

FOR IMMEDIATE RELEASE

**CTI Foods Announces Financial Restructuring Plan
to Reduce Debt and Support Long-Term Growth**

Operating Business as Usual with Vendors, Customers and Employees

*Facilities and Distribution Centers Remain Open and Fulfilling Orders; Reinforces Commitment
to Improving Food Safety Program*

Commences Pre-Packaged Financial Restructuring Plan through Chapter 11 Process

*Receives Commitments of \$155 Million in Debtor-in-Possession Financing
to Support Continued Operations*

MERIDIAN, ID – March 11, 2019 – CTI Foods (“CTI” or the “Company”), a leading custom foodservice manufacturer supplying the top U.S. restaurant chains and branded food companies, today announced that it has reached an agreement with the majority of its lenders on a comprehensive balance sheet restructuring that will reduce the Company’s debt by more than \$400 million and provide significant financial flexibility to support continued investments by the Company on behalf of its customers. To implement the restructuring plan, the Company filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the District of Delaware along with a pre-packaged plan of reorganization with the support of its major stakeholders, including members of an ad hoc group of creditors holding CTI’s first lien and second lien term loan debt (the “Ad Hoc Group”) and equity holders.

CTI has sufficient liquidity to meet all of its obligations and will continue to operate its business as usual throughout the restructuring process. The Company’s facilities and distribution centers are open and fulfilling orders, and CTI has been working with its key vendors and manufacturing partners to help ensure that products will continue to be delivered to customers on time. The long-standing vendor and manufacturing relationships essential to CTI’s success are expected to be unimpaired and paid in full during this process.

“With the support of our lenders and equity sponsors, we are taking this positive and strategic step forward that will allow us to improve our capital structure and reduce our debt on an expedited basis while continuing to provide customers the custom food solutions and services they expect from CTI,” said Mike Buccheri, President and Chief Executive Officer of CTI. “With increased financial flexibility, we will be able to continue taking actions to best position CTI for long-term growth with both existing and new customers. It is a testament to the hard work of our employees and commitment to our customers’ success that many of our largest customers are not only standing by us through this process, but are also increasing their business. We are confident in the future of CTI, and believe this process will enhance our ability to drive value for all of our stakeholders.”

In conjunction with the restructuring plan, CTI has received commitments for \$155 million in debtor-in-possession (“DIP”) financing from its lenders, which, subject to Court approval, will be used to pay down existing debt and fund ongoing operations during the Chapter 11 cases.

CTI has filed a number of customary motions with the Bankruptcy Court seeking authorization to support its operations during the financial restructuring process, including authority to continue to pay employee wages and provide health and other benefits, and to pay vendors and manufacturing partners in full for all goods and services provided. The Company expects to receive Bankruptcy Court approval for these requests.

Additional Information

Court filings and information about the claims process are available at <https://cases.primeclerk.com/CTIFoods>, by calling the Company's claims agent, Prime Clerk, toll-free in the U.S. and Canada at 844-339-4265 (or +1-929-272-0423 for international calls) or by sending an email to CTIinfo@primeclerk.com.

Weil, Gotshal & Manges LLP is serving as legal advisor, Centerview Partners LLC is serving as financial advisor and AlixPartners is serving as restructuring advisor to CTI.

Davis Polk & Wardwell LLP is serving as legal advisor and Evercore Group L.L.C. is serving as financial advisor to the Ad Hoc Group.

About CTI Foods

CTI Foods is a culinary-driven company that offers a diverse range of custom food solutions to the foodservice and restaurant industries, including raw and pre-cooked protein, soups and sauces and dehydrated beans. CTI Foods has seven state-of-the-art food processing facilities and has over 1,500 employees at its California, Idaho, Iowa, Kentucky, Pennsylvania, and Texas locations.

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