

## Cara Operations Limited announces purchase of Pickle Barrel

VAUGHAN, ON, Oct. 16, 2017 /CNW/ - Cara Operations Limited (TSX: CARA) ("Cara") is pleased to announce that on October 13, 2017 it entered into a purchase agreement to acquire a 100% interest in the Pickle Barrel Group of Restaurants. The transaction is anticipated to close by the end of the year.

### **About Pickle Barrel**

Pickle Barrel was founded in 1971 and today it has 12 corporately-owned restaurants in highly sought after locations along with a thriving catering business, all across the Greater Toronto Area. Pickle Barrel generates approximately \$50 million a year in sales through its 11 Pickle Barrel restaurants and 1 Glow Fresh Grill & Wine Bar. It also has a significant catering business through Pickle Barrel catering as well as through a 50% interest in Rose Reisman Catering. Rose Reisman Catering is a menu development, catering and individual meal delivery business that is focused on health and wellness – it has been a popular and growing alternative in the Greater Toronto Area for over 20 years.

Since its inception, Pickle Barrel has grown from a small deli concept into a beloved family destination, with a contemporary menu offering 300 items that are made fresh to order in each restaurant. Since 1971, Pickle Barrel's catering business, with its fleet of refrigerated trucks, has catered over 1.2 million events, specializing in occasions that range from casual barbecues and picnics to elegant parties and fine dining affairs. Peter Higley, who has been running Pickle Barrel since 1992 and who is the current President of Pickle Barrel commented, "We're extremely excited to be joining Cara – its behind the scenes support will allow us to focus on strengthening our already successful restaurant and catering businesses, scaling them even faster in the years ahead". Peter Higley will join Cara's Executive Leadership Team and will continue to lead and operate the Pickle Barrel Group within Cara.

### **Cara Acquisition and Pickle Barrel Integration**

The acquisition of Pickle Barrel adds another established, Canadian brand to Cara's portfolio of restaurants. Cara is acquiring Pickle Barrel for cash consideration which will be funded through Cara's existing credit facility. The addition of Pickle Barrel helps expand Cara's portfolio of restaurants further into shopping centers where, aside from New York Fries, Cara's brands have limited presence. Pickle Barrel's successful catering business also adds a new sales channel for Cara. Catering will be added to Cara's existing quick-service, full-service, dine-in, off-premise and retail-grocery food offerings.

Cara's Chief Executive Officer, Bill Gregson, commented, "We view our investment in Pickle Barrel as an opportunity to partner with a proven management team who has a strong track record of operating profitable restaurants and catering businesses under both the Pickle Barrel and Rose Reisman brands. This acquisition is accretive for our shareholders". Pickle Barrel's head office and operations team office will be relocated to Cara's existing head office in Vaughan, Ontario and its business and back-end processes will be integrated into Cara's over the course of the next 12 months.

### **Forward-Looking Information**

This press release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information in this press release includes statements regarding the timing and completion of the proposed acquisition and whether it is accretive. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "estimates", "intends", "anticipates", "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "achieve".

There are several factors that could cause actual results to differ materially from those contained in forward-looking information, including: future operating results; future general economic and market conditions, including equity capital markets; changes in laws and regulations; and such other factors and risks as described in detail from time to time in documents filed by Cara with securities regulatory authorities in Canada. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information contained herein, except as required by applicable securities laws.

### **About CARA**

Founded in 1883, Cara is Canada's oldest and largest full-service restaurant company. The Company franchises and/or operates some of the most recognized brands in the country including Swiss Chalet, Harvey's, St-Hubert, Milestones, Montana's, Kelsey's, East Side Mario's, New York Fries, The Burger's Priest, Prime Pubs, Original Joe's, State & Main, Elephant & Castle, Bier Markt and Landing restaurants. As at June 25, 2017, Cara had 1,255 restaurants, 1,197 of which were located in Canada and the remaining 58 locations were located

internationally. 83% of Cara's restaurants are operated by franchisees and 55% of Cara's locations are based in Ontario. Cara's shares trade on the Toronto Stock Exchange under the ticker symbol CARA.TO. More information about the Company is available at [www.cara.com](http://www.cara.com).

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