

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 27, 2022

DAVIDsTEA

DAVIDsTEA Inc.

(Exact name of registrant as specified in its charter)

Canada

(State or other jurisdiction  
of incorporation)

98-1048842

(I.R.S. Employer  
Identification Number)

001-37404

(Commission File Number)  
&nbsp;

5430 Ferrier,  
Town of Mount-Royal,  
Québec, Canada

(Address of principal executive offices)

H4P 1M2

(Zip Code)

(888) 873-0006

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares, no par value per share	DTEA	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry Into Material Definitive Agreement.

On July 27, 2022, DAVIDsTEA Inc. , a corporation incorporated under the *Canada Business Corporations Act* (the "Company"), entered into an agreement, by and among the Company, DAVIDsTEA USA Inc., a Delaware corporation and wholly-owned subsidiary of the Company (the "Guarantor")

and the Bank of Nova Scotia (the “Lender”) for a revolving line of credit in an amount of CAD \$15 million (as amended on August 23, 2022, the “Credit Agreement”).

The Company is the borrower under the Credit Agreement and borrowings under the Credit Agreement are secured by substantially all the assets of the Company and Guarantor. The line of credit is secured by a first-ranking security interest in favor of the Lender, as well as a loan loss guarantee from Investissement Québec, securing 50% of any loss incurred by the Lender with respect to recovery of indebtedness under the line of credit. The Company paid a CAD \$30,000 commitment fee upon signing the Credit Agreement and will incur a CAD \$15,000 renewal fee on each anniversary of the Company’s entry into the Credit Agreement.

Any borrowings under the Credit Agreement are subject to certain conditions, including applicable ratios to the Borrowing Base of the Company (as defined in the Credit Agreement), and are contingent upon the Company providing the Lender with, among other documentation, quarterly financial statements and compliance certificates. The Company is obligated to pay reasonable and documented fees incurred by the Lender relating to the Credit Agreement. Upon the occurrence of an event of default, all outstanding obligations under the Credit Agreement may be accelerated and become immediately due and payable.

The foregoing summary description of the Credit Agreement is qualified in its entirety by reference to the full text of the Credit Agreement.

### **Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant**

The information set forth in Item 1.01 above is incorporated herein by reference.

### **Item 9.01 Financial Statements and Exhibits.**

#### **(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">99.1</a>	<a href="#">Press Release of DAVIDsTEA Inc., dated August 31, 2022</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document)

### **SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**DAVIDsTEA INC.**

Date: September 29, 2022

By: /s/ Frank Zitella  
Name: Frank Zitella  
Title: President, Chief Financial and Operating Officer



## DAVIDsTEA Signs Credit Agreement with the Bank of Nova Scotia

August 31, 2022

MONTREAL, Aug. 31, 2022 (GLOBE NEWSWIRE) -- DAVIDsTEA Inc. (Nasdaq: DTEA) (“DAVIDsTEA” or the “Company”), a leading tea merchant in North America, announced today that it has entered into an agreement with the Bank of Nova Scotia for a revolving line of credit in an amount of CAD \$15 million.

“We are very pleased to enter into this agreement with the Bank of Nova Scotia as it provides DAVIDsTEA with the financial flexibility to accelerate its omnichannel growth strategy,” said Frank Zitella, President, Chief Financial and Operating Officer, DAVIDsTEA. “We appreciate Scotiabank’s confidence in our business plan as we continue making the right strategic investments to accelerate demand for our market-leading products.”

The line of credit is secured by a first-ranking security in favour of the Bank. In addition, Investissement Québec has provided a loan loss guarantee under its “Loan Loss Program,” securing 50% of any loss incurred by the Bank with respect to recovery of indebtedness under the line of credit.

### Caution Regarding Forward-Looking Statements

This press release includes statements that express our opinions, expectations, beliefs, plans or assumptions regarding future events or future results and there are, or may be deemed to be, “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”). The following cautionary statements are being made pursuant to the provisions of the Act and with the intention of obtaining the benefits of the “safe harbor” provisions of the Act. These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms “believes”, “expects”, “may”, “will”, “should”, “approximately”, “intends”, “plans”, “estimates” or “anticipates” or, in each case, their negatives or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our strategy of transitioning to e-commerce and wholesale sales, future sales through our e-commerce and wholesale channels, our results of operations, financial condition, liquidity and prospects, and the impact of the COVID-19 pandemic on the global macroeconomic environment.

While we believe these opinions and expectations are based on reasonable assumptions, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us, including the risk factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for our fiscal year ended January 29, 2022, filed with both the United States Securities and Exchange Commission and with the Autorité des marchés financiers, on April 29, 2022 which could materially affect our business, financial condition or future results.

### About DAVIDsTEA

DAVIDsTEA offers a specialty branded selection of high-quality loose-leaf teas, pre-packaged teas, tea sachets, tea-related accessories and gifts through its e-commerce platform at [www.davidstea.com](http://www.davidstea.com), the Amazon Marketplace, its wholesale customers which include over 3,500 grocery stores and pharmacies, and 18 company-owned stores across Canada. It offers primarily proprietary tea blends that are exclusive to the Company, as well as traditional single-origin teas and herbs. The team’s passion for and knowledge of tea permeates the Company’s culture and is rooted in an excitement to explore the taste, health and lifestyle elements of tea. With a focus on innovative flavours, wellness-driven ingredients and organic tea, the Company launches seasonally driven “collections” with a mission of making tea fun and accessible to all. The Company is headquartered in Montréal, Canada.

#### Investor Contact

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Source: DAVIDsTEA