

Village Farms acquires 70% of Québec-based ROSE LifeScience

Torys acted as counsel to Village Farms with a team led by Michael Zackheim and Guillaume Lavoie, and that included Kate Stevens, Brett Saulnier, Ana Ioanas and Christopher Tworzyanski (corporate/M&A), Chris Bornhorst (U.S. securities), Cristelle Sary (employment), Yolande Dufresne and Manpreet Singh (IP), Leslie Blumer (real estate) and Richard Johnson (tax).

On November 15, 2021, Village Farms International, Inc. ("Village Farms") announced the acquisition of a 70% ownership interest in privately-held, Québec-based, ROSE LifeScience ("ROSE") in a transaction valued at up to C\$46.7 million. Effective immediately, ROSE becomes the Québec operational unit of Village Farms' Canadian cannabis business segment, with ROSE's headquarters and the existing team remaining in Québec.

Under the terms of the share purchase agreement, Village Farms acquired 70% of all outstanding shares of ROSE on a debt-free basis for a consideration comprised of cash and a total of 2,411,280 common shares of Village Farms being (i) C\$19.9 million in cash, (ii) Village Farms shares in the total value of C\$26.8 million. As part of the consideration, any existing ROSE material debt was paid off in full.

Subject to lock-up agreements and to compliance with applicable securities laws, 33% of the Village Farms shares issued pursuant to the agreement will be released in four months, with another 33% released after eight months and the remaining shares released after one year.

ROSE's co-founders, Davide Zaffino (President and Chief Executive Officer) and Brian D. Stevenson (Chief Operating Officer)—who were among the sellers in the transaction, will remain in their current roles post-acquisition and retain a 30% interest in ROSE. In conjunction with the acquisition, they have entered into an agreement with Village Farms that will provide a pathway that will allow Village Farms to acquire the retained interest upon the occurrence of certain triggering events prior to March 31, 2025.

Further information can be found on Canada Newswire's [website](#).

[ROSE](#) is committed to ensuring that Québec benefits from the responsible production, sale, and consumption of cannabis. From cannabis cultivation to marketing, commercialization, and logistics, the Huntingdon, QC company plays a key role in the province. In addition to its own products and expertise, ROSE provides specialized industry services to selected producers to encourage a diversified offer on the Québec market.

[Village Farms](#) leverages decades of experience as a large-scale, Controlled Environment Agriculture-based, vertically integrated supplier for high-value, high-growth plant-based Consumer Packaged Goods opportunities, with a strong foundation as a leading fresh produce supplier to grocery and large-format retailers throughout the US and Canada, and new high-growth opportunities in the cannabis and CBD categories in North America and selected markets internationally.

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