

B. Riley Financial Affiliates Serve as Advisor and Provide Financing to Support Franchise Group's Acquisition of American Freight

B. Riley FBR Acts as Advisor and Debt Placement Agent to Franchise Group

LOS ANGELES, Feb. 24, 2020 /PRNewswire/ -- B. Riley Financial, Inc. (NASDAQ:RILY) ("B. Riley" or the "Company"), a diversified provider of business advisory and financial services, today announced that certain of its subsidiaries advised and provided financing to Franchise Group, Inc. (NASDAQ: FRG) ("Franchise Group") in connection with its recently completed acquisition of American Freight Group, Inc. ("American Freight") which closed on February 14, 2020.

"Our role in the successful closing of Franchise Group's acquisition of American Freight demonstrates the power of our collective platform and our ability to provide a diverse set of end-to-end capabilities to support our partners," said Bryant Riley, Chairman and Co-Chief Executive Officer of B. Riley Financial. "We were pleased to work with Brian Kahn and his team on this transaction and look forward to continuing to serve as a strategic partner to Franchise Group."

The Company's investment banking subsidiary, B. Riley FBR, Inc., served as a financial advisor and debt placement agent to Franchise Group in connection with the transaction. B. Riley FBR arranged and placed a \$675 million credit facility which provided Franchise Group with 100% of the financing needed to support the acquisition.

"The addition of American Freight provides meaningful scale to our existing business and we could not be more pleased with the performance of the entire B. Riley team in making this acquisition an efficient and seamless process," said Brian Kahn, President and CEO of Franchise Group.

Franchise Group is an operator of franchised and franchisable businesses and uses its operating expertise to drive cost efficiencies and grow its brands. Its business lines include Liberty Tax Service, Buddy's Home Furnishings, Sears Outlet, American Freight and The Vitamin Shoppe. On a combined basis, Franchise Group currently operates over 4,400 locations predominantly located in the U.S. and Canada that are either company-run or operated pursuant to franchising agreements.

The Company is a shareholder of Franchise Group.

About B. Riley Financial, Inc. (NASDAQ:RILY)

B. Riley Financial provides collaborative financial services tailored to fit the capital raising and business advisory needs of public and private companies and high-net-worth individuals. The Company operates through several wholly owned subsidiaries which offer complementary end-to-end capabilities spanning investment banking and institutional brokerage, private wealth and investment management, corporate advisory, restructuring, due diligence, forensic accounting and litigation support, appraisal and valuation, and auction and liquidation services. Certain registered affiliates of B. Riley originate and underwrite senior secured loans for asset-rich companies. The Company also makes proprietary investments in companies and assets with attractive return profiles. For more information about B. Riley and its affiliated companies, visit www.brileyfin.com.

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