



55 St. Clair Avenue West, Suite 700, Toronto, Ontario M4V 2Y7
Tel: (416) 596-1930

IBI Group Announces Closing of Previously Announced Offering of 6.50% Senior Unsecured Debentures for Total Gross Proceeds of \$46 Million

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

Toronto, ON (October 2, 2020) – IBI Group Inc. (the "**Company**" or "**IBI**") (TSX:IBG) announced today that it has closed the previously announced offering of 6.50% senior unsecured debentures (the "**Debentures**") for total gross proceeds of the Offering (as defined below) of \$46 million. Through CIBC Capital Markets and National Bank Financial Inc., on behalf of a syndicate of underwriters and agents, respectively, \$23,175,000 principal amount of the Debentures (inclusive of the over-allotment option granted to the underwriters) were issued on a bought deal basis (the "**Public Offering**") and \$22,825,000 principal amount of the Debentures were issued to select institutional investors on a private placement basis (the "**Private Placement**", and together with the Public Offering, the "**Offering**").

The Debentures will commence trading today on the Toronto Stock Exchange under the symbol "IBG.DB.E".

The Debentures will bear interest at a rate of 6.50% per annum, payable semi-annually in arrears on June 30 and December 31 of each year, commencing December 31, 2020. The first payment will include accrued and unpaid interest for the period from closing of the Offering to, but excluding, December 31, 2020. The Debentures will mature on December 31, 2025 (the "**Maturity Date**").

The Company intends to use the net proceeds of the Offering to fund the redemption of the Company's 5.50% convertible debentures due December 31, 2021 ("**2021 Debentures**"), for which the Company expects to deliver a notice of redemption to the holders of the 2021 Debentures, with redemption to be effective 30 days following the date of the notice of redemption, to permit the 2021 Debentures to be redeemed as soon as practicable in accordance with the terms thereof. Prior to redeeming the 2021 Debentures, the Company may use the net proceeds of the Offering to repay existing indebtedness under the Company's credit facility, which amount will then be available to be drawn, as required, to fund the redemption of the 2021 Debentures.

The securities offered pursuant to the Offering have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "1933 Act") and may not be offered, sold or delivered, directly or indirectly, in the United States, or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the 1933 Act), except pursuant to an exemption from the registration requirements of the 1933 Act. This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Cautionary Statement Regarding Forward-Looking Information

Certain statements in this news release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and its subsidiary entities, including IBI or the industry in which they operate, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this news release, such statements use words such as "may", "will", "expect", "believe", "plan" and other similar terminology. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this news release. In particular, this news release includes forward-looking information relating to the anticipated use of the net proceeds of the Offering and the terms of the Debentures. These forward-looking statements involve a number of risks and uncertainties, including those related to: (i) the impact of general economic conditions; (ii) industry conditions; (iii) stock market volatility; and (iv) the failure or delay in satisfying any of the conditions to the completion of the Offering, many of which are beyond the Company's control. For an augmented discussion of the risk factors and uncertainties that affect or may affect the Company, the reader is directed to the section entitled "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2019. New risk factors may arise from time to time and it is not possible for management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements.

About IBI Group Inc.

IBI Group Inc. (TSX:IBG) is a technology-driven design firm with global architecture, engineering, planning, and technology expertise spanning over 60 offices and 2,700 professionals around the world. For nearly 50 years, its dedicated professionals have helped clients create livable, sustainable, and advanced urban environments. IBI Group believes that cities thrive when designed with intelligent systems, sustainable buildings, efficient infrastructure, and a human touch. Follow IBI Group on Twitter @ibigroup and Instagram @ibi_group.

For further information:

Stephen Taylor, CFO
IBI Group Inc.

Tel: 416-596-1930
stephen.taylor@ibigroup.com

Media:

Julia Harper
IBI Group Inc.
Tel: 416-596-1930
julia.harper@ibigroup.com