



**DISCLOSURE STATEMENT APPROVED IN KANGADIS FOOD CHAPTER 11 CASE;  
DECEMBER HEARING SCHEDULED TO CONFIRM CHAPTER 11 PLAN**

**Shaw's Supermarkets Adds Kangadis' *Gourmet Factory* Branded Product**

Hauppauge, NY, October 24, 2014 – Kangadis Food, Inc., a Hauppauge, New York-based producer and marketer of olive oils and Mediterranean specialty foods featured under “The Gourmet Factory” brand (the “Company”), announced today that the United States Bankruptcy Court for the Eastern District of New York has approved its Disclosure Statement for its Chapter 11 Plan of Reorganization.

The Bankruptcy Court has scheduled a hearing for December 10, 2014 to consider approval of the Plan, which lays the groundwork for the Company to emerge from chapter 11 by year-end.

In June, the Company filed its chapter 11 case following a class-action mislabeling lawsuit filed against it which threatened it with significant legal fees. The Company has continued to operate in chapter 11 and intends to emerge from chapter 11 with its customer and partner relationships intact.

Chapter 11 permits a company to continue normal operations while it develops a plan to reorganize. The Company has had sufficient capital to fund operations through the chapter 11 process.

The Company, formed in 2003, has 51 employees and sells products under the brand names “Capatriti”™, “Porto”™, and others, and primarily serves wholesale vendors.

The Company also announced it has added Shaw's supermarket chain as a client. Shaw's is one of the oldest continuously operated supermarkets in the United States with roots dating to 1860, and 155 store locations throughout five New England states.

“We're thankful for the steady progress of the case and the signs that we'll be able to bring this to a prompt conclusion,” said Themis Kangadis, chief executive officer of Kangadis Food. “We're also gratified to be able to report to our customers, creditors and other business partners the addition of Shaw's to our roster of valued supermarket clients. We're highly appreciative of the patience shown by all our clients and business partners during this process. Not only is it business as usual for us; we're moving forward with determination.”

The class-action lawsuit follows a February 2013 action against the Company by the North American Olive Oil Association (NAOOA), which alleged the company had mislabeled containers of Capatriti as “100% pure olive oil.” The Company settled the NAOOA action in July 2013 under a confidential settlement agreement without admitting liability.

The Company's bankruptcy counsel is SilvermanAcampora LLP located in Jericho, New York.

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### **About Kangadis Food, Inc.**

Kangadis Food, Inc., founded in 2003 and based in Hauppauge, New York, is a leading importer of olives and other European delicacies, and a major packer of olive oil, all under the business name "The Gourmet Factory." The Company sells its products under the brand names "Porto,"<sup>TM</sup> "Olio Villa,"<sup>TM</sup> "Zorba,"<sup>TM</sup> "Kivotos"<sup>TM</sup> and "Capatriti"<sup>TM</sup> -- which are leading brands in the New York metropolitan area. The Company's customers consist primarily of wholesale vendors who sell direct to supermarkets and foodservice establishments.

The company's web address is [www.thegourmetfactory.com](http://www.thegourmetfactory.com).

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