



PRESS RELEASE

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**MEASURES TO REORGANIZE ACTIVITIES AND OPTIMIZE OPERATIONS:
OLYME ANNOUNCES THE CLOSURE OF ITS FRESH PORK PROCESSING PLANT IN PRINCEVILLE
AND ITS POULTRY PROCESSING PLANT IN PARIS, ONTARIO**

Saint-Hyacinthe, Wednesday, September 13, 2023 — Olymel’s management made a series of announcements today as part of measures to reorganize its business lines and optimize operations at its facilities.

PRINCEVILLE PLANT CLOSURE

In Quebec’s fresh pork sector, Olymel management regrets to announce the definitive closure of its boning and packaging plant in Princeville, Centre-du-Québec. 301 employees are unfortunately affected by this decision and have been given 16 weeks’ notice of termination. The plant will cease operations on November 10. Of the 16 weeks of notice, 8 weeks will be worked until closure and the remaining 8 weeks will be paid out in a lump sum.

Olymel will shortly be rolling out a relocation plan that will allow employees of the Princeville plant who so desire to be relocated within the company to plants in the fresh pork sector or to any other facility with labour needs. In that case, years of seniority will be considered in order to determine pay and benefits, once the approval of the unions of the plants concerned has been obtained. The Olymel plant in Princeville also has 33 temporary foreign workers on staff. Olymel will work with federal and provincial authorities so those employees can apply for relocation to another Olymel facility.

“Today more than ever, it is necessary to continue to rethink our organization in order to optimize all of our activities. The fresh pork industry is slowly getting back on track after two years of tumult that forced us to reorganize our operations. We explored various avenues for the Princeville plant, but we found that its operations could be handled in our three slaughtering, cutting and boning plants, namely in St-Esprit, in the Lanaudière region, in Yamachiche, in Mauricie and in Ange-Gardien, in Montérégie West. It is with reluctance that we announce today the permanent closure of the Princeville factory. This decision, difficult but necessary, is part of Olymel's desire to continue our efforts to return to profitability in the sector, for the benefit of our entire organization,” said Yanick Gervais, President and CEO of Olymel.

In March 2022, the former pork slaughtering and cutting plant was repurposed, and operations shifted to value-added activities. Olymel will announce its plans for the disposition of Princeville plant facilities and land at a later date.

PARIS, ONTARIO, POULTRY FURTHER PROCESSING PLANT CLOSURE

After careful consideration, and as part of an effort to streamline operations, enhance efficiency, and ensure profitability across all its facilities, Olymel’s management has also announced the closure of

its poultry further processing plant in Paris, Ontario. 93 employees are unfortunately affected by this decision and have been given 14 weeks' notice of closure, with the final date for cessation of operations set for December 22. Employees who wish to stay with Olymel will be given the option to sign up for a relocation program so they can continue working at other company plants located in the region, within Ontario.

\$8 MILLION INVESTMENT AT THE OAKVILLE PLANT AND THE CREATION OF 62 NEW JOBS

The closure of the Paris plant means that its operations will be consolidated with those of the Oakville plant, also in Ontario, about 75 kilometres away. In the coming weeks, refurbishment work will begin at the Oakville plant, where one of the two production lines currently based in Paris will be installed. The work will require an investment of \$8 million and, once completed, will create 62 new jobs, bringing the total number at the plant to 180. The Orenda plant in Brampton will also see its activities grow as part of the restructuring, particularly in tumbling.

“With the Paris and Oakville plants both operating in the poultry further processing sector and located a short distance apart, Olymel found itself running two plants that were working below their respective capacities. Consolidating the operations of the two plants in Oakville will put an end to this situation and generate significant gains in efficiency and savings, as well as positive outcomes for the Orenda poultry further processing plant in Brampton and the Sainte-Rosalie plant in Montérégie Est, Quebec,” explained Mr. Gervais.

POSITIVE OUTCOMES FOR THE SAINTE-ROSALIE POULTRY FURTHER PROCESSING PLANT

The restructuring in the Ontario poultry sector will also have a positive impact on the activities of Olymel's poultry further processing plant in Sainte-Rosalie, in the Saint-Hyacinthe region. Essentially, taking equipment from the Paris plant and installing it in Sainte-Rosalie will increase production capacity for certain poultry products and could create additional jobs at the facility, which already employs 500 people.

ACCELERATED CLOSURE OF THE SAINT-SIMON DISTRIBUTION CENTRE

Finally, Olymel's management has announced that it is accelerating the closure of its Saint-Simon distribution centre in Montérégie Est. The centre will close on January 26, more than a year ahead of the date planned for in September 2022, when Olymel announced the sale of the building and land to the municipality of Saint-Simon, which intends to develop a residential neighbourhood in the area. The decision to accelerate the closure was taken due to a decline in the centre's throughput following the reduction in slaughter volumes, after factoring in the ability of Olymel's other distribution centres to absorb those volumes.

The 15 employees at this facility were given 19 weeks' notice of termination earlier today, and will all be offered the opportunity to relocate to another Olymel distribution centre or to one of the other facilities in the Sainte-Hyacinthe region. Employees who choose to relocate will have their years of service considered in order to determine pay and benefits once the agreement of the unions concerned has been obtained.

OLYMEL HOPES TO RELOCATE EMPLOYEES AFFECTED BY THE ANNOUNCEMENTS

“On behalf of Olymel’s management, I would like to thank all Olymel employees affected by the decisions, including those at the Princeville plant, at the Paris, Ontario, plant and at the Saint-Simon distribution centre. The announcements are consistent with the measures taken by Olymel over the past two years to address the difficult challenges facing our markets, optimize our operations and return to profitability after years of losses. Reviewing our processes, assessing efficiency and optimizing our operations are practices we should follow across our business sectors, in the interests of the entire organization, our employees and our customers. Olymel will take great care to ensure that the implementation of relocation plans for Princeville, Saint-Simon and Paris, Ontario, will enable employees affected by the closures to pursue their careers within our company according to our employment needs,” added Mr. Gervais.

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. It has production and processing facilities in Quebec, Ontario, Alberta, Saskatchewan and New Brunswick, and employs over 13,000 people. Its annual sales are approximately \$4.5 billion. The company markets its products mainly under the Olymel, Lafleur, Flamingo, La Fernandière, Pinty’s, Tour Eiffel and F. Ménard brands.

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