent that current users of our Branded CPG products switch to other low- caloric sweeteners or sugar alternatives, there could be a decrease in the demand for our products~~ . In addition, competitors with larger marketing budgets can influence consumer preferences. There is no assurance that Branded CPG' s existing marketing spending is sufficient to stay competitive with other product manufacturers. Our margins are also under pressure from consolidation in the retail food industry in many regions of the world. In the ~~United States~~ **U. S.** , we have experienced a shift in the channels where consumers purchase our products from the higher margin retail to the lower margin club and mass merchandisers. Additionally, increased competition from private label manufacturers of low- calorie tabletop sweeteners may have a negative impact on sales and / or margins. Consolidation within the industry we operate may significantly increase our cost of doing business and may further result in lower sales of our products and / or lower margins on sales. **We are subject** ~~Additionally, the success of our Branded CPG segment depends in part on our ability~~ to **risks related** ~~manage costs and be efficient in the highly competitive tabletop sweetener industry. Inability~~ to ~~manage fluctuations in~~ **our supply chain and** the price **, quality** and availability of raw materials **which** ~~, energy, freight and other operating inputs~~ could ~~contribute to decreased profitability~~ **have a material adverse effect on our business, financial condition and results of operations** . ~~Such fluctuations~~ **We operate a complex supply chain which is critical to our Flavors & Ingredients operations. In the event of disruption, we may face operational risk that** could **result in** ~~stem from alternative crops and varying~~ **carrying** ~~local~~ **inadequate supplies to meet** ~~or~~ **our customer demand** ~~regional harvests because of, for example, weather conditions, crop disease, climate change, product scarcity, or crop yields~~ . **If** ~~In some cases,~~ we **are** ~~may not be able~~ **unable** to **manage** ~~pass the full increase in raw material prices, or~~ **our** ~~higher energy~~ **supply chain efficiently** , ~~freight or~~ **our** ~~other~~ operating costs ~~,~~ **could increase and our profit margins could decrease. Our Flavors & Ingredients business is dependent** on ~~to~~ **our relationships with suppliers of licorice raw materials (which includes licorice root, intermediary licorice extract and licorice derivatives). If any material licorice raw materials supplier modifies its relationship with us, such a loss, reduction** ~~our~~ - ~~not able to maintain our~~ - **or** ~~manufacturing processes~~ **modification could have a material adverse effect on** ~~or~~ **our** ~~stringent quality controls~~ **Flavors & Ingredients business** , ~~or if contamination problems arise,the operating~~ results of **operations** ~~our Flavors & Ingredients business would be harmed.Our Flavors & Ingredients segment is subject to risks related to weather,disease~~ and **financial condition** ~~pests that could adversely affect our business~~ . **Further,** ~~Licorice~~ **licorice** production is subject to a variety of agricultural risks ~~.Extreme weather conditions,disease and pests can materially and adversely affect the quality and quantity of licorice produced.We maintain large inventories of raw material stock as part of our operating plan~~ .The stability of licorice raw materials is dependent upon the ability of the product to remain dry and free of infestation.Increased governmental restrictions on the application of pesticides or fumigants could reduce our ability to maintain long- term storage of licorice root or result in increased cost of operations.A sustained supply interruption could have a material adverse effect on our Flavors & Ingredients business,results of operations and financial condition. **The manufacture of our Flavors & Ingredients products is a multi- stage process that requires the use of high- quality materials and sophisticated manufacturing technologies.We are dependent on our suppliers to provide licorice raw materials meeting our quality standards.If we were not able to maintain our manufacturing processes or stringent quality controls,or if contamination problems arise,the operating results of our Flavors & Ingredients business would be harmed.** Our failure to accurately forecast **demand** and manage inventory could result in an unexpected shortfall of our Flavors & Ingredients products,which could harm our business.We monitor our inventory levels based on our own projections of future demand.Because of the length of the supply chain cycle and the time necessary to produce licorice products,we must make production decisions well in advance of sales.However,we may not accurately forecast demand and an inaccurate forecast of demand can result in the unavailability of licorice products that may otherwise be in high demand.This unavailability may negatively impact sales volumes and adversely affect ~~customer relationships.Furthermore,from time to time,changes in manufacturing processes customers~~ - **customer relationships** . Climate change, or legal or market measures to address climate change, may negatively affect our business and operations. There is growing concern that a gradual rise in global average temperatures due to increased concentration of carbon dioxide and other greenhouse gases in the atmosphere will cause significant changes in weather patterns around the globe, and increase the frequency, severity, and duration of extreme weather conditions and natural disasters, and water scarcity and poor water quality. These events could adversely impact the manufacturing or delivery of raw materials required for our products, **reduce crop yields,** disrupt the operation of our supply chain and the productivity of our contract manufacturers, increase our production costs, impose capacity restraints and impact the purchases of our products and services. In many countries, governmental bodies are proposing and enacting new or additional legislation and regulations to address the potential impacts of climate change, including, among other regulations, **like** the **European Union' s (the " EU ")** Corporate Sustainability Reporting Directive (" CSRD ") **which became effective** ~~adopted by the European Parliament~~ in ~~November~~ **January** ~~2022~~ **2023** (which requires us to report detailed information on climate and other ESG- related matters in the coming years) ~~, the European Union' s proposed Corporate Sustainability Due Diligence Directive and the SEC' s proposed climate change rules~~ . If we, our suppliers or others in our value chain, are required to comply with these laws and regulations in the future, or if we choose to take voluntary steps to reduce or mitigate our **environmental** impact ~~on climate change~~ , we may experience increased costs for compliance, reporting, supply chain management and due diligence, energy, production, transportation, and raw materials, increased capital expenditures, or increased insurance premiums and deductibles, which could adversely impact our operations. **The** ~~Additionally, we use natural gas, diesel, fuel, gasoline, propane, electricity and other fossil fuel- based resources in our operations, all of which could face increased regulation and increased prices as a result of climate change or other environmental concerns. Inconsistency of legislation and regulations among jurisdictions may also affect the costs of compliance with such laws and regulations. Any assessment of the effects of climate change, potential~~ impact of **any** future climate change legislation, regulations or industry standards, ~~as well as any~~ international treaties and accords, is uncertain ~~given the wide scope of potential regulatory change in the countries in which we operate~~ and could negatively affect our business, financial condition, results of operations and cash flows. Our failure to adequately address sustainability and ESG concerns of stakeholders or respond to changing ESG regulations may harm our reputation and have a material adverse impact on our business. Governmental authorities, non-governmental organizations, customers, investors, external stakeholders and employees are increasingly sensitive to sustainability and ESG concerns, such as diversity and inclusion, climate change, water use, recyclability or recoverability of packaging, and plastic waste ~~. In addition, governments and the public expect companies like us to take responsibility for and report on compliance with various human rights, responsible sourcing and environmental practices, as well as other actions of our third- party contractors around the world. This focus on ESG concerns and changing regulation, such as the CSRD, may lead to new requirements that could result in increased costs associated with developing, manufacturing and distributing our products and increased costs associated with compliance and reporting. Moreover, the standards by which ESG matters are measured are developing and evolving, and certain areas are subject to assumptions that could change over time. A variety of organizations measure performance on ESG topics, including on topics such as the cost, even if unintended, of our actions on climate change and inequality in society~~ . Our ability to compete could also be affected by changing customer preferences and requirements, such as growing demand for more environmentally friendly products, packaging or supplier practices **.** ~~, and by failure~~ **Failure** to meet such customer expectations or demand ~~. While we strive to improve our ESG performance, we risk negative stockholder reaction, including from proxy advisory services, as well as damage to our brand and reputation, if we do not act responsibly, or if we are perceived to not be acting responsibly in key ESG areas, including environmental stewardship, product safety and quality, sustainable sourcing and packaging, support for local communities, diversity and inclusion, corporate governance and transparency, and addressing workers' rights, or if our business changes in a manner that requires us to change our sustainability and ESG goals. Additionally~~ , failure to achieve our publicly- disclosed sustainability and ESG goals or targets, or **failure** to meet the ESG expectations of our investors, employees, customers, ESG ratings agencies and other stakeholders, could negatively impact our reputation, hinder our access to capital, lead to reduced demand for our products, loss of customers, " greenwashing " and other **similar** claims, and other negative impacts on our business and results of operations. **Uncertain or unfavorable economic conditions, including during periods of high inflation, recessions or other economic disruption, could increase our costs, change customer and consumer demand for our products, or otherwise adversely affect us. Periods of adverse or uncertain economic conditions, including during periods of high inflation or recession concerns, may increase our costs and otherwise change customer and consumer demand for our products. The willingness of consumers to purchase our products depends in part on general or local economic conditions and consumers' discretionary spending habits. During periods of economic downturn or high inflation, consumers tend to shift their purchases to lower- priced or other perceived value offerings which may make it more difficult to sell more premium products and could result in a reduction in sales.** We ~~are currently~~ **cannot, however, predict any future economic conditions, including trends in the rate of inflation or associated increases in our** operating **costs** ~~in a period of economic uncertainty~~ and ~~capital markets disruption, which has been~~ **how that may impact our business. To** the **extent inflation rates were to significantly exceed our ability to achieve price increases or cost savings, our financial condition and** ~~result~~ **results** of **operations may be adversely affected. Our business, financial condition, and results of operations may be materially adversely affected by** various global macro- economic factors **as well as geopolitical events and crises, such as public health emergencies and ongoing military conflicts. We operate in many countries throughout the world. Economic and financial market conditions,** including **conditions resulting from public health emergencies, and geopolitical events, such as** the ongoing military conflict between ~~Russia~~ **Israel** and ~~Ukraine~~ **Hamas** and **escalating** ~~inflationary pressures. Our business, financial condition, and results of operations may be materially adversely affected by conditions in the countries where we operate, the negative impact on the global economy, supply chain and capital markets resulting from the conflict in Ukraine, any other geopolitical~~ tensions ~~, or inflationary pressures. We operate~~ in ~~many countries throughout~~ the **Middle East** ~~world. Economic and political changes in the countries where we market and produce our products~~

