



Equicapita Announces Acquisition of Visage Cosmetics Limited

TORONTO, ONTARIO (January 8, 2020) – Equicapita Income Trust and Equicapita Investment Corp. (collectively, “**Equicapita**”) are pleased to announce the completion of the acquisition of Visage Cosmetics Limited (“**Visage Cosmetics**”) by a wholly-owned subsidiary of Equicapita (the “**Acquisition**”).



Founded in 1969, Visage Cosmetics is the leading franchisor of retail beauty and cosmetics services and products in Ontario. With 31 locations throughout Ontario and one in Alberta, Visage Cosmetics has established enduring franchisee relationships and a reputation for outstanding guest service.

The opportunity to invest in a successful beauty product and service business with a diverse and growing base of recurring royalty revenue adds industry diversification to Equicapita’s investment portfolio and continues our growth into Eastern Canada. “Since acquiring Visage Cosmetics in 2013, Nathan Tam and Justin Dumitrescu, Visage Cosmetic’s owner-operators, and their senior management team have consistently grown system revenue and strengthened the business’ operating processes, brand and presence in the communities that Visage Cosmetics serves,” said Equicapita’s Managing Director, Eastern Canada, Adam Jezewski. “Equicapita is targeting investment opportunities in the beauty product and services market due to its consistent demand profile in all economic environments and favorable long-term growth prospects. In addition to meeting these criteria, Visage Cosmetics has an experienced and dedicated senior management team, led by Nathan Tam and many successful, long-term franchisees. We are fortunate and excited to have the opportunity to partner with Nathan and the Visage Cosmetics team and franchisees to continue strengthening and growing the business and brand going forward.”

Equicapita and our new Visage Cosmetics colleagues will continue to build the legacy that the Visage Cosmetics franchisees have worked hard to build. “Since our initial meeting with the current owners, it has been clear that they care about the success of their franchisees and satisfaction of Visage Cosmetics’ end customers. We look forward to supporting the ongoing growth and success of the business,” said Michael Cook, co-founder and Director of Equicapita.

Consistent with Equicapita’s investment mandate of assembling a diversified portfolio of long-established Canadian businesses, Visage Cosmetics has 50 years of operating history serving communities across Ontario. Visage Cosmetics’ track record of generating consistent, profitable growth through excellent customer and supplier relationships, represent cornerstones of Equicapita’s investment strategy.

Visage Cosmetics is Equicapita’s thirteenth portfolio company acquisition, its second beauty product and service investment, third investment completed by Equicapita’s Eastern Canadian office since opening in mid-2018 and fourth acquisition of a franchise business. Equicapita’s deal team was led by Adam Jezewski, with key contributions from Kerri Furlong and Matt Barr. Equicapita retained Norton Rose Fulbright Canada LLP as legal advisors and MNP Corporate Finance Inc. as financial diligence advisors in connection with the Acquisition.

About Equicapita

Founded in 2013, Equicapita is a private company buyout fund with offices in Calgary, Alberta and Burlington, Ontario with over \$300 million in AUM focused on acquiring private, Canadian businesses with enterprise values ranging from \$5 million to \$50+ million.

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Forward-looking information

This news release may contain certain information that is forward-looking, and, by its nature, such forward-looking information is subject to important risks and uncertainties. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information". This information represents predictions and actual events or results may differ materially. Forward-looking information contained in this news release includes but is not limited to: the business plans of Visage Cosmetics, including continuing to build the legacy of Visage Cosmetics. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. In addition to other factors and assumptions which may be identified in this news release, assumptions have been made regarding, among other things: the business to be conducted by Equicapita and Visage Cosmetics; the general stability of the economic and political environment; investment objectives and investment strategies; timing and payment of distributions; treatment under governmental regulatory regimes and tax laws; the ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; valuation of Equicapita's investments; the possibility of substantial redemptions of securities of Equicapita; and currency, exchange and interest rates.

Forward-looking information is based on the current expectations, estimates and projections of Equicapita and involve a number of known and unknown risks and uncertainties which would cause actual results or events to differ materially from those presently anticipated. These include, but are not limited to, acquisitions, including investment timing, difficulty in valuing acquisitions, failure to realize benefits of acquisitions, potential undisclosed liabilities associated with acquisitions and continued success of acquisitions, no assurance that Equicapita's investment strategies will be successful, constraint in the availability of services, commodity price and exchange rate fluctuations, changes in legislation (including but not limited to tax laws, royalty regimes and environmental legislation), conflicts of interests, status of Equicapita Income Trust as a trust, financing risks, operating hazards, debt related risks, reliance on management, general economic conditions, third party credit risk, and risk related to each of the portfolio companies. Equicapita has included the above summary of risks related to forward-looking information provided in this news release in order to provide readers with a more complete perspective on Equicapita's current and future operations and such information may not be appropriate for other purposes. Equicapita's actual results, performance or achievement could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits Equicapita will derive therefrom.

The forward-looking statements contained in this news release are made as of the date hereof and Equicapita undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.