



**PRESS RELEASE  
FOR IMMEDIATE DISTRIBUTION**

## **COLABOR ANNOUNCES THE CLOSING OF THE SALE OF ITS SUMMIT FOODS DIVISION IN ONTARIO**

**Boucherville, Quebec, May 11, 2020** – Colabor Group Inc. (TSX: GCL) (“Colabor” or the “Company”) today announces it has closed the sale of most of the assets of its Summit Foods division (“Summit”) in Ontario to Flanagan Foodservice Inc. (“Flanagan”) for an aggregate amount of approximately \$10 million, subject to post-closing adjustments.

Colabor had announced last March the conclusion of an agreement to sell the majority of Summit’s assets to Flanagan, which was expected to close last month. With the COVID-19 pandemic and the temporary closure of many businesses and restaurants, the necessity for Flanagan to operate the business with the Mississauga facility and its related equipment was no longer required. The sale includes the independent and franchises restaurants business together with some assets and sales employees. As for the exclusivity for the distribution of Colabor’s private label, Menu brand, in Ontario granted to Flanagan, the parties agreed not to proceed with it.

“We are happy to close this transaction and while some adjustments to the original agreement were necessary in the current context of COVID-19, we believe that this transaction is to the benefit of both organizations. We will collaborate with Flanagan to ensure a smooth transition for our customers. Colabor will from now on focus on its activities in Quebec and the Maritimes, and the strategic opportunities of that market” said Louis Frenette, President and CEO of Colabor.

### **Forward-Looking Statements**

This news release contains certain statements that may be deemed to be forward-looking statements reflecting the opinions or current expectations of Colabor Group Inc. concerning its performance, business operations and future events. Such statements are subject to risks, uncertainties and assumptions and the analysis of the debt structure and available alternatives, and risks mentioned in the Corporation’s annual information form found under its profile on SEDAR ([www.sedar.com](http://www.sedar.com)), such as the risk of dilution for existing shareholders. As such, these statements are not guarantees of future performance, and actual results, realities or events may differ materially. Except as required by law, the Corporation assumes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions or other factors change.

### **About Colabor**

Colabor is a distributor and wholesaler of food and related products serving the hotel, restaurant and institutional markets or “HRI” in Quebec, Ontario and in the Atlantic provinces, as well as the retail market (grocery stores and convenience stores). Within its two operating segments, Colabor offers specialty food products such as fresh fish and seafood, meat, as well as food and related products through its Broadline activities.

### **Further information:**

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