

FOR IMMEDIATE RELEASE
May 10, 2021

Empire advances FreshCo expansion, announcing three new locations in Alberta

- 40 FreshCo locations in Western Canada confirmed to date
- 28 stores now open across British Columbia, Saskatchewan, Manitoba and Alberta
- \$6.3 million in store closure costs to be expensed in the first quarter of fiscal 2022

Stellarton, N.S. – Today Empire Company Limited (“Empire” or the “Company”) (TSX: EMP.A) announced the next three locations for the expansion of its FreshCo discount banner, in Alberta. With this announcement, the Company has now confirmed 40 of approximately 65 planned locations in Western Canada, including 12 locations in Alberta.

Empire has opened 15 stores in fiscal 2021, consistent with its Project Horizon strategy to open 10 to 15 FreshCo stores per year.

“Customers in Alberta are welcoming FreshCo with open arms, thrilled to see a new and fresh discount option in their local markets,” said Mike Venton, General Manager, Discount. “Our team of frontline leaders and store teammates in the West is committed to continue opening stores that deliver on our freshness, price and in-stock guaranteed promises. The customer response to our entry into the market gives us great confidence in our brand and marketing strategies.”

Since April 2019, the Company has opened 16 FreshCo stores in B.C., six in Manitoba, four in Saskatchewan and two in Alberta. By the end of fiscal 2022, the Company plans to have all of the 40 FreshCo stores confirmed to date open in Western Canada.

The three Alberta FreshCo stores announced today are: Jasper Gates in Edmonton; Lewis Estates in Edmonton; and Downtown Fort McMurray. The respective Safeway and Sobeys stores are expected to close in the second quarter of fiscal 2022, and open as FreshCo stores by the end of the fourth quarter of fiscal 2022.

The Company will work with the union representing affected Safeway employees in Alberta to ensure all terms of the collective agreements are met. Safeway employees will be provided opportunities to work at Safeway stores within the network or in the new FreshCo locations.

Store closure and conversion costs are estimated to be approximately \$6.3 million before tax and will be charged to earnings in the first quarter of fiscal 2022.

Click [here](#) for a full list of the 40 FreshCo store locations confirmed to date.

ABOUT EMPIRE

Empire Company Limited (TSX: EMP.A) is a Canadian company headquartered in Stellarton, Nova Scotia. Empire's key businesses are food retailing, through wholly-owned subsidiary Sobeys Inc., and related real estate. With approximately \$28.4 billion in annual sales and \$15.0 billion in assets, Empire and its subsidiaries, franchisees and affiliates employ approximately 127,000 people.

Additional financial information relating to Empire, including the Company's Annual Information Form, can be found on the Company's website at www.empireco.ca or on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This document contains forward-looking statements which are presented for the purpose of assisting the reader to contextualize the Company's financial position and understand management's expectations regarding the Company's strategic priorities, objectives and plans. These forward-looking statements may not be appropriate for other purposes. Forward-looking statements are identified by words or phrases such as "anticipates", "expects", "believes", "estimates", "intends", "could", "may", "plans", "predicts", "projects", "will", "would", "foresees" and other similar expressions or the negative of these terms. These forward-looking statements include, but are not limited to, the following items:

- The FreshCo expansion in Western Canada, including the Company's expectations regarding future operating results and profitability, the amount and timing of expenses, the projected number of store openings, and location, feasibility and timing of construction and conversions, all of which may be impacted by the novel coronavirus ("COVID-19"), construction schedules and permits, the economic environment and labour relations.

By its nature, forward-looking information requires the Company to make assumptions and is subject to inherent risks, uncertainties and other factors which may cause actual results to differ materially from forward-looking statements made. For more information on risks, uncertainties and assumptions that may impact the Company's forward-looking statements, please refer to the Company's materials filed with the Canadian securities regulatory authorities, including the "Risk Management" section of the fiscal 2020 annual Management's Discussion and Analysis.

Although the Company believes the predictions, forecasts, expectations or conclusions reflected in the forward-looking information are reasonable, it can provide no assurance that such matters will prove correct. Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. The forward-looking information in this document reflects the Company's current expectations and is subject to change. The Company does not undertake to update any forward-looking statements that may be made by or on behalf of the Company other than as required by applicable securities laws.

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