, ~~such as inflation rates, recession, foreign ownership restrictions, restrictions on transfer of funds into or out of a country and similar factors may adversely affect our results of operations. U. S. and global markets continue to experience volatility and disruption in connection with the geopolitical tensions~~ and the ongoing military conflict between **Ukraine and** Russia and ~~Ukraine~~ **related sanctions imposed by the U** . **S** ~~In February 2022, Russian troops began a full- scale military invasion of Ukraine~~ . ~~Although~~ **Department of Treasury and** ~~the~~ **other governing bodies** ~~length and impact of the ongoing military conflict is highly unpredictable, the conflict~~ in ~~Ukraine has contributed to~~ **countries in which we conduct business, can create significant** market ~~disruptions, including significant~~ volatility ~~in commodity prices~~ , **uncertainty** ~~higher interest rates~~ and ~~debt capital costs~~ **economic disruption in the global economy or specific international** , **regional** ~~diminished liquidity~~ and **domestic** ~~credit availability, volatile capital~~ markets, ~~declines in consumer confidence~~ **that may adversely affect our business** and **results** ~~discretionary spending, as well as supply chain interruptions and increases in costs~~ of ~~certain~~ **operations. Economic or political instability, government intervention or civil unrest in countries and regions where we have manufacturing operations and where we source licorice root and intermediary licorice extract, which include our operations and** raw materials **suppliers** ~~and transportation, all of which have contributed to inflationary pressures globally. We are continuing to monitor inflation, the situation~~ in ~~Ukraine and global capital markets and assessing its potential impact on our business. Although, to date, our business has not been materially impacted by the ongoing military conflict between Russian and Ukraine, geopolitical tensions, or resulting market disruptions, it is impossible to predict the extent to which our operations will be impacted in the short and long term, or the ways in which such matters may impact our business since the extent and duration of these~~ -- **the People** ~~matters are unpredictable. The geopolitical instability arising from such conflict, the imposition of sanctions, taxes and / or tariffs against Russia and Russia~~ ' s **Republic of China** ~~response to such sanctions (including retaliatory acts~~ , ~~such as cyber- attacks~~ and **raw materials suppliers** ~~sanctions against other countries) has contributed to volatility~~ in **Central Asia** ~~the global economy or specific international~~ , ~~regional and domestic markets, which~~ could have a material adverse effect on our ~~business, results of operations or financial condition. The imposition of tariffs by the United States and other countries could have a material adverse effect on our businesses, financial condition and operations. The ongoing novel coronavirus (COVID- 19) outbreak has presented many challenges to our business and any future new travel and other restrictions may disrupt our business, including among other things, impacting our supply chain, and driving change in customer and consumer demand for our products. The COVID- 19 pandemic and responses thereto continue to create challenging and unprecedented conditions, including as infection rates and new variants continue to evolve. Our business could in the future be, negatively impacted by decreases in disposable income, and declines in consumer confidence could cause a decrease in demand for our overall product set, particularly higher priced products; reduced workforce due to illness or restrictions related to communicable disease; the development and availability of effective treatments and vaccines for new variants; a shortage of qualified labor to support increased demand; any failure to make our products available to consumers by our manufacturing employees or third parties on which we rely, including but not limited to our suppliers, contract manufacturers, distributors, logistics providers and other business partners, and retailers that ultimately sell our Branded CPG products to consumers and customers of our~~ Flavors & Ingredients business ~~. The impact of~~ , **results** ~~and associated responses to, the COVID- 19 pandemic may have an adverse effect on other aspects~~ of ~~our business and~~ operations ~~. For example, we may incur increased costs or face operational challenges, including: increased manufacturing costs or decreased manufacturing capacity; increases in the costs, or reductions in the availability of timely delivery of, ingredients, packaging~~ and ~~other materials used in the manufacture of our products; increased labor costs; and other increased operating costs. While we have experienced a net increase in the overall demand for our products during the COVID- 19 pandemic, any of the foregoing factors, or other effects of the pandemic that are not currently foreseeable, could materially increase our costs, negatively impact our sales and damage our,~~ financial condition **. We are continuing to monitor and assess the potential impact of various global macro- economic factors on our business. To the extent that our business** , **financial condition, liquidity or** results of operations ~~, cash flows~~ **are adversely affected by economic** and **financial market conditions** ~~liquidity position. Our efforts to manage and mitigate these factors may be unsuccessful~~ , **tariffs, taxes, sanctions, inflationary pressures, public health emergencies** and **ongoing military conflicts, such events** ~~the effectiveness of these efforts to a certain extent depends on many~~ - **may** ~~factors beyond our control~~ **also have the effect of heightening other risks described herein and in any future filings we make with the SEC** . If we fail to successfully implement our growth strategies on a timely basis, or at all, our ability to increase our revenue and operating profits could be materially and adversely affected. **We believe that our consumer- packaged goods are broadly known and followed in the U. S. and many other countries in which we operate.** Our future success depends, in large part, on our ability to implement our growth strategies effectively **. New products may be introduced into the market which could impact our net sales growth and our competitors with substantially greater resources than us may be more responsive to changes within the industry and be better equipped to introduce new products more quickly** . Our ability to successfully expand our consumer packaged goods and ingredients brands and other growth strategies depends on, among other things, our ability to identify, and successfully cater to, new demographics and consumer trends, develop new and innovative products, identify and acquire additional product lines and businesses, secure shelf space in grocery stores, wholesale clubs and other retailers, increase consumer awareness of our brands, enter into distribution and other strategic arrangements with third- party retailers and other potential distributors of our products, and compete with numerous other companies and products. **For example, substantial advertising and promotional expenditures may be required to maintain or improve our brands' market positions or to introduce new products to the market, including through the use of engaging with non- traditional media, including consumer outreach through social media and web- based channels, which may be costly and may not prove successful.** We may not be successful in reaching and maintaining the loyalty of new consumers to the same extent, or at all, as we have with our historical consumers. If we are unable to identify and capture new audiences and demographics, our ability to successfully integrate additional brands will be adversely affected **. In addition, we consistently evaluate our product lines to**

determine whether or not to discontinue certain products which may increase our profitability but could reduce our sales and hurt our brands, and a reduction in sales of certain products could result in a reduction in sales of other products . Accordingly, we may not be able to successfully implement our growth strategies, expand our brands, or continue to maintain growth in our sales at our current rate, or at all. If we fail to implement our growth strategies or if we invest resources in growth strategies that ultimately prove unsuccessful, our sales and profitability may be negatively affected, which would materially and adversely affect our business, financial condition and results of operations. Changes in consumer preferences could decrease our revenues and cash flow. We are subject to the risks of evolving consumer preferences and nutritional and health- related concerns. To the extent that consumer preferences evolve away from low- calorie sweeteners, there will be a decreased demand for some of our Branded CPG products. Consumer perception that there are low- calorie tabletop and baking sweetener alternatives that are healthier or more natural could decrease demand for ~~such~~ **our** products ~~. Any shift in consumer preferences away from our Branded CPG products, including any shift in preferences from aspartame- based products, stevia leaf extract, monk fruit extract, allulose, erythritol, and organic nutritive sweeteners to other nutritive and low- calorie sweetener products could significantly decrease our revenues and cash flows and impair our ability to operate our Branded CPG business segment~~ . A portion of our Flavors & Ingredients revenues are derived from the sale of licorice to worldwide confectioners. To the extent that consumer preferences shift away from licorice- flavored candy, operating results relating to the sale of licorice to worldwide confectioners could