

Florist FAQ

1. What did FTD announce?

- On June 3, 2019, we commenced cases under Chapter 11 to facilitate the completion of our strategic initiatives resulting from the Company's previously announced strategic review.
- This process enables us to continue and protect our ongoing business operations – including our relationships with our member florists and business partners – and provides an efficient and binding mechanism for us to complete the potential sales of our businesses and to address outstanding debt.
- We are operating in the ordinary course and remain focused on supporting our extensive network of member florists and business partners connected by our iconic FTD brand in North America and Latin America. Our other businesses, including ProFlowers, Shari's Berries and Personal Creations, are also continuing to provide floral, specialty foods, gifts and related products to consumers.

2. Why did the Company take these actions? Why now?

- With the advice and support of our outside advisors, we have initiated this court-supervised restructuring process to provide an orderly forum to facilitate sales of our businesses as going concerns and to enable us to address our outstanding debt.

3. What is the status of the strategic initiatives?

- We have already made significant progress completing our strategic initiatives, including:
 - Entering into a definitive asset purchase agreement with an affiliate of Nexus Capital Management LP to acquire FTD's North America and Latin America Consumer and Florist businesses, including ProFlowers;
 - Entering into a non-binding letter of intent with a strategic investor to acquire Personal Creations;
 - Entering into a non-binding letter of intent with Farids & Co., LLC, which is owned by Tariq Farid, founder of Edible Arrangements, LLC, to acquire Shari's Berries;
 - Completing the sale of U.K.-based Interflora to a subsidiary of The Wonderful Company; and
 - Implementing a new operating model for ProFlowers to better support the FTD florist network and reduce costs.

4. What are the details of the asset purchase agreement? Who is Nexus Capital?

- We have entered into a definitive asset purchase agreement with an affiliate of Nexus Capital Management LP to acquire the North America and Latin America FTD Consumer and Florist businesses, including ProFlowers.
- Nexus Capital is a California-based private equity sponsor, and we are excited about the skill, experience and stability that they would bring to our businesses.
- We believe this transaction will serve to enhance FTD's strong relationships with our valued member florists and business partners.
- This asset purchase agreement is subject to certain closing conditions, as well as higher or better offers for the North America and Latin America Consumer and Florist businesses and approval of the court.
- We will seek to close this transaction as soon as possible in accordance with milestones agreed to with our lenders.

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5. What are the details of the letters of intent?

- We have entered into non-binding letters of intent with potential buyers of our other businesses.
- Specifically, we have entered into a non-binding letter of intent with a strategic investor to acquire Personal Creations.
- We also entered into a non-binding letter of intent with Farids & Co., LLC, which is owned by Tariq Farid, founder of Edible Arrangements, LLC, to acquire Shari's Berries.
- These letters of intent are subject to us reaching definitive asset purchase agreements that would be implemented through court-supervised sale processes designed to achieve the most favorable sale terms for the businesses.
- These sales would be subject to court approval and the satisfaction of any other closing conditions that are in the definitive agreements.
- We will seek to close these transactions as soon as possible in accordance with milestones agreed to with our lenders.

6. Will the Company continue to operate during the Chapter 11 process?

- We are operating in the ordinary course and remain focused on supporting our extensive network of member florists and business partners connected by our iconic FTD brand in North America and Latin America.
- Our other businesses, including ProFlowers, Shari's Berries and Personal Creations, are also continuing to provide floral, specialty foods, gifts and related products to consumers.

7. What does this mean for florists?

- The steps we are taking are intended to achieve an outcome that strengthens our member network and increases our focus on the floral business.
- We are operating in the ordinary course.
- Members will be paid as usual for filling orders going forward. We have obtained or are seeking certain approvals from the court to ensure that our relationship with you continues seamlessly and that we are able to make payments and provide services without interruption, including outstanding payments from May 2019 and all ongoing payments.
- We intend to continue to support you by offering new florist technology solutions to help you manage and grow your local business, including state-of-the art, mobile-ready, user-friendly florist websites that are scheduled to launch in June. In addition, we are very excited about being close to signing an agreement with a global leader in cloud-based point-of-sale technology that will help us accelerate a modern, integrated and low-cost florist operating system for our members.
- Everyone involved with this process understands the critical role of our talented member florists. We value our relationship and will continue to work closely with you.

8. What are the benefits of the ProFlowers restructuring for florists?

- We will be changing our ProFlowers business model from a primarily drop-ship operation focused on value-priced flowers to a business model that leads with FTD florist designed and delivered offerings, complemented by third-party drop-ship options.
- We expect this to result in hundreds of thousands of incremental orders for FTD member florists.
- We will end TV and radio advertising of low priced flower bouquets, and instead we will be marketing more higher-valued, florist-designed and delivered products.
- In addition, many, if not all, of these products will be the same as what we offer on FTD.com, which will make it easier for our FTD members to plan and fulfill these orders and drive potential efficiencies.
- We look forward to updating you on the opportunities these actions will create for you shortly.

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9. Will I get paid for the orders I fill / refer?

- Members will be paid as usual for filling orders going forward. We have obtained or are seeking certain approvals from the court to ensure that our relationship with you continues seamlessly and that we are able to make payments and provide services without interruption, including outstanding payments from May 2019 and all ongoing payments.

10. How long will this court-supervised restructuring process take to complete?

- We intend to work through this process as quickly and efficiently as possible.
- We will update you as soon as we have news to share.

11. Will my contact at FTD change?

- No. You can continue to contact your normal FTD representative.

12. How can I obtain more information?

- As always, if you have questions, please reach out to your usual FTD representative.
- Additional information is available on the Company's restructuring website: www.FTDrestructuring.com.