



## Franchise Group, Inc. to Acquire FFO Home

November 5, 2020

ORLANDO, Fla., Nov. 05, 2020 (GLOBE NEWSWIRE) -- Franchise Group, Inc. (NASDAQ: FRG) ("Franchise Group" or the "Company") today announced it has signed an agreement to acquire FFO Home ("FFO"), a furniture retailer with 31 stores in Arkansas, Indiana, Kentucky, Missouri and Oklahoma, subject to a process under Chapter 11 of the United States Bankruptcy Code (the "Transaction").

As part of the agreement, FFO has filed voluntary petitions for Chapter 11 relief in the United States District Court for the District of Delaware. FFO will continue normal business operations throughout the sale process until the Transaction closes. In addition, Franchise Group is providing FFO with a debtor-in-possession loan as part of its bankruptcy proceedings. The Transaction is expected to close by the end of 2020 at which time Franchise Group plans to merge and rebrand the FFO stores with its American Freight business.

Brian Kahn, CEO of Franchise Group stated, "FFO provides us a great opportunity to expand our store footprint and growth at American Freight. We look forward to welcoming FFO employees to our team and believe there will be a seamless transition since FFO has a comparable operating philosophy, customer base and culture as American Freight."

"With the support of Franchise Group, we are asking the court to approve the sale agreement," said FFO Home CEO, Hank Mullany. "The planned transaction places FFO with a partner that has strong financial resources, that is dedicated to growth and support of our people."

### About Franchise Group, Inc.

Franchise Group is an operator of franchised and franchisable businesses that continually looks to grow its portfolio of brands while utilizing its operating and capital allocation philosophy to generate strong cash flow for its shareholders. Franchise Group's business lines include Liberty Tax Service, Buddy's Home Furnishings, American Freight and The Vitamin Shoppe. On a combined basis, Franchise Group currently operates over 4,000 locations predominantly located in the U.S. and Canada that are either Company-run or operated pursuant to franchising agreements.

### About FFO Home

FFO offers a wide selection of high-quality furniture, mattresses and home accessories, with 31 stores in Arkansas, Indiana, Kentucky, Missouri and Oklahoma.

### Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, projections, predictions, expectations, or beliefs about future events or results and are not statements of historical fact, including the Company's expectations regarding its financial condition, the completion of the acquisition of FFO Home or its performance and the effects of the coronavirus (COVID-19) pandemic on economic conditions and the industry in general, and the financial position and operating results of the Company. Such forward-looking statements are based on various assumptions as of the time they are made, and are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are often accompanied by words that convey projected future events or outcomes such as "expect," "believe," "estimate," "plan," "project," "anticipate," "intend," "will," "may," "view," "opportunity," "potential," or words of similar meaning or other statements concerning opinions or judgment of the Company or its management about future events. Although the Company believes that its expectations with respect to forward-looking statements are based upon reasonable assumptions within the bounds of its existing knowledge of its business and operations, there can be no assurance that actual results, performance, or achievements of the Company will not differ materially from any projected future results, performance or achievements expressed or implied by such forward-looking statements. Actual future results, performance or achievements may differ materially from historical results or those anticipated depending on a variety of factors, many of which are beyond the control of the Company. We refer you to the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's Transition Report on Form 10-K/T for the transition period ended December 28, 2019, and comparable sections of the Company's Quarterly Reports on Form 10-Q and other filings, which have been filed with the SEC and are available on the SEC's website at [www.sec.gov](http://www.sec.gov). All of the forward-looking statements made in this press release are expressly qualified by the cautionary statements contained or referred to herein. The actual results or developments anticipated may not be realized or, even if substantially realized, they may not have the expected consequences to or effects on the Company or its business or operations. Readers are cautioned not to rely on the forward-looking statements contained in this press release. Forward-looking statements speak only as of the date they are made and the Company does not undertake any obligation to update, revise or clarify these forward-looking statements, whether as a result of new information, future events or otherwise.

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