be impaired, which could have a material adverse effect on our business, financial condition and results of operations. In addition, a portion of our revenues are derived from the sale of licorice derivatives to food processors for use as flavoring or masking agents. To the extent that consumer preferences evolve away from products that use licorice derivatives, **our** operating results relating to the sale of licorice derivatives could be impaired, which could have a material adverse effect on our business, financial condition and results of operations. We are heavily dependent on certain customers ~~for a significant percentage of our net revenues~~ **, suppliers, manufacturers, and other third parties** . The loss of or disruptions related to significant customers could result in a material reduction in sales or change in the mix of products we sell to a significant customer. In ~~2022~~ **2023** , our top five Branded CPG customers accounted for approximately 31. ~~6~~ **0** % of our Branded CPG net revenues. In ~~2022~~ **2023** , our ten largest Flavors & Ingredients customers, ~~three~~ **four** of which are manufacturers of tobacco products, accounted for approximately ~~56~~ **59** . ~~1~~ **6** % of our Flavors & Ingredients net revenues. There can be no assurance that our customers will continue to purchase our products in the same mix or quantities or on the same terms as in the past. This could materially and adversely affect our product sales, financial condition and results of operations. Our **Branded CPG business currently relies upon external manufacturers in the U.S.,as well as internal manufacturing in the Czech Republic,a number** of ~~tobacco~~ **key tollers,external manufacturers,packaging suppliers,ingredient suppliers,** and ~~tobacco related~~ **3PL (logistics) vendors globally.There are a limited number of manufacturing service suppliers,ingredient and packaging suppliers with the capability and capacity to meet our strict product requirements effectively.Failure by any of these parties to manufacture,supply,or transport our** products **,as applicable,** in **accordance with applicable regulations and** ~~member countries.An adverse recommendation by~~ the ~~European Union to reduce~~ **terms and conditions of our agreements with each third party could result in inventory shortages** or ~~eliminate the~~ **other impacts,which could negatively impact earnings and cash flows and impair our ability to operate our business.Additionally,we** use ~~of licorice~~ **exclusive distributors** in ~~cigarettes sold in the European Union~~ **certain jurisdictions for our products.Our Branded CPG segment** would **suffer disruption if** ~~have a negative impact on our revenues and operations in Europe.While the~~ **these** ~~European Union has not enacted any new rules~~ **distributors were to fail to perform their expected services** or ~~regulations regarding the inclusion of licorice as an additive in cigarettes,in recent years,our sales of licorice~~ to **effectively represent us** ~~be used in tobacco products to be sold in Europe have declined.Changes in our relationships with our suppliers could have a material adverse effect on our Flavors & Ingredients business~~ , ~~financial condition and results of operations.We operate a complex supply chain~~ which ~~is critical to our Flavors & Ingredients operations.In the event of disruption,we may face operational risk that~~ could **adversely affect** ~~result in carrying inadequate supplies to meet~~ our **business** ~~customer demand.If we are unable to manage our supply chain efficiently,our operating costs could increase and our profit margins could decrease~~ .Our Flavors & Ingredients business is dependent on our relationships with suppliers of licorice raw materials (which includes licorice root,intermediary licorice extract and licorice derivatives).The licorice raw materials we purchase originate in Afghanistan,the Peoples' Republic of China,Pakistan,Iraq,Azerbaijan,Uzbekistan,Turkmenistan,Kazakhstan,Tajikistan,Georgia,Armenia,Russia and Turkey.During ~~2022~~ **2023** ,one of our suppliers of licorice raw materials supplied approximately ~~23~~ **32** . ~~4~~ **1** % of our total licorice raw materials purchases.We have an exclusive supply arrangement with a manufacturer of licorice extract and crude derivatives in Central Asia.The agreement expires in October 2025 and gives us the right to purchase all of the licorice products manufactured at the facility.Although alternative sources of licorice raw materials are available to us,we could incur higher costs if the supplier is unable to produce sufficient quantities of licorice raw materials at the quality levels required.If any material licorice raw materials supplier modifies its relationship with us,such a loss,reduction or modification could have a material adverse effect on our Flavors & Ingredients business,results of operations and financial condition. **Our** ~~Fluctuations in~~ Business is subject to transportation risks. Our ability to obtain adequate and reasonably priced methods of transportation to distribute our products is a key factor to our success. Delays in transportation including weather- related delays, carrier capacity limitations, and extended interruptions could have a material adverse effect on our Branded CPG and our Flavors & Ingredients segments, financial condition and results of operations. Further, higher fuel costs and increased line haul costs due to industry capacity constraints ~~,~~ **and** customer delivery requirements ~~and a more restrictive regulatory environment~~ could also negatively impact our financial results. We cannot be sure that we would be able to transport or distribute our products by alternative means if ~~it~~ **we** were to experience an interruption due to **labor** ~~strike~~ **strikes** , natural disasters, epidemics or pandemics, political ~~conflict~~ **conflicts** , civil unrest or otherwise, in a timely and cost- effective manner. Negative information, including inaccurate information, about us on social media may harm our reputation and brand, which could have a material and adverse effect on our business, financial condition and results of operations ~~. There has been a marked increase in the use of social media platforms and similar channels that provide individuals with access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate, as is its effect~~ . Many social media platforms immediately publish the content their subscribers and participants post, often without filters or checks on accuracy of the content posted **which** ~~. The opportunity for dissemination of information, including inaccurate information, is potentially limitless and~~ may result in increased scrutiny by consumers, third parties, the media, governments, stockholders and other stakeholders. Information concerning our business and / or products, including public health concerns, illness, safety, security breaches of confidential consumer or employee information, employee related claims relating to alleged employment discrimination, health care and benefit issues or government or industry findings about our retailers, distributors, manufacturers or others across the industry supply chain may be posted on such platforms at any time. Negative views regarding ~~our products and the efficacy of~~ our products have been posted on various social media platforms, may continue to be posted in the future, and are outside of our control. Regardless of their accuracy or authenticity, such information and views may ~~be adverse~~ **adversely** ~~to~~ **impact** our interests and may harm our reputation and brand ~~. The harm may be immediate~~ without ~~affording an~~ **any** opportunity for redress or correction. **The** ~~Ultimately, the~~ risks associated with any such negative publicity cannot be eliminated ~~or completely mitigated~~ and may materially and adversely affect our business, financial condition and results of operations ~~. The full effects of the United Kingdom' s withdrawal from the European Union remain uncertain and continue to evolve, which could have an adverse impact on our business, financial condition, operating results and cash flows. We have operations in the U. K. related to our Branded CPG segment. Brexit has created and may continue to create legal, political and economic risks and uncertainties for these U. K. operations. Further changes resulting from Brexit could therefore subject our Branded CPG segment to increased risk for the foreseeable future. These risks include changes in regulatory oversight, disruptions to trade and supply, increases in prices, fees, taxes or tariffs on goods that are sold between the E. U. and the U. K. and difficulty staffing. Additionally, Brexit may cause fluctuations in the value of the U. K. pound sterling and E. U. euro~~ . Our international operations involve the use of foreign currencies, which subjects us to exchange rate fluctuations and other currency risks. The revenues and expenses of our international operations generally are denominated in local currencies, which subject us to exchange rate fluctuations between such local currencies and the U. S. dollar. These exchange rate fluctuations subject us to currency translation risk with respect to the reported results of our international operations, as well as to other risks ~~sometimes~~ associated with international operations. In the future, we could experience fluctuations in financial results from our operations outside of the ~~United States~~ **U. S.** , and there can be no assurance we will be able, contractually or otherwise, to reduce the currency risks associated with our international operations. Inability to protect our trademarks and other proprietary rights could damage our competitive position. Any infringement or misappropriation of our intellectual property could damage its value, dilute the value of our brand in the marketplace and limit our ability to compete. We rely on copyrights, trademarks, trade secrets, confidentiality provisions and licensing arrangements to establish and protect our intellectual property. We may have to engage in litigation to protect our rights to our intellectual property, which could result in significant litigation costs and require significant amounts of management' s time. One or more adverse judgments with respect to these intellectual property rights could negatively impact our ability to compete and could adversely affect our results of operations and financial condition. We believe that the formulas and blends for our products are trade secrets. We rely on security procedures and confidentiality agreements to protect this proprietary information; however, such agreements and security procedures may be insufficient to keep others from acquiring this information. **The** ~~Any such dissemination or misappropriation of this information could deprive us of the value of our proprietary information. Further, the~~ laws of some countries do not protect proprietary rights to the same extent as the laws of the ~~United States~~ **U. S.** , and mechanisms for enforcement of intellectual property rights in some foreign countries may be inadequate ~~. To the extent we expand our international activities, our exposure to unauthorized copying and use of our technologies and proprietary information may increase~~ . Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating our technology and intellectual property. If we fail to comply with the many laws applicable to our business, we may incur significant fines and penalties. Our facilities and products are subject to laws and regulations administered by the FDA, **the Environmental Protection Agency,** and other federal, state, local, and foreign governmental agencies relating to the processing, packaging, storage, distribution, advertising, labeling, quality, and safety of food products. Our failure to comply with applicable laws and regulations could subject us to administrative penalties and injunctive relief, civil remedies, including fines, injunctions and recalls of our products ~~. Our operations are also subject to regulations administered by the Environmental Protection Agency and other state~~ , ~~local and foreign governmental agencies. Failure to comply with these regulations can have serious consequences, including civil and administrative penalties~~ and negative publicity. Any **new** ~~environmental or health and safety~~ legislation or regulations enacted in the future **in domestic and foreign jurisdictions, including, without limitation, changes in food and drug laws, accounting standards, taxation requirements (including tax rate changes, new tax laws and revised tax law interpretations) and environmental laws** , or any changes in how existing or future laws or regulations are enforced, administered or interpreted, as well as any material cost incurred in connection with liabilities or claims from these regulations may lead to an increase in costs, which could have a material adverse effect on our business, our consolidated financial condition, results of operations and / or liquidity ~~. Personal data, including personal data of our customers and employees, is increasingly subject to legal and regulatory protections around the world, which vary widely in approach. We risk exposure to potential liabilities and costs resulting from the compliance with, or any failure to comply with, applicable legal requirements. Our business could be materially adversely affected by our inability, or the inability of our vendors who receive personal data from us, to comply with legal obligations regarding the use of personal data. In addition to the possible fines and penalties discussed above, changes in laws and regulations in domestic and foreign jurisdictions, including changes in food and drug laws, accounting standards, taxation requirements (including tax rate changes, new tax laws and revised tax law interpretations) and environmental laws could have a~~

~~significant adverse effect on our results of operations~~ . The countries in which we operate and from which we purchase raw materials could result in exposure to liability under the Foreign Corrupt Practices Act or under regulations promulgated by OFAC. Our failure to comply with applicable laws and regulations could subject us to administrative penalties and injunctive relief, civil remedies, including fines, injunctions and product recalls. The complexity of the many laws and regulations applicable to our business and the cost of compliance increases our costs of operations compared to some foreign competitors which are subject to less regulation. Any acquisitions, partnerships or joint ventures that we enter into could disrupt our operations and have a material adverse effect on our business, financial condition and results of operations. From time to time, we may evaluate potential strategic acquisitions of businesses, including partnerships or joint ventures with third parties. We may not be successful in identifying acquisition, partnership and joint venture candidates. In addition, we may not be able to continue the operational success of such businesses or successfully finance or integrate any businesses that we acquire or with which we form a partnership or joint venture. We may have potential write- offs of acquired assets and / or an impairment of any goodwill recorded as a result of acquisitions. Furthermore, the integration of any acquisition may divert management' s time and resources from our core business and disrupt our operations or may result in conflicts with our business. Any acquisition, partnership or joint venture may not be successful, may reduce our cash reserves, may negatively affect our earnings and financial performance and, to the extent financed with the proceeds of debt, may increase our indebtedness. We cannot ensure that any acquisition, partnership or joint venture we make will not have a material adverse effect on our business, financial condition and results of operations. We may become involved in litigation that may materially adversely affect us. From time to time, we may become involved in various legal proceedings relating to matters incidental to the ordinary course of our business, including intellectual property, commercial, product liability, employment, class action, whistleblower and other litigation and claims, and governmental and other regulatory investigations and proceedings. Such matters can be time- consuming, divert management' s attention and resources, cause us to incur significant expenses or liability or require us to change our business practices. Because ~~of the potential risks, expenses and uncertainties of litigation, we may, from time to time, settle disputes, even where we believe that we have meritorious claims or defenses. Because~~ litigation is inherently unpredictable, we cannot give any assurance that the results of any of these actions will not have a material adverse effect on our business. Changes in tax laws or regulations may increase tax uncertainty and adversely affect results of our operations and our effective tax rate. We are subject to taxes in the ~~United States~~ **U. S.** and certain foreign jurisdictions. Due to economic and political conditions, tax rates in various jurisdictions, including the ~~United States~~ **U. S.** , may be subject to change. Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities and changes in tax laws or their interpretation. In addition, we may be subject to income tax audits by various tax jurisdictions. Although we believe our income tax liabilities are reasonably estimated and accounted for in accordance with applicable laws and principles, an adverse resolution by one or more taxing authorities could have a material impact on the results of our operations. **Information security events, or real or perceived errors, failures, or bugs in our systems; other technology disruptions; or failure to comply with laws and regulations relating to information security could negatively impact our business, our reputation and our relationships with customers. Our continued success depends in part on our systems, applications, and software continuing to operate to meet our business demands.** We **rely on information technology** ~~may be exposed to the threat of cyber- attacks and / or data breaches. Cybersecurity breaches of our or third- party~~ systems ~~, may cause~~ **and infrastructure for substantially all aspects of our business operations. Our business involves the storage and transmission of** confidential information ~~belonging~~ **and intellectual property, including information pertaining** to **consumers, vendors, distributors, and suppliers, and employees. We also may maintain financial and strategic information about** us **and** ~~or~~ **our business** ~~our employees, customers, consumers,~~ partners **. Such use gives rise** ~~, suppliers, or governmental or regulatory authorities~~ to **cybersecurity risks, including security incidents, espionage, system disruption through material errors, failures, vulnerabilities, or bugs, theft, and inadvertent release of information. Our technology and information systems may** be ~~misused~~ **subject to computer viruses or malicious code, break- ins, phishing impersonation attacks, attempts to overload** ~~or~~ **our** ~~breached. When risks such~~ **servers with denial- of- service or other attacks, ransomware, and similar incidents or disruptions from unauthorized access or use of our computer systems,** as ~~these materialize~~ **well as unintentional incidents causing data leakage** , ~~the need~~ **any of which could lead to interruptions, delays,** ~~for~~ - **or website shutdowns** ~~us to coordinate with various third- party service providers and for third party service providers to coordinate amongst themselves, might increase challenges and costs to resolve related issues. Cyber- attacks can vary in scope and intent from economically driven attacks to malicious attacks targeting our key operating systems with the intent to disrupt~~ , disable or otherwise cripple our **operations** ~~Branded CPG and Flavors & Ingredients segments. This can include any combination of phishing attacks, malware and / or viruses targeted at our key systems~~ . The breadth and scope of this threat has grown over time, and the techniques and sophistication used to conduct cyber- attacks, as well as the sources and targets of the attacks, change frequently. While we invest time, effort and capital resources to secure our key systems and networks, ~~we cannot provide~~ **there can be no** assurance that we will be successful in preventing or responding to all such attacks. **The theft, destruction, loss, misappropriation, misuse, or release of sensitive or confidential information or intellectual property, or interference with our information technology systems or the technology systems of third parties on which we rely, could result in business disruption, negative publicity, reputational harm, violation of privacy laws, loss of customers, and liability, all of which could have a material adverse effect on our business, operating results, and financial condition. Additionally, as a result of a security incident, we could be subject to demands, claims, and litigation by private parties and investigations, related actions, and penalties by regulatory authorities. Moreover, we could incur significant costs in notifying affected persons and entities and otherwise complying with the multitude of laws and regulations relating to the unauthorized access to, or acquisition, use, or disclosure of personal information.