



FOR IMMEDIATE RELEASE

Falfurrias Capital Partners, The C.F. Sauer Company Set Acquisition

- *Maker of Duke's Mayonnaise, other products sets sights on accelerating growth*
- *Conrad Sauer retiring; food industry veteran Bill Lovette named executive chairman*

RICHMOND, Va., and CHARLOTTE, N.C. (June 21, 2019) – Leading packaged food manufacturer The C.F. Sauer Company and Charlotte-based private equity firm Falfurrias Capital Partners today announced they have signed a definitive agreement under which Falfurrias will acquire the company's food business.

Founded in 1887 and based in Richmond, Virginia, The C.F. Sauer Company manufactures a broad line of flavor-enhancing condiments, spices, seasonings and extracts, including well-known brands Duke's Mayonnaise, The Spice Hunter, Sauer's, Gold Medal, and BAMA. The company's regionally prominent brands and private-label products are sold through the retail and foodservice channels.

Conrad F. Sauer IV, the fourth generation of his family to lead the company, will retire as president and CEO but will continue to serve on the board of directors. William W. (Bill) Lovette, a 37-year food industry veteran with Tyson Foods and Pilgrim's Pride, has been named interim CEO and executive chairman of The C.F. Sauer Company. Falfurrias Capital Partners principal Chip Johnson and partner Ken Walker also will join the board.

"I am so grateful to all of the people of The C.F. Sauer Company who have helped write our company's tremendous success story over the past 132 years, and I look to the future with great optimism," said Sauer. "We have found the ideal growth partner in Falfurrias Capital Partners, and I look forward to working with Bill and the rest of the team to author the next chapter."

The transaction is subject to shareholder approval at The C.F. Sauer Company's annual meeting July 15 and other closing conditions. The sale will include only the company's food business assets, while shareholders will retain the significant real estate portfolio owned by the company. Upon closing, the business will be known as Sauer Brands Inc.

"Falfurrias Capital Partners is honored to partner with Conrad and the rest of The C.F. Sauer Company family to build on the legacy of success created over four generations," said Marc Oken, chairman of Falfurrias Capital Partners. "The C.F. Sauer Company is a proven performer in a durable growth market, and we see great potential to accelerate growth and provide new opportunities for employees throughout the company."

Falfurrias Capital Partners has significant experience in the food industry, including the quick service restaurant business through its prior ownership of the iconic Bojangles' brand and the premium catering industry through its current investment in Southeast regional caterer Best Impressions. Through its proprietary Industry First investment process, Falfurrias identified consumer packaged goods as a sector offering attractive growth potential and The C.F. Sauer Company as a strong competitor that could benefit from the strategic expertise, deep operational experience and extensive business relationships Falfurrias provides its portfolio companies.

"I am humbled to be able to have a small part in leading the next phase of growth and have a hand in making The C.F. Sauer Company an even more dynamic force in the markets it serves," said Lovette. "The foundation of the company has always been its exceptional people, in Richmond, Greenville, San Luis Obispo and New Century, and the success they have created over the past 132 years provides a great benchmark for us as we move forward."

RBC Capital Markets, LLC is acting as exclusive financial advisor to The C.F. Sauer Company in connection with the transaction. Williams Mullen is serving as legal advisor to the company. McGuireWoods is serving as legal advisor to Falfurrias Capital Partners.

About The C.F. Sauer Company

Founded in 1887 and based in Richmond, Virginia, The C.F. Sauer Company is an established manufacturer of flavor-enhancing products including branded and private-label condiments, spices, seasonings and extracts sold through the retail and foodservice channels. With manufacturing facilities in Richmond, VA; Greenville, SC; New Century, KS; and San Luis Obispo, CA, The C.F. Sauer Company is the proud steward of the Duke's Mayonnaise and The Spice Hunter brands, and also sells mayonnaise and salad dressings under the Sauer's, Gold Medal, and BAMA brands. Learn more at www.cfsauer.com.

About Falfurrias Capital Partners

Falfurrias Capital Partners is a Charlotte-based private equity investment firm founded in 2006 by Hugh McColl Jr., former chairman and CEO of Bank of America, Marc Oken, former CFO of Bank of America, and Managing Partner Ed McMahan. The firm is focused on acquiring or investing in a diverse portfolio of growth-oriented middle-market companies. By leveraging the extensive strategic and operational experience and business relationships of the firm's principals, Falfurrias Capital Partners is positioned to be a value-added partner for both its portfolio companies and its limited partners. For more information, visit www.falfurriascapital.com.

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