



## PRESS RELEASE

### **LA COOP FÉDÉRÉE AND ITS OLYMEL AND SOLLIO AGRICULTURE DIVISIONS REACHED AN AGREEMENT WITH F. MÉNARD TO ACQUIRE ALL OF ITS ASSETS IN THE PORK AND MILLING SECTORS.**

**Montreal, Tuesday, July 9, 2019** – Management of La Coop fédérée, its Olymel and Sollio Agriculture divisions and F. Ménéard announced today an agreement to acquire all the assets of Ange-Gardien company F. Ménéard, in Montérégie, Quebec.

A family business that was founded almost 60 years ago by Fulgence Ménéard and is still run by members of his family, F. Ménéard is a leader in the Quebec pork sector. The fully integrated company employs over 1,200 people and its activities range from genetics to marketing, by way of animal feed, breeding, slaughtering, and primary and further processing. The company has an annual production of over 1.1 million hogs reared in over 300 farms, which represents 15% of all Quebec production.

F. Ménéard is also involved in the poultry production sector, but these activities are not part of the agreement.

This agreement, for which the amount will not be disclosed, is subject to approval by the Competition Bureau. Until then, the companies involved in this agreement will continue their usual activities independently and will make no comments beyond those contained in this press release.

#### **PORK SECTOR ACTIVITIES**

This agreement includes the acquisition of hog farms owned by F. Ménéard, a pork slaughtering, cutting and deboning plant located in Ange-Gardien, a pork product facility in St-Jean-sur-Richelieu, a further processing plant specialized in bacon production in Henryville, as well as a large transportation fleet, and finally two specialized butcher shops. The Ange-Gardien slaughtering and cutting plant has a weekly slaughter capacity of 25,000 hogs on one shift. The Henryville further processing plant has been in operation since 2011 and covers an area of 70,000 square feet. All these assets will be managed by Olymel L.P.

#### **MILLING SECTOR ACTIVITIES**

This agreement also includes major milling operations with annual production in excess of 500,000 tonnes. These assets include two mills located in Saint-Pie-de-Bagot and Ange-Gardien, as well as grain storage and drying facilities in Sainte-Brigide-d'Iberville.

## **QUOTE FROM LA COOP FÉDÉRÉE**

“La Coop fédérée is proud to participate in this agreement that will enable F. Ménard, a leader in Quebec agri-food production, to pursue its development within Olymel and Sollio Agriculture. Olymel has all the resources and expertise to help F. Ménard grow, take its expertise further and leverage the growth resulting from this agreement to compete even more effectively with world-class companies in all markets,” said Ghislain Gervais, President of La Coop fédérée’s Executive Committee.

## **QUOTE FROM F. MÉNARD**

F. Ménard’s Executive Director, Luc Ménard, says that his family cares deeply about the longevity of the company and its family traditions: “After long strategic reflection, the decision to sell the company proved to be the best solution to ensure a promising future for F. Ménard. We have come to the decision we are announcing to you today with the preservation and development of what we have built over the past six decades and the interest and future of our employees in mind. A Canadian buyer such as La Coop fédérée and its Olymel and Sollio Agriculture divisions was an obvious choice for the company’s future. This buyer with deep roots in Quebec has a growing presence in Canada and unique experience with agri-food processing and related markets, here and around the world. I am confident that all our employees, suppliers and customers will benefit from the new momentum created by this agreement. I intend to continue the work accomplished at F. Ménard in our new company in order to ensure a smooth transition and the success of this new chapter in our history.”

## **QUOTE FROM OLYMEL**

“This acquisition is another step in Olymel’s growth. I see this agreement as a union of two passionate companies joining forces to better face increasingly fierce competition, especially in international markets. F. Ménard is a company with a strong reputation. I would like to tell the members of the Ménard family, all the company’s employees and its suppliers that Olymel will build on this legacy. Together, we will take advantage of new synergies and increased capabilities to offer our customers and consumers high-quality products and excellent service,” added Réjean Nadeau, President and CEO of Olymel L.P.

## **QUOTE FROM SOLLIO AGRICULTURE**

Sollio Agriculture’s CEO, Sébastien Léveillé, is delighted with the arrival of F. Ménard’s animal feed operations within Sollio Agriculture, operations that will continue independently following the conclusion of the agreement. “ F. Ménard’s expertise and employees will be invaluable in positioning Sollio Agriculture’s milling activities and strengthening our leadership role in the marketing of agricultural inputs in Canada,” he concluded.

## **ABOUT LA COOP FÉDÉRÉE**

Founded in 1922, La Coop fédérée is the largest agri-food company in Quebec, the only Canada-wide agricultural cooperative and the 24<sup>th</sup> largest agri-food cooperative in the world. It represents more than 120,000 members, farmers and consumers in nearly 60 cooperatives in several Canadian provinces. It employs more than 14,000 people and has sales totalling \$6.5 billion. Its activities are divided into three divisions: Olymel L.P., meat division, Sollio Agriculture, agricultural division, and Groupe BMR Inc., hardware and retail division.

## **ABOUT F. MÉNARD**

F. Ménard is a family business founded by Fulgence Ménard in 1961 and developed by three generations of entrepreneurs from the same family for nearly 60 years to become one of Quebec's pork meat processing leaders. The company, which has more than 1,200 employees, has developed an original business model that ensures permanent control and total coordination of all stages of the production chain from the farm to the consumer's table. The F. Ménard brand offers a wide range of products that meet high quality standards that it distributes both in Canada and internationally, particularly in Japan and some 30 other countries. F. Ménard also launched its own retail brand in 2017, opting for strong positioning with Le Meilleur Bacon ("the best bacon").

## **ABOUT OLYMEL**

Olymel is Canada's leader in the production, processing and distribution of pork and poultry meats. The company has made feeding the world its mission, which it pursues passionately with products of impeccable quality. The company employs over 13,000 people and has production and processing facilities in Quebec, Ontario, Alberta, New Brunswick and Saskatchewan. Olymel exports nearly a third of its total sales. Its annual sales reach \$3.5 billion. The company markets its products mainly under the Olymel, Lafleur, Flamingo, Pinty's and Triomphe brands.

## **ABOUT SOLLIO AGRICULTURE**

Sollio Agriculture, the agricultural division of La Coop fédérée, is a Canadian leader in the agricultural sector, specializing in the marketing of agricultural inputs and value-added agronomic services. It benefits from the synergy of three sectors: livestock production, crop production and grain marketing. Present throughout most of Canada, it has nearly 1,100 employees and had \$2.1 billion in Canadian and international sales in 2018.

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