** If we are **, or a third party on which we rely is,** subject to a successful cyber- attack, we may suffer damage to our key systems and / or data that could interrupt our operations, adversely impact our reputation and brands and expose us to increased risks of governmental investigation, litigation and other liability, any of which could adversely affect our business. Furthermore, responding to such an attack and mitigating the risk of future attacks could result in additional operating and capital costs in systems technology, personnel, monitoring and other investments **. Our operations depend on the continuing and efficient operation of our information technology, communications systems and infrastructure, and on cloud- based platforms, including platforms operated by vendors. Any of these systems and infrastructure are vulnerable to damage or interruption from earthquakes, vandalism, sabotage, terrorist attacks, floods, fires, power outages, telecommunications failures, computer viruses or other deliberate attempts to harm the systems. The occurrence of a natural or intentional disaster, any decision to close a facility we are using without adequate notice, or particularly an unanticipated problem at a cloud- based virtual server facility, could result in harmful interruptions in our service, resulting in adverse effects to our business. Although we have invested in the protection of data and information technology, there can be no assurances that our efforts will protect us against significant breakdowns, breaches in our systems, or other cyber incidents that could have a material adverse effect on our reputation, business, operations, or financial condition of the company. Our collection, use, and disclosure of information, including personal information, is subject to federal, state and foreign privacy and information security regulations and binding industry standards; new or changed regulations could impose significant costs to our operation and failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm. We are subject to numerous federal, state, and local laws, rules, and regulations relating to the collection, processing, storing, sharing, disclosure, use, and security of personal information and other data. We are or may in the future be subject to contractual obligations to protect data. We may incur significant expenses to comply with the laws, regulations, and other obligations that apply to us. Additionally, the privacy- and data protection- related laws, rules, and regulations applicable to us may be interpreted and applied in new ways or in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Further, new laws, rules, and regulations could be enacted with which we are not familiar or with which our practices do not comply. Approximately one- fifth of U. S. states have passed omnibus privacy laws that are or will go into effect within the next several years. These laws apply or may apply to us in the future as we grow and expand, and other jurisdictions are considering imposing additional restrictions. To the extent that certain of these laws are applicable to us, and to the extent that other states enact laws in the future that are or may be applicable to us, we will need to expend resources to evaluate such regulations and implement compliance solutions. If we engage in email marketing or certain telemarketing activities, we will be subject to issue- specific laws pertaining to the use of information, including laws on marketing and advertising, such as the Telephone Consumer Protection Act and the Telemarketing Sales Rule and the Controlling the Assault of Non- Solicited Pornography and Marketing Act of 2003, and their state counterparts. Further, given our operations outside of the U. S., including in the EU, we are subject to certain risks in connection with the requirements of the General Data Protection Regulation (E. U.) 2016 / 679, and other data protection regulations. Any failure or perceived failure by us to comply with privacy or data protection laws, policies, or industry standards or any security incident that results in the unauthorized release of personal information may result in governmental enforcement actions and investigations, fines and penalties, litigation and / or adverse publicity, including by consumer advocacy groups, and could cause our customers to lose trust in us, which could have an adverse effect on our reputation and business. Such failures could have a material adverse effect on our financial condition and operations. If the third parties we work with violate applicable laws, contractual obligations or suffer a security incident, such violations may also put us in breach of our obligations under privacy laws and regulations and / or could in turn have a material adverse effect on our business** . Our success significantly depends on key personnel. Our performance significantly depends upon the continued contributions of our executive officers and key employees, both individually and as a group, and our ability to retain and motivate them. Our officers and key personnel have many years of experience in our industry and it may be difficult to replace them. If we lose key personnel or are unable to recruit qualified personnel, our business, financial condition and results of operations may be adversely affected .Product liability claims ~~or~~ **,** product recalls **and health- related allegations** could adversely affect our business reputation **and financial results** .The sale of food products for human consumption involves the risk of injury to consumers **,which** ~~.Such hazards~~ could result from ~~:•~~ tampering by unauthorized third parties; ~~•~~ product contamination; ~~•~~ the presence of foreign objects,substances,chemicals and other agents;or ~~•~~ residues introduced during the manufacturing,packaging,storage,handling or transportation phases.Some of the products we sell are produced for us by third parties and such third parties may not have adequate quality control standards to ensure that such products are not adulterated,misbranded,contaminated or otherwise defective.Any of the above circumstances could necessitate a voluntary or mandatory recall,a need to change a product' s labeling or other consumer safety concerns.Any widespread product recall,whether voluntary or mandatory,may result in significant loss due to the costs of a recall,related legal claims,including claims arising from bodily injury or illness caused by our products,the destruction of product inventory,lost sales due to product unavailability,or unfavorable change in customer sentiment ~~of~~ **toward** our products.In addition,we license our brands for use on products produced and marketed by third parties,for which we receive royalties.We,as well as the manufacturers of our products,may be subject to claims made by consumers as a result of products manufactured by these third parties which are marketed under our brand names.Consumption of adulterated products may cause serious ~~health- related~~ illnesses and we may be subject to claims or lawsuits relating to such matters.Even an inadvertent shipment of adulterated products is a violation of law and may lead to an increased risk of exposure to product liability claims,product recalls and increased scrutiny by federal and state regulatory agencies.Such claims or liabilities may not be covered by our insurance or by any rights of indemnity or contribution which we may have against third parties.In addition ~~,even if a product liability claim is not successful or is not fully pursued~~ ,the negative publicity surrounding any assertion that our products caused illness or injury could have a material adverse effect on our reputation with existing and potential consumers and on our brand image,all of which could negatively impact our earnings and cash flows. ~~Our Branded CPG segment may be adversely affected by concentration in our manufacturer,supplier and distributor base.We currently rely upon external manufacturers in the U.S.,as well as internal manufacturing in the Czech Republic and Decatur,Alabama,a number of key tollers,external manufacturers,packaging suppliers,ingredient suppliers,and 3PL (logistics) vendors globally.There are a limited number of manufacturing service suppliers,ingredient and packaging suppliers with the capability and capacity to meet our strict product requirements effectively.Failure by our external manufacturers,internal plants,ingredients or~~ **For example** ~~packaging suppliers to manufacture or supply~~ , **allegations** ~~as applicable,or our logistics vendors to transport our products,in accordance with our agreements with each supplier could result in inventory shortages.Our manufacturer,supplier,and distributor base may be adversely affected by factors beyond our control.Higher prices for natural gas,propane,electricity and other fuels may also increase our ingredient,production and delivery costs.Inventory practices and redundant sourcing contingencies~~ have been **made that natural** ~~established in the event of protracted product supply interruptions;however,regulatory,manufacturing,~~ and ~~replenishment~~ **artificial sweeteners** lead ~~times~~ **to various health problems.Although we believe that we have been successful in presenting scientific evidence to dispute these claims and restore consumer confidence in the face of each of these claims,there can be no assurance that we will be similarly successful if new health- related allegations are made in the future.Furthermore,actions by the FDA and other federal,state or local agencies or governments,domestically or abroad,may impact the acceptability and public perception of or access to certain sweeteners.If consumers lose confidence in the safety of our products,regardless of the accuracy or scientific support** for **such claims** ~~contingent sources could extend beyond safety stock coverage~~ , ~~which~~ **our sales and margins** would **be** negatively ~~impact~~ **impacted** ~~earnings and cash flows and impair our ability to operate our business~~ . ~~Additionally,we use exclusive distributors in certain jurisdictions for our products.Our Branded CPG segment would suffer disruption if these distributors were to fail to perform their expected services or to effectively represent us,which could adversely affect our business.Risks Related to Our Flavors & Ingredients Segment~~ Our business is heavily dependent on sales to the worldwide tobacco industry,and negative developments and trends within the tobacco industry could have a material adverse effect on our business,financial condition and results of operations.In ~~2022~~ **2023** ,approximately 31. ~~3~~ **6** % of our Flavors & Ingredients sales and ~~6.~~ 7 **.2** % of our consolidated net revenues were to the worldwide tobacco industry for use as tobacco flavor enhancing and moistening agents in the manufacture of American blend cigarettes,moist snuff,chewing tobacco and pipe tobacco. ~~Changing~~ **Continued negative developments and trends within the tobacco industry including evolving** public attitudes toward tobacco products,an increased emphasis on the public health aspects of tobacco product consumption,increases in excise and other taxes on tobacco products and an expansion of tobacco regulations in a number of countries have contributed significantly to a worldwide decline in consumption **,which** ~~.Continued negative developments and trends within the tobacco industry~~ could have a material adverse effect on our Flavors & Ingredients business,financial condition and results of operations.Additionally,the tobacco industry has been subject to increased governmental taxation and regulation and in recent years has been subject to substantial litigation and these trends are likely to continue and will likely negatively affect tobacco product consumption and tobacco product manufacturers.Producers of tobacco products are subject to regulation in the ~~United States~~ **U.S.