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Papa Murphy's Announces Refranchising and Development Agreement With New Franchise Owner in Denver Market

***Experienced Multi-unit Operator Purchases Six Stores;
Commits to Build Three Additional Stores over the Next Three Years***

VANCOUVER, Wash., Feb. 22, 2017 (GLOBE NEWSWIRE) -- Papa Murphy's Holdings, Inc. (NASDAQ:FRSH) announced today that Barren Troy Holdings has agreed to acquire six Company-owned stores in the Denver, CO market, including three developed under the Company's Pre-Sale Development Program, and commits to build three additional stores in the market over the next three years.

Papa Murphy's is focused on driving franchisee growth and profitability through several key initiatives. Following the Company's strategy to raise awareness in underpenetrated markets by deploying capital to accelerate unit growth, in this next phase of its strategic plan the Company is seeking experienced well-capitalized operators to acquire stores and continue building units to achieve full market penetration. The cash flow generated from refranchising is expected to be used to reduce leverage.

"We are pleased to welcome Barren Troy Holdings to the Papa Murphy's family," said Jean Birch, Board Chair and interim Chief Executive Officer for Papa Murphy's. "A successful refranchising starts with the right people. Barron Troy Holdings' extensive experience in a franchise business and proven record of operations excellence and growth makes them an ideal franchise owner for Papa Murphy's. We look forward to a long and successful relationship with them, and look forward to pursuing similar refranchising transactions in the coming months."

Barren Troy Holdings is a management and holding company that owns and operates eleven Meineke Car Care franchises in Colorado. The group has steadily expanded since purchasing their first four stores in 2010. Meineke Car Care offers total automotive service and repairs to vehicles of all makes and models with superior customer experience.

"We are very excited about the Papa Murphy's brand, their unique approach to pizza, the low cost of ownership and the endless opportunities for multi-unit growth," said Ryan Tracy, CEO of Barren Troy Holdings. "Plus, buying existing stores in our home market allows us to jump in quickly, while the opportunity to continue to grow both inside as well as outside of the Denver market is exciting for our long-term goals."

Birch continued, "We are confident that, as we execute on our refranchising strategy, focus on our asset-light franchise business model and prudently manage costs, we can create sustainable long-term value for franchise owners and all shareholders."

For additional information on Papa Murphy's franchise opportunities and current development incentives, please visit <http://www.papamurphysfranchise.com/>.

FORWARD-LOOKING STATEMENTS

This news release, as well as other information provided from time to time by Papa Murphy's Holdings, Inc. or its employees, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "guidance," "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Forward-looking statements in this press release include statements relating to the Company's expectations for the construction of additional stores in the Denver, CO market, generating cash flow from refranchising, the anticipated use of such cash, and expected future results of operations. Although the Company believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results and cause them to differ materially from those anticipated in any forward-looking statements. Please refer to the risk factors discussed in the Company's annual report on Form 10-K for the fiscal year ended December 28, 2015 and quarterly reports on Forms 10-Q for the fiscal quarters ended March 28, 2016 and September 26, 2016 (each of which can be found at the

SEC's website www.sec.gov); each such risk factor is specifically incorporated into this press release.

Any forward-looking statement made by the Company in this press release speaks only as of the date on which it is made. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise.

ABOUT PAPA MURPHY'S

Papa Murphy's Holdings, Inc. (NASDAQ:FRSH) is a franchisor and operator of the largest Take 'n' Bake pizza brand in the United States, selling fresh, hand-crafted pizzas ready for customers to bake at home. The company was founded in 1981 and currently operates more than 1,575 franchised and corporate-owned fresh pizza stores in 38 States, Canada and United Arab Emirates. Papa Murphy's core purpose is to bring all families together through food people love with a goal to create fun, convenient and fulfilling family dinners. In addition to scratch-made pizzas, the company offers a growing menu of grab 'n' go items, including salads, sides and desserts. Order online today at www.papamurphys.com.

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