

Recipe Unlimited Announces Sale of Milestones to Foodtastic

VAUGHAN, ON, June 14, 2021 /CNW/ - Recipe Unlimited Corporation ("Recipe") announced today that it has entered into a definitive agreement to sell substantially all of the assets comprising its Milestones restaurant brand ("Milestones") to Quebec-based Foodtastic Inc. ("Foodtastic").

"By selling Milestones to an experienced operator like Foodtastic, the transaction should enable both companies to accelerate growth and better serve their customers," said Recipe Chief Executive Officer Frank Hennessey.

"This transaction enables Recipe to further rationalize our portfolio to focus on large brands that generate significant free cash flow and dominate their segment with younger brands that offer attractive opportunities for accelerated new restaurant growth. While it is always difficult to depart with valued franchisees and teammates, we feel that Foodtastic is the right parent for Milestones at this stage of its history."

"We are extremely impressed by the Milestones restaurant brand and are excited to welcome them into the Foodtastic family," said Peter Mammias, President and CEO of Foodtastic. "We look forward to welcoming all our new franchisees, teammates and customers. This acquisition is consistent with our strategy of acquiring quality Canadian brands with growth potential, and we are excited to introduce Milestones to the Quebec market."

The transaction is subject to customary closing conditions and consents and is expected to close within 60 days.

About Recipe

Founded in 1883, RECIPE Unlimited Corporation is Canada's largest full-service restaurant company. The Company franchises and/or operates some of the most recognized brands in the country including Swiss Chalet, Harvey's, St-Hubert, The Keg, Montana's, Kelsey's, East Side Mario's, New York Fries, Prime Pubs, Bier Markt, Landing, Original Joe's, State & Main, Elephant & Castle, The Burger's Priest, The Pickle Barrel, Marigolds & Onions, 1909 Taverne Moderne, Fresh and Ultimate Kitchens.

RECIPE's iconic brands have established the organization as a nationally recognized franchisor of choice. As at March 28, 2021, Recipe had 25 brands and 1,330 restaurants, 84% of which are operated by franchisees and joint venture partners, operating in 11 countries (Canada, USA, Bahrain, China, India, Macao, Oman, Panama, Qatar, Saudi Arabia and the UAE). RECIPE's shares trade on the Toronto Stock Exchange under the ticker symbol RECP. More information about the Company is available at www.recipeunlimited.com.

About Foodtastic

Foodtastic is the franchisor of multiple restaurant concepts including Second Cup, Au Coq, La Belle et La Boeuf, Monza, Carlos & Pepe's, Souvlaki Bar, Nickels, Rotisseries Benny, Choccolato, Big Rig, Bacaro, Copper Branch, Tommy Café, Gatto Matto, La Chambre and L'Gros Luxe. Foodtastic is a leader in the restaurant franchising business with over 370 restaurants and \$390 million in annualized sales.

SOURCE Recipe Unlimited Corp.

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