** at the federal,state and local levels,as well as in foreign countries.The **U.S.government has expressly prohibited the use of characterizing flavors (other than tobacco or menthol) in cigarettes.The** FDA **also** has the power to limit the type or quantity of additives that may be used in the manufacture of tobacco products in the ~~United States~~ **U.S.,which expressly includes prohibiting menthol in cigarettes** .This power has been extended to include e- cigarettes and other electronic nicotine delivery systems (" ENDS ") **,either through the issuance of a product standard or through review of premarket tobacco product applications** .Actions by the FDA and other federal,state or local agencies or governments may impact the acceptability of or access to tobacco products,limit consumer choice as to tobacco products,delay or prevent the launch of new or modified tobacco products, **or enact other measures that would otherwise significantly increase the cost of doing business.For example,FDA may** require ~~the~~ **a** recall ~~or other removal of tobacco products from the marketplace (for example,~~ as a result of product contamination ~~,~~ **;issue a** rulemaking that bans menthol ~~,a determination by the FDA~~ **in cigarettes (which is currently proposed);determine** that one or more **new** tobacco products do not satisfy the statutory requirements for substantial equivalence **;withdraw** ~~,because the FDA requires that~~ a ~~currently-marketed tobacco product proceed through the pre- market~~ **marketing authorization after** ~~review process or because the FDA otherwise determines~~ **determining** that removal is necessary for the protection of public health **;** ~~),~~ restrict communications to tobacco consumers **;** ~~,restrict the ability to differentiate tobacco products,~~ or otherwise significantly increase the cost of doing business,or restrict or prevent the use of specified tobacco products in certain locations or the sale of tobacco products by certain retail establishments. ~~For example,in 2020,the FDA issued a statement effectively banning certain unauthorized ENDS products containing flavors other than tobacco or menthol which had previously constituted a significant percentage of the overall revenues of that category.Similarly,in April 2022,the FDA proposed a rule that would ban all characterizing flavors (other than tobacco) in cigars and cigarillos within the next year.~~ Similarly,countries outside the ~~United States~~ **U.S.** have rules restricting the use of various ingredients in tobacco products. ~~During~~ **In** 2005,the World Health Organization promulgated its Framework Convention for Tobacco Control (the " FCTC ").The FCTC is the first international public health treaty and establishes a global agenda for tobacco regulation in order to limit the use of tobacco products.More than 160 countries,as well as the **EU** ~~European Union~~ ,have become parties to the FCTC.In November 2010,the governing body of the FCTC issued guidelines that provide non- binding recommendations to restrict or ban flavorings and additives that increase the attractiveness of tobacco products and require tobacco product manufacturers to disclose ingredient information to public health authorities who would then determine whether such ingredients increase attractiveness.Future tobacco product regulations may be influenced by these FCTC recommendations.The **EU** ~~European Union~~ and individual governments are also considering regulations to further restrict or ban various cigarette ingredients.For example,pursuant to the Tobacco Products Directive (" TPD "),a directive of the **EU**

~~European Union~~ that places limits on the sale and merchandising of tobacco and tobacco related products in member countries,European Union regulators are currently evaluating the health effects of 15 ingredients,including licorice,used in tobacco products **.Earlier this year,France also proposed a ban of all disposable ENDS products,and Britain' s government proposed banning younger generations from ever buying cigarettes** .Over the years,there has been substantial litigation between tobacco product manufacturers and individuals,various governmental units and private health care providers regarding increased medical expenditures and losses allegedly caused by use of tobacco products. ~~Some of this litigation has been settled through the payment of substantial amounts to various state governments,and United States cigarette companies significantly increased the wholesale price of cigarettes in order to recoup a portion of the settlement cost.Cigarette companies have also sought to offset the cost of these payments by changing product formulations and introducing new products with decreased ingredient costs.~~ There may be an increase in health- related litigation against the tobacco industry,and it is possible that Mafco Worldwide,as a supplier to the tobacco industry,may become a party to such litigation **,which** ~~.Such litigation~~ ,if successful,could have a material adverse effect on our Flavors & Ingredients business.The tobacco business,including the sale of cigarettes and smokeless tobacco,has been subject to federal,state,local and foreign excise taxes for many years.In recent years,federal,state,local and foreign governments have increased such taxes as a means of both raising revenue and discouraging the consumption of tobacco products.New proposals to increase taxes on tobacco products are also regularly introduced in the ~~United States~~ **U.S.** and foreign countries.Additional taxes may lead to an accelerated decline in tobacco product sales ~~.Tax increases are expected to continue to have an adverse impact on sales of tobacco products through lower consumption levels~~ .We are unable to predict whether there will be additional price or tax increases for tobacco products or the size of any such increases,or the effect of other developments in tobacco regulation or litigation or consumer attitudes on further declines in the consumption of either tobacco products containing licorice extract or on sales of licorice extract to the tobacco industry.Further material declines in sales to the tobacco industry are likely to have a significant negative effect on the financial performance of our Flavors & Ingredients business.Changes in,or interpretations of,regulations regarding licorice or its components may reduce our sales and profits.Restrictions on certain licorice components vary worldwide,as countries,or states may have varying limits on specific components.Regulations issued by state,federal and foreign governments and agencies and any modification to interpretation and / or enforcement of those regulations,may impact the potential markets for our Flavors & Ingredients products.As further research is conducted on raw materials and testing technology and capabilities increase,additional items may be identified within the natural licorice matrix which may **reduce the demand** ~~be a source for limitation of application~~ of our Flavors & Ingredients products.Our Flavors & Ingredients products are currently marketed as natural flavors in the U.S.and other major markets.As the definition of " natural " varies throughout the world,changes in worldwide governmental regulatory agency definitions of natural may impact the potential market for our Flavors & Ingredients products. **EU** ~~European Union~~ regulators are currently evaluating the health effects of 15 ingredients,including licorice,used in tobacco products pursuant to the ~~Tobacco Products Directive ("~~ TPD ~~")~~ , **a directive that places limits on the sale and merchandising of tobacco and tobacco related products in member countries.An adverse recommendation by the EU to reduce or eliminate the use of licorice in cigarettes sold in the EU would have a negative impact on our revenues and operations in Europe.While the EU has not enacted any new rules or regulations regarding the inclusion of licorice as an additive in cigarettes,in recent years,our sales of licorice to be used in tobacco products to be sold in Europe have declined.Though the price of licorice raw materials was generally stable in 2023,the price of licorice raw materials is affected by many factors,including monetary fluctuations and economic,political and weather conditions,natural or man- made disasters,consumer demand and changes in governmental trade or agriculture programs in countries where our flavors and ingredients suppliers are located.For example,we import licorice raw materials from various countries and export products from the U.S.,France and China,therefore the imposition of tariffs by a country from which we import goods or to which we export goods could result in increased costs of production and higher prices and reduced demand for our Flavors & Ingredients products.Although we often enter into purchase contracts for these products,significant or prolonged increases in the prices of licorice raw materials could have a material adverse effect on our Flavors & Ingredients business,results of operations and financial condition** . Risks Related to Our Capital Structure Our substantial indebtedness could adversely affect our financial condition and we may incur additional debt. ~~In connection with the closing of the Wholesome Transaction on February 5, 2021, we entered into an amendment and restatement agreement (as amended pursuant to that certain First Amendment to Amended and Restated Loan Agreement, dated June 15, 2022) which amended and restated our existing senior secured loan agreement dated June 25, 2020, as amended on September 4, 2020 (as discussed under " Management' s Discussion and Analysis of Financial Condition and Results of Operations ").~~ The total indebtedness under ~~the~~ **our** credit facility as of December 31, ~~2022~~ **2023** was $ ~~435~~ **421** . ~~9~~ **7** million, net of unamortized discounts. The obligations under our credit facilities are guaranteed by certain direct or indirect wholly- owned domestic subsidiaries of ours. Our credit facilities are secured by substantially all of our personal property and the guarantor subsidiaries (in each case, subject to certain exclusions and qualifications). We are also permitted, under the terms of our credit facilities, to incur additional indebtedness, both under our credit facilities and otherwise. If such additional indebtedness is incurred, we may exacerbate the risks of our indebtedness described herein **. We intend to comply with the terms and financial covenants in our credit facilities for the foreseeable future, however, there can be no assurance that we will be able to comply with all of these covenants at all times** . Our existing substantial indebtedness and any future indebtedness, if incurred, could: • require us to dedicate a substantial portion of cash flow from operations to payments in respect of our indebtedness, instead of funding working capital, capital expenditures, potential acquisition opportunities, a level of marketing necessary to maintain the current level of sales and other general corporate purposes; • increase the amount of interest that we have to pay, because our borrowings are at variable rates of interest, which will result in higher interest payments if interest rates increase, and, if and when we are required to refinance any of our indebtedness, an increase in interest rates would also result in higher interest costs; • increase our vulnerability to adverse general economic or industry conditions; • require refinancing, which we may not be able to do on reasonable terms; • limit our flexibility in planning for, or reacting to, competition and / or changes in our business or the industry in which we operate; • limit our ability to borrow additional funds; • restrict us from making strategic acquisitions or necessary divestitures, introducing new brands and / or products or exploiting business opportunities; and • place us at a competitive disadvantage compared to our competitors that have less debt and / or more financial resources. Our ability to meet expenses and debt service obligations will depend on our future performance, which will be affected by financial, business, economic and other factors, **including** potential changes in consumer and customer preferences and behaviors, the success of product and marketing innovation and pressure **from** competitors. If we do not generate enough cash to pay our debt service obligations, we may be required to refinance all or part of our existing debt, sell assets, reduce or delay capital expenditures, borrow more money or issue additional equity. Our credit facilities contain financial and