

Sole Source Capital Forms Partnership between Trade Supplies and Individual FoodService to Create Market Leader in Regional Foodservice Distribution

The Combined Company Will Be One of the Largest Non-perishable Foodservice Distributors in California Increased Scale Enhances Position in Growing Restaurant Takeout and Digital Delivery Space Individual FoodService CEO Steve Supowitz to Lead the Combined Entity

SANTA MONICA AND BELL, CALIFORNIA— NOVEMBER 28, 2018 - Sole Source Capital today announced that it has partnered with Individual FoodService ("IFS") and will combine the business with Trade Supplies, LLC ("Trade Supplies") to create one of the largest non-perishable foodservice distributor and packaging solution providers in California. The combined company, which will operate under the IFS brand but also retain the Trade Supplies name, will use its enhanced scale to capitalize on the significant secular growth trends in the restaurant takeout and digital food delivery space, which is one of the fastest growing segments within the approximately \$300 billion foodservice distribution market.

The combined company will distribute eco-friendly and custom-branded packaging, paper and plastic disposables, unique catering items, food products, janitorial supplies, healthcare facility products and other foodservice smallwares and equipment to its more than 5,000 weekly customers, which include fast casual, family-owned and major chain restaurants, food processors, caterers, bakeries, schools, large public venues, hospitals, healthcare facilities and foodservice distributors. The capital infusion will enhance the customer experience at the combined company by investing in technology and new products, which will support its ambitious acquisition strategy.

The combined company will remain headquartered in Bell, California and will be led by the current President and Chief Executive Officer of IFS, Steve Supowitz, who has more than 40 years of experience in the foodservice industry. Jeremy Shapiro, the current Chief Executive Officer of Trade Supplies, will serve as President and report to Mr. Supowitz. Mr. Shapiro will spearhead the integration of the two companies, assume managerial duties, and oversee business development to further expand the customer base in the Western United States.

"The combination of IFS and Trade Supplies establishes a leader in foodservice distribution throughout California that will offer its customers an increasingly diversified range of products and exceptional service," said David Fredston, Managing Partner of Sole Source Capital. "Since partnering with Trade Supplies in June, we've employed our Firm's operational expertise to support the company's progress and leverage the tailwinds in the foodservice distribution sector. We are confident that under Steve's expert leadership we can maximize the company's growth prospects."

CONTACT:

Sole Source Capital LLC
1299 Ocean Avenue, Suite 410, Santa Monica, CA 90401
(310) 844-1800
info@solesourcecapital.com

"The announcement of today's partnership between IFS and Trade Supplies is an exciting development that will increase value for our customers, vendors, and employees," said Mr. Supowitz. "Complementary product lines and a mutual commitment to customizable offerings will further enhance our ability to serve a diverse retail and wholesale customer base. Sole Source has established itself as the preferred partner in foodservice distribution due to its relevant operational expertise and its network of industry contacts. We have been impressed with the transformational work that has taken place at Trade Supplies under Sole Source's stewardship over the past few months."

"We are thrilled to be partnering with IFS," said Mr. Shapiro. "I look forward to working closely with Steve and the entire IFS team to integrate our operations and expand the scope of services available to our clients."

The transaction was financed with capital from Sole Source Capital. Financial terms of the transaction were not disclosed.

About Individual FoodService

Located in Bell, California, Individual FoodService ("IFS") has been owned and operated by the Supowitz family for over 90 years. With distribution centers comprising nearly 600,000 square feet, IFS and its divisions distribute food, paper, plastic, packaging, janitorial, and smallwares products to independent restaurants, quick service restaurants, healthcare facilities, hospitality establishments, country clubs, schools, universities, government institutions, wholesalers, food processors and foodservice management institutions. Since its early beginnings as one of the very first Dixie cup distributors in Southern California, IFS has dedicated itself to offering a broad and unique array of goods with a heavy emphasis on integrity at competitive prices while providing clients with excellent, honest service through comprehensive industry knowledge. For more information on IFS, please visit www.indfood.com or contact info@indfood.com.

About Trade Supplies

Trade Supplies, LLC ("Trade Supplies") is a leading distributor of non-perishable foodservice disposable items, dry-grocery items, packaging solutions, and janitorial supplies across the Western United States. The company carries over 7,000 stocked products including eco-friendly packaging, paper and plastic disposables, unique catering items, janitorial supplies, healthcare facility products, and foodservice smallwares and equipment. Trade Supplies was acquired by Sole Source Capital in 2018 and has quickly grown due to its superior service levels, strong sales staff, and its high-quality leadership. For more information on Trade Supplies, please visit www.tradesuppliesinc.com or contact info@tradesuppliesinc.com.

About Sole Source Capital

Founded in 2016 by David Fredston and an experienced group of private equity professionals, Sole Source Capital LLC ("SSC") is an operationally-focused lower-middle market investment firm that targets investments in manufacturing, distribution, and industrial service companies. SSC seeks to partner with founder-owned businesses and capitalize on opportunities with a higher degree of complexity, including corporate carve-outs and management buy-outs. The firm is headquartered in Santa Monica, California. For more information on SSC, please visit www.solesourcecapital.com or contact info@solesourcecapital.com.

Media Contacts

Jonathan Keehner / Julie Oakes / Jill Kary

Joele Frank, Wilkinson Brimmer Katcher

212.355.4449

CONTACT:

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1299 Ocean Avenue, Suite 410, Santa Monica, CA 90401
(310) 844-1800
info@solesourcecapital.com

