

General Assembly Pizza Secures C\$1 Million in Second Tranche of Debt Financing

TORONTO--(BUSINESS WIRE)--December 31, 2021--General Assembly Holdings Limited (the “**Company**” or “**GA Pizza**”) (TSXV: GA), a Toronto pizza restaurant-turned-omnichannel consumer packaged goods (“**CPG**”) brand, is pleased to announce that it has closed a second tranche of debt financing in the aggregate amount of \$1 million (the “**Loan**”) on the same terms as the \$2 million debt financing announced by the Company on November 5, 2021.

The Loan will bear interest at a rate of 12% per annum, will be evidenced by a promissory note in favour of the lender and will be secured by a fixed and floating charge on the Company's assets pursuant to the terms of a general security agreement, which will rank subordinate in priority to any security interest granted by the Company to any bank, financial institution, or other commercial lender in connection with any future credit facility issued by such lender. The Loan will be repayable in equal monthly installments commencing on the date that is two years after the Loan is advanced and ending on the date that is one year and six months after such date.

The Company will pay to the lender an additional fixed monthly fee of \$1,000, being equal to 1.2% of the original principal amount of the Loan per annum, as a monitoring fee. The Company also intends to issue to the Lender, subject to approval of the TSX Venture Exchange (the “**TSXV**”), 1,652,228 common share purchase warrants of the Company (each, a “**Bonus Warrant**”), with each Bonus Warrant expected to entitle the lender to acquire one Class A common share (“**Common Share**”) during the forty-two month term of the Loan at an exercise price of \$0.76.

The Company will be entitled to prepay the Loan, in whole or in part, at any time prior to the maturity date, without any notice being given to the Lender and without any bonus or penalty.

GA Pizza will use the Loan for working capital, general corporate purposes, and to support the purchase of equipment at its new dedicated production facility in Vaughan, Ontario.

The Loans are subject to review and acceptance by the TSXV.

About GA Pizza

GA Pizza began its life as a fast-casual pizza restaurant in the heart of Toronto. Four years later, we also offer a freezer-to-table consumer packaged goods line and a revolutionary direct-to-consumer eCommerce experience—not to mention a pizza box with more than one pizza in it. Our ambition? Make delicious pizzas available to everyone, everywhere. We’re always working to take pizza to new heights—from showing the world that better pizza is possible, to finding new spaces and places to deliver unrivaled pizza experiences. Find us in your freezer or visit gapizza.com for more information.

Visit invest.gapizza.com or gapizza.com for more information.

Cautionary Notice

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

This press release contains statements which constitute “forward-looking information” or “forward-looking statements” (together “forward-looking information”) within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs, and current expectations of the Company with respect to future business activities and operating performance. Forward-looking information is often identified by the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” or similar expressions and includes information regarding anticipated increases to the Company's production capacity at the master facility and the Company's growth strategy.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflect the Company's management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance, or achievements of the combined company. Among key factors and risks that could cause actual results to differ materially from those projected in the forward-looking information may include, without limitation, the following: there being no market for the securities of the Company; the Company's limited operating history; global economic risk; COVID-19's impact on the Company; the general economic environment; cybersecurity risks; financial projections may prove materially inaccurate or incorrect; the Company may experience difficulties to forecast sales; general competition in the industry from other companies; management of growth-related risks; reliance on management; risks relating to insurance; changes in food and supply costs could adversely affect profitability and ultimately our results of operations; our business could be adversely affected by increased labour costs or difficulties in finding suitable employees; changes in customer tastes and preferences, spending patterns and demographic trends could cause sales to decline; changes in nutrition and food regulation; failure to establish our master production facility; failure to expand production capacity; disruption at our facilities; government regulation of the food industry creating risks and challenges; risk associated with food safety and consumer health; changes in internet and social media search algorithms; risks associated with leasing commercial and retail space; third party reliance for shipping and payment processing; environmental laws; we may not persuade customers of the benefits of paying our prices for higher-quality food; our marketing and advertising strategies may not be successful, which could adversely impact our business; requirements for further financing; the Company may prioritize customer growth and engagement and the customer experience over short-term financial results. This forward-looking information may be affected by risks and uncertainties in the business of the Company and market conditions.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated, or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

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