



DRAFT FOR APPROVAL

Sauer Brands Expands Flavor Portfolio with Acquisition of Top Independent Brand Mateo's Gourmet Salsa

RICHMOND, Virginia (Sep. XX, 2021) – Sauer Brands Inc., makers of iconic flavor-enhancing condiments, seasonings and spices including Duke's Mayonnaise, Kernel Season's and The Spice Hunter, today announced it has acquired Mateo's Gourmet Salsa, one of the leading independent brands in the shelf-stable salsa category. Terms were not disclosed.

The deal represents Sauer's entry into the salsa business and is a logical extension of the company's product portfolio expansion strategy since being acquired by Charlotte-based Falfurrias Capital Partners in 2019. This is the second add-on investment for Sauer and Falfurrias, having acquired popcorn seasoning brand Kernel Season's in 2020.

“We are incredibly excited to add Mateo's Gourmet Salsa to our growing family of highly differentiated, and inspired flavors,” said Martin Kelly, President and CEO of Sauer Brands. “There are many synergies across our product lines and we see significant growth potential in the salsa category, so it's a great fit for our organization.”

Based in the Dallas suburb of Frisco, Texas, Mateo's was created in 2010 by Andrew Robbins, who decided to market the homemade salsa his father created when he could not find one available in stores that met his discerning standards. Mateo's all-natural line of products is marketed across the country through such retailers as Costco, Walmart, Target, Publix and Kroger.

“It has been an amazing journey building our brand and seeing it become one of the largest independently owned salsas in the country,” said Robbins. “Joining with a company like Sauer Brands, which has so many resources and such an impressive track record, is extremely gratifying, and I can't wait to see what the Mateo's brand will achieve during this next phase of its growth.”

Sauer's acquisition of Mateo's is the latest example of Falfurrias' “Industry First” investment approach which combines data, exhaustive research and expertise to identify attractive industries and partner with experienced advisors to build differentiated and sustainable companies.

“We have a tremendous packaged foods platform in Sauer Brands, and from the early days of our investment, our world-class leadership team, led by Martin Kelly, identified salsa as the most attractive category for future expansion,” said Falfurrias Partner Chip

Johnson. “In Mateo’s, we’ve found the perfect addition to our portfolio – another high-growth, iconic brand that consumers adore.”

About Sauer Brands Inc.

Sauer Brands Inc. was founded as The C.F. Sauer Company in 1887, in Richmond, Virginia. The company produces a broad line of inspired flavors to excite and delight consumers including condiments, spices, seasonings and extracts. The company’s manufacturing facilities are in Richmond, Virginia; Mauldin, South Carolina; New Century, Kansas; and San Luis Obispo, California. The company sells well-known brands including Duke’s Mayonnaise and Southern Sauces, Kernel Season’s Popcorn Flavorings, The Spice Hunter, Sauer’s and Tasty Shakes. Sauer Brands Inc. also produces high-quality private label products for the retail and away-from-home channels. Learn more at www.sauerbrandsinc.com.

About Mateo’s Gourmet Salsa

Founded in 2010 by Andrew Robbins, Mateo’s Gourmet Salsa is one of the nation’s leading independent salsa brands, available in retailers such as Costco, Walmart, Target, Publix and Kroger. Mateo’s all-natural line of products includes a wide variety of salsas ranging from core flavors such as Mild, Medium and Hot, to small-batch gourmet flavors such as Habanero, Hatch and Cantina Style. For more information, visit www.mateossalsa.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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