



## **AEGIS BRANDS COMPLETES ACQUISITION OF OTTAWA'S BRIDGEHEAD COFFEE**

***\$9.5 million acquisition is the first under Aegis' new strategy;  
Bridgehead will continue to operate as an independent brand***

**January 9, 2020 [Mississauga, ON]** – The Second Cup Ltd. (“Aegis Brands” or the “Company”) (TSX: SCU) today announced that it has completed its previously-announced acquisition of Ottawa-based Bridgehead Coffee. This marks the Company’s first acquisition since it announced its new operating structure and strategy in November 2019. Aegis Brands also owns Canadian specialty coffee retailer Second Cup Coffee Co.

Bridgehead has nineteen company-owned coffeehouses in Ottawa, including its flagship Roastery, all of which will continue to operate under the Bridgehead name. All Bridgehead coffeehouses serve baked goods and fresh foods made daily in the company’s Kitchen and Bakery, using local and seasonal ingredients. The business has been delivering strong financial results in a competitive coffee market with average unit volumes approaching \$1 million. The Company expects this acquisition to be immediately accretive to the Company’s earnings.

“We are delighted to welcome Bridgehead into the Aegis portfolio of brands as our first acquisition,” said Steven Pelton, CEO of Aegis Brands. “Bridgehead has forged a unique culture and identity in the Ottawa region that resonates with both customers and employees, and is poised for growth. As well, we expect that Bridgehead’s best practices will benefit our Second Cup brand over time. We look forward to working with Bridgehead’s team to help fuel that growth in the months and years to come.”

Kate Burnett has assumed executive leadership of Bridgehead as COO while Tracey Clark, Bridgehead’s President and CEO since 2000, will lead the preservation of Bridgehead’s values in her new role as Chief Culture Officer. Ian Clark, Director of Coffee, and Cliff Hansen, Bridgehead’s Roastmaster, will continue in their roles, working closely with small-scale farmers to continue to deliver an exceptional coffee experience to Bridgehead customers. Bridgehead’s offices will remain in Ottawa.

Although this release refers to Aegis Brands throughout, it should be noted that the Company’s name change won’t officially take effect until it has been approved by shareholders at the 2020 Annual General Meeting (subject to TSX approval). Today, the Company still trades publicly as The Second Cup Ltd. (TSX: SCU).

### **FORWARD LOOKING STATEMENTS**

This press release may contain forward-looking information that represents internal expectations, estimates or beliefs concerning, among other things, future activities or future operating results and various components thereof. The use of any of the words “anticipate”, “continue”, “expect”, “may”, “will”, “project”, “should”, “believe”, and similar expressions suggesting future outcomes or events are intended to identify forward-looking information. Certain information set forth in this news release including the expectations of management of the Company and Bridgehead with respect to the anticipated benefits of the transaction, the future prospects of the Company and Bridgehead (including Bridgehead’s potential for future growth and the expectation that the acquisition will be immediately accretive to the Company’s earnings) and the receipt of shareholder and stock exchange consent to the Company’s name change, is forward-looking information within the meaning of applicable securities laws.

The forward looking statements contained in this press release are not guarantees of future performance and are based on management's estimates and assumptions that are subject to inherent risks and uncertainties, some of which are beyond the Company's control, which could cause the Company's actual performance and financial results in future periods to differ materially from the forward-looking information contained in this press release. Key risks and uncertainties include: general economic, market and business conditions; and relationships with employees, customers, landlords, business partners and competitors. Although the forward-looking information contained in this press release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. As a result of the foregoing, readers should not place undue reliance on the forward-looking information contained in this news release. A comprehensive discussion of other risks that impact the Company can also be found under the heading "Risk Factors" in the Company's annual information form available at [www.sedar.com](http://www.sedar.com). All forward-looking information in this press release is qualified by these cautionary statements. Forward-looking information in this press release is presented only as of the date made. Except as required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

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