

## FOR IMMEDIATE RELEASE

### **L.B. MAPLE TREAT CORPORATION ACQUIRES DECACER \$40 million Acquisition to Expand Operational Capabilities and Maple Syrup Product Offering**

#### **KEY TRANSACTION HIGHLIGHTS**

- **Strengthens leadership position in growing maple syrup industry**
- **Extends geographic and industry diversification**
- **Provides access to new, innovative products & packaging, and unique maple sugar dehydration technology**
- **Incremental operational synergies to be realized**
- **Best in class manufacturing asset with solid operational team**
- **Financed via revolving credit facility**

**Montréal & Vancouver, Canada – November 20, 2017 – Rogers Sugar Inc.** (the “**Corporation**” or “**Rogers Sugar**”) (TSX: RSI) is pleased to announce the acquisition by L.B. Maple Treat Corporation (“**LBMT**”) of 9020-2292 Quebec Inc. (operated as Decacer) (“**Decacer**”), a major bottler and distributor of branded and private label maple syrup and maple sugar based in Dégelis, Québec, for \$40 million, subject to post-closing adjustments (the “**Transaction**”), from the Levasseur Family. The Corporation drew on its existing \$275 million revolving credit facility to finance the Transaction.

“This transaction is another important step in our strategic growth initiatives to reinforce our leadership position in the growing maple syrup industry. Decacer will broaden our maple syrup operations and expand our product offering, including a unique maple sugar dehydration technology, which provides us with an excellent line extension to our current sugar portfolio for consumer and food processor customers. On a pro-forma basis, we estimate that more than 20% of the Corporation’s total sales will be derived from maple syrup, of which more than 70% of those sales will be exported worldwide. This acquisition, combined with the acquisition of LBMT in August 2017, will allow us to create a solid platform as well as various sales and operational synergies and provide opportunities for organic growth going forward. At the same time, the acquisition of Decacer will re-prioritize some of those synergies,” said John Holliday, President and Chief Executive Officer.

“Decacer represents a solid complementary fit to Lantic Inc. (“Lantic”) and LBMT. Once combined, we see opportunities to leverage sales and marketing efforts and fully take advantage of favourable growth trends in the maple syrup industry,” said Elliott Levasseur, Vice President of Decacer.

#### **DECACER ATTRIBUTES AND TRANSACTION**

Headquartered in Lévis, Québec, Decacer has a state-of-the-art bottling plant in Dégelis, in the heart of the Bas-Saint-Laurent region, one of Québec’s largest maple syrup producing regions. For the 12-month period ended March 31, 2017, Decacer’s products were sold in Canada (~47%), Internationally (~40%) and in the U.S. (~13%). For the same period, private label and branded products accounted for approximately 75% and 25% of total sales, respectively.

The \$40 million purchase price represents an implied acquisition multiple of approximately 7.8x Adjusted EBITDA<sup>1</sup> of \$5.1 million. Rogers Sugar expects to realize operational synergies over the next 12 to 18 months.

<sup>1</sup> Decacer's Adjusted EBITDA is defined as earnings before interest expenses, taxes, depreciation and amortization for the twelve-month period ended March 31, 2017, adjusted to take into account non-recurring items identified by the Decacer Management, non-recurring items identified by Rogers Sugar during the course of its due diligence and estimated adjustments required to reflect the going-forward EBITDA run-rate.

### **About Rogers Sugar Inc.**

Rogers Sugar is a corporation established under the laws of Canada. The Corporation holds all of the common shares of Lantic and its administrative office is in Montréal, Québec. Lantic operates cane sugar refineries in Montréal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta. Lantic's sugar products are marketed under the "Lantic" trademark in Eastern Canada, and the "Rogers" trademark in Western Canada and include granulated, icing, cube, yellow and brown sugars, liquid sugars and specialty syrups. Lantic owns all of the common shares of LBMT and its head office is headquartered in Granby, Québec. LBMT operates bottling plants in Granby and in St-Honoré-de-Shenley, Québec and in Websterville, Vermont. LBMT's products include maple syrup and derived maple syrup products and are sold under various brand names, such as L.B. Maple Treat, Great Northern, Sucro-Bec and Highland Sugarworks.

### **About Decacer**

Founded in 2000, Decacer brings innovation to the maple syrup industry with its premium quality pure maple products. Its state-of-the-art maple syrup bottling facility and maple sugar production unit manufacture products in various formats under the Decacer brand name and private labels for the retail and food processing markets. Decacer operates one bottling plant in Dégelis, Québec. Decacer operates under a HACCP plan and maintains high quality standards as well as BRC, Kosher, CFIA, and Ecocert certifications. Decacer offers high production capacity and full traceability.

### **FORWARD-LOOKING INFORMATION**

This press release contains forward-looking information within the meaning of applicable securities laws. All information and statements other than statements of historical facts contained in this press release are forward-looking information. These statements are "forward-looking" because they are based on current expectations, estimates, assumptions, risks and uncertainties. These forward-looking statements are typically identified by future or conditional verbs or words such as "may", "could", "will", "outlook", "believe", "anticipate", "estimate", "project", "expect", "intend", "plan", "operational synergies" and terms and expressions of similar import. Such forward-looking information may include, without limitation, statements with respect to: the expected financial condition and results of Rogers Sugar resulting from the Transaction, the purchase price of the Transaction following post-closing adjustments, the anticipated benefits of the Transaction, including the expected operational synergies to be realized following the completion of the Transaction, the ability for Rogers Sugar to maintain its current dividend level following the Transaction and the indebtedness to be incurred under the amended credit agreement of Lantic.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the risks related to Decacer's historical financial information, the risk that Rogers Sugar, Lantic and LBMT may not be able to successfully integrate Decacer's business with their current business and achieve the anticipated benefits of the Transaction, including the expected operational synergies, the risks related to the information provided by Decacer not being accurate or complete and the unexpected costs or liabilities related to the Transaction, including that the Corporation may not be able to recover such costs or liabilities from the shareholders of Decacer.

The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information contained herein is made as of the date of this press release, and the Corporation undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws.

#### NON-IFRS MEASURES

This press release refers to financial measures that are not recognized under International Financial Reporting Standards (IFRS). While the Corporation, Decacer and certain other issuers measure and evaluate the performance of their respective consolidated operations and business segments with reference to non-IFRS measures, non-IFRS measures do not have any standardized meaning under IFRS and therefore are unlikely to be comparable to similar measures presented by other issuers. The Corporation believes these measures are useful supplemental information. The non-IFRS measure of Adjusted EBITDA of Decacer is used and defined in this press release. Decacer's Adjusted EBITDA is defined as earnings before interest expenses, taxes, depreciation and amortization for the twelve-month period ended March 31, 2017, adjusted to take into account non-recurring items identified by the Decacer Management, non-recurring items identified by Rogers Sugar during the course of its due diligence and estimated adjustments required to reflect the going-forward EBITDA run-rate.

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