

To whom it may concern:

San Juan, Puerto Rico, March 2024

B. Fernandez & Hnos., Inc. is one of the leading distributors in Puerto Rico, serving more than 5,200 customers throughout the island. It is recognized for the brands it represents, its distribution and sales network, the creation of marketing networks, and our commitment to our customers.

Between September 2023 and March 2024, we carried out a commercial intelligence project with London Consulting Group with the objective of implementing new efficiency models in the Chains and Groups channel.

The key initiatives that we carried out were implementing a new incentive-based variable compensation model for the Salespeople, Supervisors, Key Account Managers, and Sales Managers, which was aligned with the organization's strategic needs. This enabled us to improve the team's performance and increase sales.

We also implemented portfolio penetration tools that helped us to generate greater product coverage among customers. Furthermore, Capacity Plan models were designed to calculate the operating capacity of the salespeople and merchandisers, which improved our strategic decisions.

The most relevant results achieved during the project were:

- 3% increase in sales vs. last year.
- 11% increase in the sales routes' monthly sales quota compliance.
- 16% increase in the reliability of the channel's compensation scheme.

The savings obtained from this project generated a return on investment by the end of March 2024 of **0.3 to 1**, with a forecasted annualized return of **3.2 to 1**.

I would like to acknowledge the commitment and professional work carried out by the London Consulting Group team, who have once again exceeded our expectations.

Sincerely:



Marco Teixidor
Executive Vice President
B. Fernandez & Bros.