other covenants. The failure to comply with such covenants could have an adverse effect. Our credit facilities contain certain financial and other covenants, and limitations on our and our subsidiaries' ability to, among other things, incur additional indebtedness and make guarantees; incur liens on assets; engage in mergers or consolidations, dissolutions or other fundamental changes; sell assets; pay dividends and distributions or other restricted payments or repurchase stock; make investments, loans and advances, including acquisitions; amend organizational documents or other material agreements; enter into certain agreements that would restrict our and our subsidiaries' ability to pay dividends; repay certain junior, unsecured or subordinated indebtedness; issue certain equity; engage in certain activities; and engage in certain transactions with affiliates, in each case, subject to customary exceptions materially consistent with credit facilities of such type and size. Any failure to comply with the restrictions of our credit facilities may result in an event of default under the credit facilities. Our ~~contemplated~~ credit facilities bear interest at variable rates. If market interest rates increase, variable rate debt will create higher debt service requirements, which could adversely affect our cash flow. Risks Related to Ownership of Our Securities The price of our common stock and warrants may be volatile. The trading price of our common stock as well as our warrants may fluctuate due to a variety of factors, regardless of our operating performance, including: • changes in the industries in which we and our customers operate, including developments involving our competitors; • variations in our operating performance and the performance of our competitors in general; • actual or anticipated fluctuations in our quarterly or annual operating results; • publication of research reports by securities analysts about us or our competitors or our industry; • the public' s reaction to our press releases, our other public announcements and our filings with the SEC; • additions and departures of key personnel; • changes in laws and regulations affecting our business; • commencement of, or involvement in, litigation involving the ~~combined~~ company; • changes in our capital structure, such as future issuances of securities or the incurrence of additional debt; • the volume of shares of our common stock available for public sale; and • general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations, corruption, political instability and acts of war or terrorism. In the past, securities class- action litigation has often been instituted against companies following periods of volatility in the market price of their shares. This type of litigation could result in substantial costs and divert our management' s attention and resources, which could have a material adverse effect on us. If we do not maintain effective internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner or prevent fraud, which may adversely affect investor confidence in our financial reporting and adversely affect our business and operating results and the market price for our common stock. Effective internal control over financial reporting is necessary for us to provide reliable financial reports. In the future, we may discover areas of our internal control over financial reporting that need improvement. If we fail to properly and efficiently maintain an effective internal control over financial reporting, we could fail to report our financial results accurately. Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud. **Our Certificate of Incorporation designates the** ~~We previously identified a material weakness in our~~ **Court** ~~controls over~~ **of Chancery of** the ~~accounting~~ **State of Delaware as the sole and exclusive forum** for ~~warrants. Based on the views expressed in the SEC' s Staff Statement of April 12, 2021 in which the SEC staff clarified its interpretations of~~ certain **types of actions and proceedings that may be initiated** ~~generally accepted accounting principles related to certain terms common in warrants issued~~ by ~~special purpose acquisition companies, we determined that the Private Warrants should be treated as derivative liabilities rather than as components of equity, as previously presented. We determined that~~ our **stockholders** ~~controls to evaluate the accounting for complex financial instruments, such as the issuance of warrants, did not operate effectively to appropriately apply the provisions of ASC 815- 40. This material weakness did not result in a material error in our accounting for warrants; however, it was determined that there was a reasonable possibility that the error could have resulted in a material amount. Based on our assessment, management concluded that, as of March 31, 2021 and June 30, 2021, our internal control over financial reporting was not effective. As of September 30, 2021, management concluded that the material weakness was remediated. We may identify new material weaknesses in the future~~ , which could limit ~~our~~ **stockholders'** ability to ~~prevent~~ **obtain a favorable judicial forum** ~~or~~ **for disputes** ~~detect a material misstatement of our annual or interim financial statements. The occurrence of, or failure to remediate, a material weakness could result in our failure to maintain compliance~~ with ~~legal requirements~~ **us or our directors, officers or other employees. Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, (i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, other employees, agents or stockholders to us or our stockholders, or any claim for aiding and abetting such alleged breach, (iii) any action asserting a claim against us or any of our directors, officers, other employees, agents or stockholders arising pursuant to any provision of Delaware' s General Corporation Law (DGCL), our Certificate of Incorporation, our Bylaws or any action asserting a claim against us or any of our directors, officers, other employees, agents or stockholders governed by the internal affairs doctrine must be brought in the Delaware Court of Chancery, unless the Delaware Court of Chancery determines that there is an indispensable party not subject to its jurisdiction (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such**

determination), jurisdiction is exclusively vested in a court or forum other than the Delaware Court of Chancery, the Court of Chancery does not have subject matter jurisdiction, or the case arises under federal securities laws , including ~~Section 404 of~~ the **Securities** ~~Sarbanes- Oxley~~ Act ~~and rules regarding timely filing~~ of ~~periodic reports, in addition~~ **1933 (the " Securities Act "). Those provisions of the Certificate of Incorporation will not apply** to ~~applicable~~ **suits brought to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended (the " Exchange Act "), or any other claim for which the U. S. federal district courts shall be the sole and exclusive forum. Any person or entity acquiring any interest in any shares of our capital** stock ~~exchange listing requirements, which could cause investors to lose confidence in our financial reporting and could have an adverse effect on the market price of our Our Private Warrants are accounted for as liabilities and changes in the value of these warrants could have a material effect on our financial results. At each reporting period, the fair value of the warrant liabilities for the Private Warrants~~ will be ~~re~~ **deemed to have notice of and to have consented to the forum provisions in the Certificate of Incorporation. This choice** - ~~measured and the change in the fair value~~ of ~~the~~ **- forum provision may limit a stockholder' s** ~~liability~~ -- **ability** ~~will be recorded as~~ **to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, stockholders, agents or** other ~~income (expense) in~~ **employees, which may discourage such lawsuits. Alternatively, if a court were to find this provision of the Certificate of Incorporation inapplicable** ~~our~~ - **or unenforceable with respect to one** ~~statement of operations. Changes in the inputs and assumptions for~~ - **or more of** the ~~valuation model~~ **specified types of actions or proceedings,** we ~~use to determine the fair value of such liability may have a material impact on the estimated fair value of the derivative liability. The share price of our common stock represents the primary underlying variable that impacts the value of the derivative instruments. Additional factors that impact the value of the derivative instruments include the volatility of our stock price and publicly traded warrants and interest rates. As a result, our consolidated financial statements and results of operations will fluctuate quarterly, based on various factors, such as the share price of our common stock, many~~ - **may** ~~of which are outside of our control. In addition, we may change the underlying assumptions used in our valuation model, which could result in significant fluctuations in our results of operations. If our stock price is volatile, we expect that we will recognize non- cash gains or losses on the Private Warrants each reporting period and that the amount of such gains or losses could be material. The impact of changes in fair value on earnings may have an adverse effect on the market price of our common stock. Risks Related to the Business Combination We may have tax consequences and other liabilities as a result of the Business Combination. We cannot provide assurance that the due diligence conducted in relation to Merisant and MAFCO identified all material issues or risks associated with the Branded CPG or Flavors & Ingredients business or the industry in which they compete. Furthermore, we cannot provide assurance that factors outside of our control will not later arise. As a result of these factors, we may be exposed to liabilities and~~ incur additional costs **associated with resolving such matters in other jurisdictions, which could materially** and ~~expenses~~ **adversely affect our business, financial condition** and ~~we may be forced to later write~~ **results of operations and result in a diversion of the time and resources of our management and board of directors. Delaware law, the Certificate of Incorporation and Bylaws contain certain provisions, including anti** - ~~down or write-~~ **takeover provisions that limit the ability** ~~off~~ - **of** ~~assets, restructure~~ **stockholders to take certain actions and could delay** ~~our~~ - **or** ~~operations, or incur impairment or~~ **discourage takeover attempts that stockholders may consider favorable. Our Certificate of Incorporation and** ~~other~~ -- **the** ~~charges~~ **DGCL contain provisions** that could ~~result in us reporting losses. Even if~~ **have the effect of rendering more difficult, delaying,** ~~our~~ - **or** ~~due diligence had identified~~ **preventing an acquisition deemed undesirable by the Board which could depress the trading price of our stock and also make it difficult for stockholders to take** certain ~~risks~~ **actions** , ~~unexpected risks~~ **including electing directors or taking other corporate actions, including effecting changes in management. Among other things, the Certificate of Incorporation and Bylaws include provisions regarding: • The ability of the Board to issue " blank check " preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer; • The limitation of the liability of, and the