

FOR IMMEDIATE RELEASE

For Media Inquiries, Contact:

Kim Conaty, Manager

+1-720-259-3201



Flagship Food Group subsidiary acquires certain assets of Glutenfreeda Foods, Inc.

Acquisition adds a second USDA production facility for the Company and bolsters its distribution footprint in branded retail

August 21, 2017; Greenwood Village, CO Flagship Food Group announced today that one of its subsidiaries has acquired certain assets of Glutenfreeda Foods, Inc., including its brand portfolio and its USDA manufacturing facility near Seattle, Washington. Terms of the transaction were not disclosed, but Flagship management indicated that the deal will increase its brand distribution in thousands of new retail outlets, including traditional, natural, and specialty food retailers in both the U.S. and Canada. The acquisition also provides Flagship with manufacturing capabilities in the Pacific Northwest. Key members of management, including Yvonne Gifford, Jessica Hale, and Greg Gifford will join the Flagship team.

“Over the past decade, Yvonne and her team have developed a tremendous portfolio of gluten-free and ‘better for you’ products that represent what consumers today want in their food products. Their brand mission is similar in many ways to the commitment we’ve made with our Lilly B’s brand and other products in our portfolio, and we see tremendous opportunity to combine forces to better serve our customers,” said Rob Holland, Flagship CEO. “Through our partnership, we hope to vastly expand the distribution of both brand portfolios while staying true to what makes them important to our consumers.”

Patrick Moulder, the company's CFO and head of M&A added, "We have known the Glutenfreeda family for many years. I am pleased that we have been able to come together in a transaction that I am confident will benefit both teams as we continue to grow."

Glutenfreeda was founded in 2006 on the premise that there was significant consumer demand for food that was gluten-free, but that also tasted good. The brand is known for its granola, oatmeal, burritos, sandwich wraps, tortillas, and flatbreads. Today, its products are found in retailers across North America including Whole Foods, Sprouts, Publix, Loblaws, Wegmans, Kroger, and numerous other retailers. The Company also has an active direct-to-consumer business through its partnership with Amazon Prime.

"It's been an amazing journey building and running this company. We have great products and great customers. What we needed was a great business partner. Flagship is the perfect fit for our business, our team, and our production facility," said Yvonne Gifford, founder and CEO of Glutenfreeda.

Glutenfreeda operates a 25,000 square-foot manufacturing facility in Burlington, Washington. Flagship will take over operations in the facility and has agreed to hire nearly all of the employees of the company. "As our business has grown across the country, we need more production space. We hope that we can expand upon the operations in Burlington over time," added Mr. Moulder.

Flagship developed its own 'good for you' brand, Lilly B's, in 2015. Named after Holland's daughter, Lilly B's is a leader in the organic space with its 100% organic burritos, sweet potato French fries, and other products.

Last week, Flagship announced the construction of a new 76,000 square foot frozen distribution facility in Albuquerque, New Mexico. Governor Susana Martinez joined Holland and Flagship COO Carlos Angulo on location to announce the new facility.

JP Morgan Chase and HSBC Bank provided the majority of the financing for the acquisition.

About Flagship Food Group

Flagship Food Group is a global, diversified food company serving the retail, club store, and food service channels across a broad array of product lines. Its brands include TJ Farms®, Lilly B's®, 505 Southwestern®, Chris & Pitts®, Glutenfreeda® and Su Ming®. It also serves as a valuable supplier to private label customers and provides industry services to food companies through its logistics and packaging divisions. Flagship is headquartered in Greenwood Village, Colorado, and its more than 500 employees serve the company in its key facilities and offices in or near Denver, Los Angeles, Albuquerque, Boise, Indianapolis, Seattle, and Minnesota.