indemnification of, our directors and officers; • The right of the Board to elect a director to fill a vacancy created by the expansion of the Company Board or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies; • The requirement that a special meeting of stockholders** may ~~arise~~ **be called only by Board or the chairman of the Board, which could delay the ability of stockholders to force consideration of a proposal or to take action, including the removal of directors; • Controlling the procedures for the conduct and scheduling of the Board and stockholder meetings; • The ability of the Board to amend the Bylaws, which may allow the Board to take additional actions to prevent** ~~and~~ - **an** ~~previously known risks may materialize in a manner not consistent~~ **unsolicited takeover and inhibit the ability of an acquirer to amend the Bylaws to facilitate an unsolicited takeover attempt; and • Advance notice procedures** with **which stockholders must comply to nominate candidates to** ~~our preliminary risk analysis, and we may not successfully integrate or achieve anticipated benefits and synergies of the Business Combination. If any of these risks materialize, they~~ - **the Company Board or to propose matters to be acted upon at a stockholders' meeting, which** could **preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in the Board and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer' s own slate of directors or otherwise attempting to obtain control of the Company. These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in the Company Board or management. Any provision of the Certificate of Incorporation, Bylaws or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for stockholders to receive a premium for their shares of our capital stock and could also affect the price that some investors are willing to pay for our common stock. Risks Related to the Merger We may fail to consummate the Merger, and uncertainties related to the consummation of the Merger may** have a material adverse effect on our **business, results of operations and** financial condition and **negatively impact the price of our common stock. The**

Merger is subject to the satisfaction of a number of conditions beyond our control. Failure to satisfy these conditions could prevent or delay the completion of the Merger. Further, regulators may impose conditions, obligations or restrictions on the Merger that may have the effect of delaying or preventing its completion. If the Merger does not close, we may suffer other consequences that could adversely affect our business, financial condition, operating results , ~~of operations~~ and stock price, and our stockholders ~~could~~ would ~~contribute~~ be exposed to ~~negative~~ additional risks, including, but not limited to: • potential decrease in the market price of ~~perceptions about us or~~ our common stock ~~our securities. As a result of the Business Combination~~ , to ~~we inherited the historic liabilities of Merisant and MAFCO, including their historic tax liabilities. To~~ the extent that the current market price of our common stock reflects an assumption that the Merger will be completed; • reduced investor confidence, stockholder litigation, and adverse impacts to relationships with existing and prospective customers, service providers, investors, lenders and other business partners. and key personnel; • significant expenses for professional services in connection with the Merger for which we will have received little or no benefit if the Merger is not consummated; • any disruptions to our business resulting from the announcement and pendency of the Merger may continue or intensify in the event the Merger is not consummated or is significantly delayed; and • the requirement that we pay a termination fee under certain circumstances. In addition, the efforts and costs to satisfy the closing conditions of the Merger may place a significant burden on management and internal resources, and the Merger and related transactions, whether or not consummated, may result in a diversion of management' s attention from day- to- day operations. Any significant diversion of management' s attention away from ongoing business and difficulties encountered in the Merger process could have a material adverse effect on our business, results of operations and financial condition. We are subject to various uncertainties and interim covenants while the Merger is pending, which could disrupt our relationships with third parties and employees, divert management' s attention, or result in negative publicity or legal proceedings, any of which could have a material adverse effect on our business, results of operations and financial condition. We have expended, and continue to expend, significant management time and resources in an effort to complete the Merger. Uncertainty about the pendency of the Merger and the effect of the Merger on employees, customers and other third parties who deal with us may impair our ability to attract, retain and motivate key personnel or cause customers and other third parties who deal with us to seek to change existing business relationships with us or fail to extend an existing relationship with us, either of which could have a material adverse effect on our business, results of operations, financial condition and market price of our common stock. The pendency of the Merger may also result in negative publicity and a negative impression of us in the financial markets and may lead to litigation against us and our directors and officers. Litigation is very common in connection with the sale of public companies, regardless of whether the claims have any merit. Such litigation would be distracting to management and, may, in the future, require us to incur significant costs. Further, one of the conditions to consummating the Merger is that no material order preventing or materially delaying the consummation of the Merger shall have been issued by any court. Consequently, if any lawsuit challenging the Merger is successful in obtaining an order preventing the consummation of the Merger, that order may delay or prevent the Merger from being completed. While we will evaluate and defend against any lawsuits, the time and costs of defending against litigation relating to the Merger may adversely affect our business. Further, the Merger Agreement generally requires us to operate our business in the ordinary course, subject to certain exceptions, including as required by applicable law, pending consummation of the Merger, and subjects us to customary interim operating covenants that restrict us from taking certain specified actions until the Merger is completed or the Merger Agreement is terminated in accordance with its terms. These restrictions could prevent us from pursuing certain business opportunities that may arise prior to the consummation of the Merger and may affect our ability to execute our business strategies and attain financial and other goals and may impact our financial condition, results of operations and cash flows. The occurrence of any of these events individually or in combination could have a material and adverse effect on our business, financial condition and results of operations. The Merger Agreement limits our ability to pursue alternatives to the Merger and may discourage other companies from trying to acquire us for greater consideration than what Parent has agreed to pay pursuant to the Merger Agreement. The Merger Agreement contains provisions that make it more difficult for us to sell our business to a party other than Parent. Under the terms of the Merger Agreement, the Company is subject to a customary " no- shop " provision that restricts the Company and its representatives from soliciting a Takeover Proposal (as defined in the Merger Agreement) from third parties or providing information to or participating in any discussions or negotiations with third parties regarding any Takeover Proposal, subject to certain exceptions. These restrictions, including the added expense of the termination fees that may become payable by us in certain circumstances, might discourage a third party that has an interest in acquiring all or a significant part of the Company from considering or proposing that acquisition, even if that party were prepared to pay consideration with a higher per share value than the consideration payable in the Merger pursuant to the Merger Agreement. We will continue to incur substantial transaction- related costs in connection with the Merger and we may, under certain circumstances, be obligated to pay a termination fee to Parent if the Merger Agreement is terminated. We have incurred significant legal, advisory and financial services fees in connection with Merger. We have incurred, and expect to continue to incur, additional costs in connection with the satisfaction of the various conditions to closing of the Merger, including seeking approval from our stockholders and from applicable regulatory agencies. If there is any ~~liability~~ delay in the consummation of the Merger, these costs could increase significantly. Further, if the Merger is not completed, in certain circumstances, we could be required to pay a termination fee of $ 20 million. Payment of any such termination fee may require us to use available cash that would have otherwise been available for general corporate purposes ~~historic tax exposure of any of the companies acquired through the Business Combination, this exposure can impact the value of our~~ or ~~securities~~ other uses . ~~Such exposure~~ For these and other reasons, termination of the Merger Agreement could ~~also~~

~~impact~~ **materially and adversely affect** our ~~tax liability for future years. As a part of the Business~~ **business** ~~Combination~~ , **results of operations** ~~we have negotiated certain indemnities for~~ - **or** ~~historic tax liabilities, however, these indemnities do not cover all potential historical tax liabilities. The historical~~ financial ~~results of Merisant~~ **condition, which in turn would materially** and ~~MAFCO may~~ **adversely affect the price of our common stock. If the Merger is consummated, our stockholders will** not be ~~indicative of what our actual financial position~~ **able to participate in any further upside to** ~~or~~ **our business** ~~results of operations would have been~~ . ~~The historical financial results of Merisant and MAFCO included~~ **If the Merger is consummated, our stockholders will receive $ 4. 875** in ~~this Annual Report on Form 10- K do~~ **cash per share of common stock owned by them, without interest, and will** not ~~reflect the financial condition,~~ **receive any equity interests of Parent. As a** ~~results~~ - **result** ~~of operations~~ **, if** ~~or~~ **our** ~~cash flows~~ **business following** ~~they~~ - **the Merger performs well,** ~~would have achieved as a standalone company during the periods presented or~~ **our** ~~those we~~ **current stockholders** will ~~achieve in the~~ **not receive any additional consideration and will therefore not receive any benefit from any such** future ~~. For example, we have incurred, and will continue to incur, additional ongoing costs as a result of the Business Combination, including costs related to public company reporting, investor relations and compliance with the Sarbanes- Oxley Act. Therefore, it may be difficult for investors to compare our future results to historical results or to evaluate our relative~~ performance **of** ~~or~~ **our business** ~~trends in our segments~~ .